**Nahar POLY FILMS LTD.**

**Regd. Office & Corporate Office :** 376, Industrial Area-A, Ludhiana - 141 003 (INDIA)
Phones : 91-161-2600701 to 705, 2606977 to 980 Fax : 91-161--2222942, 2601956.
E-mail : secnsm@owmnahar.com Website : www.owmnahar.com
CIN No. : L17115PB1988PLC008820

# FORM A

**Format of covering letter of the annual audit report to be filed with the stock exchanges**

| | | |
|---|---|---|
| 1. | Name of the Company: | Nahar Poly Films Limited<br>376, Industrial Area A,<br>Ludhiana- 141003 |
| 2. | Annual financial statements for the year ended | 31st March, 2015 |
| 3. | Type of Audit observation | Un-qualified |
| 4. | Frequency of observation | Not Applicable |
| 5. | To be signed by-<br>• CEO/Managing Director /Executive Director<br>• CFO<br>• Auditor of the company<br>• Audit Committee Chairman | |

**Mumbai :** 414, Raheja Chambers, 213 Nariman Point, Mumbai-400 021
Phones : 91-22-22835262, 22835362
Fax : 91-22-22872863
Email : mumbai@owmnahar.com

**Gurgaon :** Flat No. 22-B, Sector-18, Gurgaon-120 015 (INDIA)
Phones : 91-124-2430532 - 2430533
Fax : 91-124-2430536
Email : delhi@owmnahar.com

The Nahar Group

# 27th Annual REPORT 2014-15

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**
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

**Sh. Atul Sud**
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.

## 27th ANNUAL GENERAL MEETING

Day : Wednesday
Date : 30 September 2015
Time : 2:00pm
Place : At the Premises of
**Nahar Industrial Enterprises Limited**
Focal Point, Ludhiana

CONTENTS


| | Page No. |
|---|---|
| NOTICE | 1 |
| E-VOTING INSTRUCTIONS | 2 |
| DIRECTOR'S REPORT | 6 |
| CORPORATE GOVERNANCE REPORT | 28 |
| INDEPENDENT AUDITOR'S REPORT | 38 |
| BALANCE SHEET | 40 |
| STATEMENT OF PROFIT & LOSS | 41 |
| SIGNIFICANT ACCOUNTING POLICIES | 42 |
| NOTES ON FINANCIAL STATEMENTS | 44 |
| CASH FLOW STATEMENT | 55 |

# NOTICE

Notice is hereby given that the **TWENTY SEVENTH ANNUAL GENERAL MEETING** of the members of **NAHAR POLY FILMS LIMITED** will be held on **Wednesday, 30th Day of September, 2015 at 2:00 P.M.** at the premises of M/s. Nahar Industrial Enterprises Limited, Focal Point, Ludhiana to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jawahar Lal Oswal (DIN 00463866), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Kamal Oswal (DIN 00493213), who retires by rotation and being eligible, offers himself for re-appointment.
4. 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 and the Rules made thereunder, as amended from time to time, 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**

5. **To consider and if thought fit, to pass with or without modification, 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) thereof, for the time being in force, consent and approval of the members be and is hereby accorded for the payment of remuneration of Rs.45000/-(Rupees Forty Five Thousand only) to M/s. Khushwinder Kumar & Associates, Cost Accountants (Firm Registration No.000102) appointed as Cost Auditor by the Board of Directors of the Company to conduct an Audit of the Cost Records of the Company for the financial year ending March 31, 2016."

   "RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**BY ORDER OF THE BOARD**

**ATUL SUD**

**DATED: 5th August, 2015** **(Company Secretary)**

**Regd. Office**

**376, Industrial Area-A**

**Ludhiana - 141003**

**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 TO BE A MEMBER OF THE COMPANY. THE 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 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 authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and form part of this Notice.
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 the Members and Share Transfer Register of the Company shall remain closed from 12th September, 2015 to 22nd September, 2015 (both days inclusive).
6. Pursuant to Section 205C of the Companies Act, 1956 all unclaimed dividends up to the financial year 2006-2007 has been transferred to Investor Education and Protection Fund. Further unpaid dividend for the year 2007-2008 is to be transferred to Investor Education and Protection Fund pursuant to Section 205C of the Companies Act, 1956 in November, 2015. 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.
7. 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- 141003.
8. Members holding shares in electronic form are requested to notify change in their address/Bank details to their Depository Participants before 11th September, 2015.
9. 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.
10. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form No. SH-13).
11. Copies of Annual Report 2015 are being sent by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of Annual Report 2015 are being sent by permitted mode.
12. 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 information ready.

    Members are requested to bring their Attendance Slip alongwith their copy of Annual Report along with them at the meeting.
13. The documents referred to in the accompanying 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.
14. The information required to be provided under clause 49 of the Listing Agreement entered into with Stock Exchanges, regarding the Directors who are proposed to be re-appointed are annexed hereto and form part of the Notice.
15. In compliance with provision of Clause 35B of the Listing Agreement as well as Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015, the Company is offering E-voting facility to all the shareholders of the Company. For this purpose, the Company has entered into an agreement with M/s. Central Depositories Services (India) Ltd. (CDSL) for providing e-voting facility to enable the shareholders to cast their votes electrically.
16. 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.
17. Notice of the 27th Annual General Meeting and the Annual Report or the financial year 2014-15 will also be available on the Company's website i.e., www.owmnahar.com
18. The facility for voting, via ballot or polling paper shall also be made available at the meeting and 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.
19. 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.
20. **Instructions for Voting through electronic mode:-**
    1. The voting period begins on 27th September, 2015 (9.00 a.m.) and ends on 29th September, 2015 (5.00 p.m.). During this period, members of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date, Wednesday, 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
    2. The Shareholders should log on to the e-voting website (www.evotingindia.com)
    3 Click on "Shareholders" tab.

4 Now select 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 for should enter Folio Number registered with the Company.

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

6 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.

7 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)<br>• 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. Sequence number is printed on Attendance Slip.<br>• 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.<br>• 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 4. |

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

9. 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 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.

10. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice of ensuing Annual General Meeting of the Company.

11. Click on the EVSN for <NAHAR POLY FILMS LIMITED> to vote.

12. 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 YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

13. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.

14. 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.

15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote or cast the vote again.

16. You can also take out the print of the voting done by you by clicking on "Click here to print" option on the Voting page.

17. If Demat account holders has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**18. Note for Non-individual Shareholders and custodians**

a) Non- Individual shareholders (i.e. Other than individuals, HUF, NRI etc.) are required to log

on to https://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, 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) A scanned copy of the Board Resolution/ 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.

e) The list of accounts should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

19. 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., Wednesday, 23rd September, 2015 may follow the same instructions as mentioned above for e-Voting.

20. In case you have any queries or issued 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 help desk can also be contacted at 1800-200-5533.

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

Mr. Atul Sud

Company Secretary and Compliance Officer

376, Industrial Area- A, Ludhiana- 141003

0161-2600701 to 2600705

secnel@owmnahar.com

**Other instructions:**

22. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut off date i.e., 23rd September, 2015.

23. 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).

24. The Scrutinizer shall immediately after the conclusion of the 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 votes cast in the favour or against, if any, forthwith to the Chairman of the Company.

25. The results declared along with Scrutinizer's Report shall be placed on the website of the Company i.e. www.owmnahar.com and on the website of CDSL www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

26. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 27th Annual general Meeting i.e., 30th September, 2015.

27. A person who is not a Member as on the cut off date i.e., 23rd September, 2015 should treat this notice in formation purpose 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 in the accompanying Notice:

**ITEM NO. 5**

As per the provisions of Companies (Cost Records and Audit) Amendment Rules, 2014 notified by MCA vide its notification dated 31st December 2014, Company's activities fall with in the purview of Cost Audit requirement. Accordingly the Board,at its meeting held on 30th May 2015, as recommended by the Audit Committee appointed M/s. Khushwinder Kumar & Associates (Firm Registration No.000102) on a remuneration of Rs.45000 (Rupees Forty Five Thousand Only) for conducting Cost Audit of the cost

records of the company.

In accordance with the provisions of Section 148(3) of the Companies Act 2013 read with the Companies (Audit and Auditor) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the company. Accordingly, consent and approval of the shareholders is sought for payment of remuneration to M/s. Khushwinder Kumar & Associates., Cost Accountants (Firm Registration No.000102) for the financial year ending March 31, 2016.

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

The Borad recommend the Resolution for your approval.

**Information pursuant to Corporate Governance Clause of Listing Agreement regarding Director seeking re-appointment.**

As required under the listing agreement, the particulars of Directors who are proposed to be re-appointed are given below

| | | |
|---|---|---|
| **1.** | **Name** | **: Sh. Jawahar Lal Oswal** |
| | Age | : 71 Years |
| | Qualification | : Graduate |
| | Expertise | : Having Business Experience more than 51year in the Industry. |
| | Shareholding | : Nil |

Mr. Jawahar Lal Oswal is father of Mr. Dinesh Oswal & Mr. Kamal Oswal. Mr. Kamal Oswal & Mr. Dinesh Oswal are Brothers

**His Directorships/membership in the committee of the Board in other Companies:**

| | Name of the Company | Committee | Status |
|---|---|---|---|
| 1. | Oswal Woollen Mills Limited | -- | -- |
| 2. | Nahar Spinning Mills Limited | -- | -- |
| 3. | Nahar Capital and Financial services Limited | -- | -- |
| 4. | Nahar Industrial Enterprises Limited | – | – |
| 5. | J L Growth Fund Limited | -- | -- |
| 6. | Sankheshwar Holding Co. Limited | -- | -- |
| 7. | Monte Carlo Fashions Ltd | -- | -- |
| 8. | Nagdevi Trading & Investment Co. Ltd | -- | – |
| 9. | Abhilash Growth Fund Pvt. Limited | -- | – |
| 10. | Nahar Growth Fund (P) Ltd. | -- | – |
| 11. | Neha Credit and Invt. (P) Ltd | – | – |
| 12. | Monica Growth Fund (P) Ltd. | -- | – |
| 13. | Ruchika Growth Fund (P) Ltd. | -- | – |
| 14. | Crown Star Limited (U.K) | -- | -- |

| | | |
|---|---|---|
| **2.** | **Name** | **: Sh. Kamal Oswal** |
| | Age | : 53 Years |
| | Qualification | : B.Com |
| | Expertise | : Having Business Experience of more than 33 years in the industry. |
| | Shareholding | : 31500 |

Mr. Jawahar Lal Oswal is father of Mr. Dinesh Oswal & Mr. Kamal Oswal. Mr. Kamal Oswal & Mr. Dinesh Oswal are Brothers

**His Directorships/membership in the committee of the Board in other Companies:**

| | Name of the Company | Committee | Status |
|---|---|---|---|
| 1. | Nahar Spinning Mills Limited | -- | -- |
| 2. | Oswal Woollen Mills Limited | -- | -- |
| 3. | Nahar Capital and Financial services Limited | -- | -- |
| 4. | Nahar Industrial Enterprises Limited | Stakeholders Relationship | Member |
| 5. | Cotton County Retail Ltd. | Nomination and Remuneration | Chairman |
| 6. | Oswal Leasing Ltd. | -- | – |
| 7. | Nahar Industrial Infrastructure Corp. Ltd. | -- | -- |
| 8. | Neha Credit and Investment Pvt. Ltd. | -- | -- |
| 9. | Vardhman Investments Ltd. | -- | -- |
| 10. | Nahar Growth Fund Pvt. Ltd. | -- | -- |
| 11. | Crown Star Limited (U.K) | -- | -- |
| 12. | Abhilash Growth Fund Pvt. Limited | -- | -- |
| 13. | Sankheshwar Holding Co. Ltd | -- | -- |

**BY ORDER OF THE BOARD**

**ATUL SUD**

**DATED: 5th August, 2015** **(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 SEVENTH ANNUAL REPORT** on the affairs of the Company for the year ended **31st March, 2015**.

## FINANCIAL PERFORMANCE

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

(Rs. In crores)

| PARTICULARS | | CURRENT YEAR | | PREVIOUS YEAR |
|---|---|---|---|---|
| **Profit before Finance Cost & Depreciation** | | **42.43** | | 28.65 |
| Less: Finance Cost | **13.12** | | 13.89 | |
| Depreciation | **21.72** | **34.84** | 14.47 | **28.36** |
| **Profit/ Loss(-) before Tax** | | | 7.59 | 0.29 |
| (i) Current Tax | | | 1.17 | 0.00 |
| (ii) Deferred Tax | | | 1.88 | 0.00 |
| **Profit/Loss for the period** | | | 4.54 | 0.29 |

## 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.

During the year under review, the Company performed reasonably well. The Company achieved an operating revenue of Rs.343.13 crores showing an increase of 3.90% over the previous year. The Company achieved an export turnover of 43.45 crores. Presently the company is exporting its products to Nigeria, United Kingdom, United Arab Emirates, Bangladesh, Turkey, Oman Tanzania, Nepal, Slovakia Republic etc. On financial front, the company improved it's performance and earned a Profit before Interest and Depreciation of Rs. 42.43 crores showing an impressive increase of 48.10% over the previous year. After providing Rs. 13.12 crores towards finance cost and Rs. 21.72 crores towards depreciation, it earned a profit before tax of Rs.7.59 crores. After providing for Income Tax and Deferred Tax of Rs 3.05 crores, the company earned a net profit of Rs.4.54 crores as against Rs 0.29 crores earned in the previous year.

In the current year the Company is performing well. The Company is also making continuous efforts to develop new export markets which will definitely enable the company to improve its performance in the coming periods.

## TRANSFER TO RESERVE

After appropriation of profit, Company's Reserves stand increase to Rs.136.22 Crores as on 31st March, 2015

## DIVIDEND

Even though your Company earned a profit after tax of Rs. 4.54 crores but having regard to the future requirement of funds and to conserve resources, your Directors do not recommend any dividend for the year ended 31st March, 2015.

## INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 205C of the Companies Act, 1956 the company has transferred an amount of Rs. 7,24,128.00 (Rs. Seven Lacs Twenty Four Thousand One Hundred Twenty Eight only) being the amount of unclaimed dividend for the year 2006-07 to the Investor Education and Protection Fund. Further unpaid dividend for the year 2007-2008 is to be transferred to Investor Education and Protection Fund pursuant to Section 205C of the Companies Act, 1956 in November, 2015.

## DECLARATION UNDER SECTION 149(6)

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.

## 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. Jawahar Lal Oswal (DIN 00463866) and Sh. Kamal Oswal (DIN 00493213), will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board has recommended their appointment to the members of the Company at the ensuing Annual General Meeting.

During the year, the members approved the appointment of Prof. K.S. Maini, Dr. A.S. Sohi, Dr. (Mrs.) H.K. Bal, Dr. S.K. Singla, Dr. Y.P. Sachdeva and Dr. Vijay Asdhir as Independent Directors not liable to retire by rotation.

Further the Board appointed Mr. Rakesh Kumar Jain, who is a qualified Chartered Accountant, having Membership No. 403903 of the Institute of Chartered Accountants of India, as Chief Financial Officer of the Company under the category of Key Managerial Personnel. The Board also approved the inclusion of Sh. Satish Kumar Sharma, Executive Director and Sh. Atul Sud, Company Secretary of the Company under the category of Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013.

**BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board carried out a formal Annual performance evaluation of its own, Board Committees and individual Directors as per the criteria laid down by the Nomination and Remuneration Committee of the Company.

The Board evaluation was carried out through a structured evaluation process by all the Directors based on the criteria such as composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out 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, behaviour, leadership qualities, level of engagement and contribution, independence of judgement, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and the results thereof.

**APPOINTMENT AND REMUNERATION POLICY**

The Board, on the recommendation of the Nomination & Remuneration Committee 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 Appointment and Remuneration Policy of the Company is annexed hereto as Annexure- I and form part of this report.

**SEPARATE MEETING OF INDEPENDENT DIRECTORS**

The Company's Independent Directors met on 15th December, 2014, without the attendance of Non Independent Directors and members of the management. All 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 Directors and Non-Executive Directors;

iii. Assessed the quality 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.

**FAMILIARISATION PROGRAMME 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 Directors are provided with all policies/Guidelines as framed by the Company under various statutes and Listing Agreement to familiarize with the 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. The details of the Company's policy on Familiarisation Programme for Independent Directors are posted on the website of the Company and can be accessed at http://www.owmnahar.com/npfl/

**BOARD MEETINGS**

During the year under review, the Board of Directors met four times i.e. 29th May, 2014, 11th August, 2014, 12th November, 2014 and 3rd February, 2015 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 the Companies Act, 2013. Thus the requirement for disclosure of particulars of contracts or arrangement with related parties referred to in Section 188(1) is not applicable. However, as per Company's policy, all the transactions with the Group Companies are placed before the Audit Committee as well as the 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 of interest with 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, 2015 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.

**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 are given in the Note No. 3, 6, 11, 12, 16, to the Financial Statements.

**CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to provisions of Section 135 of the Companies Act, 2013, the Board in their meeting held on 29th May 2015 constituted the Corporate Social Responsibility Committee(herein after referred to as CSR Committee) comprising of three members namely Sh. Dinesh Oswal, as Chairman, Dr. S.K. Singla and Sh. Dinesh Gogna, as members. The term of reference of CSR Committee are:-

1. To formulate and recommend to the Board CSR Policy specifying therein 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.

The CSR Committee formulated CSR Policy and recommended to the Board to 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 Company has started contributing the sum for the expenditure to be incurred by Oswal Foundation for CSR activities. The Oswal Foundation is undertaking the project to 'maintain the quality of soil and water' on Sidhwan Canal, Ludhiana. Besides, the said foundation has also adopted two Government Schools situated in Ludhiana district. for 'promoting education'. The Company's CSR Policy is available on its website i.e. www.owmnahar.com. 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 Responsibility) Rules, 2014 is annexed hereto as "Annexure II" and form 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 is the Secretary of the Committee. The committee held four meetings during the year under review.

**VIGIL MECHANISM**

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, 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/chairman 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. whistleblowernpfl@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.

**GREEN INITIATIVE**

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

Accordingly, 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 endeavour to contribute our bit to the environment.

**LISTING OF SECURITIES**

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

1. The Bombay Stock Exchange 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 2015-2016.

**DEMATERIALISATION OF SHARES.**

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 date 92.73% of the Share Capital has been de-materialized by the members of the Company.

Annual custodian fee for the financial year 2015-2016 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 Limited
(Unit: Nahar Poly Films Limited)
Alankit House, 2E/21, Jhandewalan Extension
New Delhi – 110 055

| | | |
|---|---|---|
| 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 along with 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 they have 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 they have 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, 2014, appointed M/s Gupta Vigg and Co., Chartered Accountants (Registration No. 001393N) as Statutory Auditors of the Company to hold the office till the conclusion of 27th 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 the Accounts of the Company for the Accounting year ended on 31st March, 2015. The observations and comments given by Auditors in their Report 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 2015-16 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 2014-15.

M/s. P.S. Bathla & Associates, Practising Company Secretaries have carried out the secretarial Audit for the financial year ended March 31, 2015 and their Secretarial Audit Report in Form No. MR-3 is annexed herewith this report as Annexure III and forms part of this 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 Clause 49 of the Listing Agreement and suggests steps to be taken to control and mitigate the risks associated with Company's business.

The Company is engaged in the manufacture of BOPP Films and has identified certain risks which may affects the performance of the Company. These includes operational risks such as fluctuation in the prices of the raw materials, 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 system and Internal Financial Control to ensure that all the assets of the company are safeguarded and protected. The Company's Internal Financial Control System commensurate with the nature of its business and size of its operations. In order to further strength the Internal Control System 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. The Company is also having an Internal Audit Department to test the adequacy and effectiveness of Internal Control Systems laid down by the management and to suggest improvement in the systems.

Apart from 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 2014-15, the Company has not received any complaints on sexual harassment and hence no compliant remains pending as of 31 March, 2015.

**EXTRACT OF ANNUAL RETURN**

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 2014-15 in the Form MGT-9 of the Company is annexed herewith as Annexure IV 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 V 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 EARNING AND OUTGO**

The detailed information as required under section 134(3) of the companies Act, 2013 read with Subrule 3 of the Rule 8 Companies (Accounts) Rules, 2014, is enclosed as per Annexure-VI 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 alongwith the Auditors Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange, is attached herewith as Annexure-VII and form part of this report .

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review as stipulated under the clause 49 of the listing agreement 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.

**ACKNOWLEDGMENT**

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**

**PLACE : LUDHIANA** **JAWAHAR LAL OSWAL**

**DATED : 5th August, 2015** **(CHAIRMAN)**

**DIN:00463866**

**Annexure I**

**APPOINTMENT AND REMUNERATION POLICY**

**Preamble**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors in their meeting held on 3rd February, 2015 approved the Policy for Appointment and Remuneration of Directors, Key Managerial Personnel and other employees as recommended by Nomination and Remuneration Committee. The Policy is guided by the principles pertaining to determining qualifications, positive attributes, integrity and independence etc. as envisaged under Section 178 of the Companies Act 2013. This Policy applies to the Directors, Senior Management Personnel including its Key Managerial Personnel (KMP) and employees of the Company. The Policy is designed to attract, recruit, retain and motivate best available talent. The salient features of the Policy are given hereunder:

**APPOINTMENT POLICY**

**Directors**

The Company's policy is to have a well diversified Board in terms of knowledge, age, experience and expertise so that it can contribute beneficially for the growth of the Company. The appointment of Directors and their cessation are subject to the recommendation of the Nomination and Remuneration Committee (hereinafter referred to as "Committee" and Board of Directors and approval of Shareholders of the Company. However, the casual vacancy in the Board can be filled up by the Board but their appointment is subject to the subsequent approval of Shareholders. The appointment, remuneration and term of Managing Director / Whole Time Director is on the recommendation of the Committee, Board of Directors, approval of shareholders and subject to the limits laid down under the Companies Act from time to time. The approval of Central Government, if required, is sought as per the provisions of Companies Act, 2013 and Rules framed thereunder. The Committee takes into account educational qualifications, knowledge, experience and expertise of the person for appointing him/her as a Director.

**Key Managerial Personnel (KMP) and Senior Management**

The Nomination and Remuneration Committee recommend the appointment of KMP & senior management and approved by the Board of Directors of the Company, wherever applicable. While selecting and recommending the appointment of KMP & senior management, the Committee takes into account merit, seniority, experience and expertise of the person and applicable provisions of Companies Act, 2013.

**Other Employees**

The appointment of other employees of the Company is approved by the Whole Time Director on the recommendation of Department Head/ Personnel Manager.

**REMUNERATION POLICY**

The remuneration package of the Company ensures that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.
- the balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

**Directors**

1. **Managing Director / Whole Time Directors**
   Remuneration of Managing Director/ Whole Time Director comprises of salary, perquisites and Provident Fund, Superannuation, Gratuity, etc as per rules of the Company. The Managing Director/ Whole Time Director is entitled to customary non-monetary benefits such as company cars, furnished accommodation (House Rent Allowance in case accommodation is not provided), health care benefits, leave travel allowance, communication facilities, etc. Their terms of appointment are contractual in nature and approved by shareholders.
2. **Non-whole Time Directors**
   The non-executive directors are paid remuneration in the form of sitting fees for attending Board Meetings as fixed by the Board of Directors from time to time subject to the provisions of the Companies Act, 2013.

**Key Managerial Personnel and Senior Management**

KMP and other senior management personnel are being offered CTC package as recommended by Nomination and Remuneration Committee and approved by Board / Whole Time Director. The package broadly comprises of Basic Salary, HRA, allowances and perquisites, bonus, superannuation and other retirement benefits such as P.F., Gratuity, etc.

**Other employees**

The remuneration of other employees is fixed from time to time as per the prevalent industry standards, cost of living and applicable laws. In addition to basic salary they are also provided perquisites in the form of HRA, conveyance allowance and other benefits/ retirement benefits as per company policy / rules and applicable laws.

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : LUDHIANA** **JAWAHAR LAL OSWAL**
**DATED : 5th August, 2015** **(CHAIRMAN)**
**DIN:00463866**

**ANNEXURE- II**

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:** Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee formulated the Corporate Social Responsibility Policy (CSR Policy) and recommended the same to the Board of Directors of the Company for 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 is 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 Board constituted the Corporate Social Responsibility Committee on 29.05.2014 comprising three members namely:
   - Sh. Dinesh Oswal, Chairman (Director)
   - Dr. S.K. Singla, Member (Independent Director)
   - Sh. Dinesh Gogna, Member (Director)
3. **Average net profit of the Company for last three financial years:** Rs. 84.93 Lacs
4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above) :** Rs. 1.70 Lacs (Aprox).
5. **Details of CSR spend for the financial year:**

   (a) Total amount spent for the financial year: Nil

   (b) Amount unspent, if any: Rs. 1.70 Lacs.

   (c) Manner in which the amount spent during the financial year is detailed below:

| (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. Overheads: | Cumulative expenditure upto the reporting period | Amount spent Direct or through implementing agency |
| 1. | -- | -- | -- | -- | -- | -- | -- |

6. **Reasons for not spending the two percent of the average net profits of the last three financial years:** Pursuant to section 135 of the Companies Act, 2013, the CSR Committee met on 11th August, 2014 to approve the CSR Policy. The Second meeting of the CSR Committee was held on 2nd February, 2015 to discuss and identify the projects/programs for CSR activities and decided to undertake CSR activities in collaboration with Group Companies under one umbrella i.e. through Oswal Foundation, which is a Registered Society. Therefore in the Financial year 2014-15 the company could not spend any money on the CSR activities. The Oswal Foundation is undertaking the project to 'maintain the quality of soil and water' on Sidhwan Canal, Ludhiana. Besides, the said Foundation has also adopted two Government Schools situated in Ludhiana Distt. for 'promoting education'.
7. **A responsibility statement of the CSR Committee:** The members of the CSR Committee hereby states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**sd/-**
**(DINESH OSWAL)**
**Director/ Chairman of CSR Committee**
**DIN: 00607290**

**Place - Ludhiana**
**Date - 05.08.2015**

**ANNEXURE-III**

**Form No. MR-3**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR-** 1st April, 2014 to 31st March, 2015
[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, 2014 to 31st March, 2015 generally 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, 2015 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;
   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   (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;
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(VI) Factories Act, 1948, Industrial Dispute Act, 1947, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employees State Insurance Act, 1948, The Employees Provident Fund & Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation and Abolition) Act, 1970, The Maternity Benefit Act, 1961, The Child Labour (Prohibition & Regulation) Act, 1986, The Industrial Employment (Standing Orders) Act, 1946, The Employees Compensation Act, 1923, The Apprentices Act, 1961, Equal Remuneration Act, 1976, The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956, The Environment (Protection) Act, 1986, The Hazardous Wastes (Management, Handling & Transboundary Movement) Rules, 2008, The Water (Prevention & Control of Pollution) Act, 1974, The Air (Prevention & Control of Pollution) Act, 1981.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India are to be followed for the meetings to be held on 1st July, 2015 or thereafter as the case may be by all companies and thus were not enforceable on the company for the period under review.
(ii) The Listing Agreements entered into by the Company with National Stock Exchange Of India Ltd. and The Bombay Stock Exchange ltd. Mumbai During the period under review and as per the explanations and clarifications given to me and the representations made by the Management, the Company has generally 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. No changes in the composition of the Board of Directors took place during the period under review.

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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I further report as per the explanations given to me and the representations made by the Management and relied upon by me 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: 05.08.2015**

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

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**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 an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Ludhiana**
**Date : 05.08.2015**

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

Annexure -IV

**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**
**As on financial year ended on 31.03.2015**

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

**1. 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<br>Tel: +91-161-2600701 to 705, 2606977 to 980<br>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<br>2E/21 Alankit House, Jhandewalan Extension, New Delhi -110 055<br>Contact Details: PHONE: +91-1142541234/23541234,<br>FAX: 91-11-23552001, WEBSITE: www.alankit.com,<br>e-mail: rta@alankit.com |

**2. 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) |

**VI. 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-2014] | | | | No. of Shares held at the end of the year[As on 31-March-2015] | | | | % 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 | 0.556 | 136773 | 0 | 136773 | 0.556 | 0.000 |
| (b)CentralGovt/ | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| (c)State Govt. | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| d) Bodies Corp. | 16895174 | 0 | 16895174 | 68.713 | 16927589 | 0 | 16927589 | 68.845 | 0.000 |
| e) Banks / FI | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| f) Any other | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| **Sub Total (A)(1)** | **17031947** | **0** | **17031947** | **69.269** | **17064362** | **0** | **17064362** | **69.401** | **0.132** |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **(2) Foreign** | | | | | | | | | |
| a)NRI Individual | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| b) Other Individuals | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| c) Bodies Corp. | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| d) Any other | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| **Sub Total (A) (2)** | **0** | **0** | **0** | **0.000** | **0** | **0** | **0** | **0.000** | **0.000** |
| **TOTAL (A)** | **17031947** | **0** | **17031947** | **69.269** | **17064362** | **0** | **17064362** | **69.401** | **0.132** |
| B. Public Share holding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 1946 | 518 | 2464 | 0.010 | 1946 | 518 | 2464 | 0.010 | 0.000 |
| b) Banks / FI | 108 | 752 | 860 | 0.003 | 108 | 752 | 860 | 0.003 | 0.000 |
| c) Central Govt | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| d) State Govt(s) | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| f) Insurance Companies | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| g) FIIs | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| I) Others (FII'S) | 24000 | 0 | 24000 | 0.098 | 0 | 0 | 0 | 0.000 | -0.098 |
| **Sub-total (B)(1):-** | **26054** | **1270** | **27324** | **0.111** | **2054** | **1270** | **3324** | **0.013** | **-0.098** |
| **2. Non-Institutions** | | | | | | | | | |
| a) Bodies Corp. | 678589 | 11316 | 689905 | 2.806 | 697793 | 11316 | 709109 | 2.884 | 0.078 |
| I) Indian | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| ii) Overseas | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| b) Individuals | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| I) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 4406883 | 1817484 | 6224367 | 25.315 | 4136663 | 1766612 | 5903275 | 24.008 | -1.307 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 568246 | 0 | 568246 | 2.311 | 803462 | 0 | 803462 | 3.268 | 0.957 |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | 26287 | 8366 | 34653 | 0.141 | 92044 | 8366 | 100410 | 0.408 | 0.267 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| Directors & Relatives | 11381 | 28 | 11409 | 0.046 | 3881 | 28 | 3909 | 0.016 | -0.030 |
| Trusts | 0 | 140 | 140 | 0.000 | 0 | 140 | 140 | 0.000 | 0.000 |
| **Sub-total (B)(2):-** | **5691386** | **1837334** | **7528720** | **30.620** | **5733843** | **1786462** | **7520305** | **30.585** | **-0.035** |
| **Total Public (B)** | **5717440** | **1838604** | **7556044** | **30.731** | **5735897** | **1787732** | **7523629** | **30.598** | **-0.133** |
| **C. Shares held by Custodian for GDRs & ADRs** | **0** | **0** | **0** | **0.000** | **0** | **0** | **0** | **0.000** | **0.000** |
| **Grand Total (A+B+C)** | **22749387** | **1838604** | **24587991** | **100.00** | **22800259** | **1787732** | **24587991** | **100.00** | **0.000** |

### 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) Limited0 | 178025 | 0.724 | 0.00 | 178025 | 0.724 | 0.00 | 0.00% |
| 4 | Nahar Spinning Mills Ltd. | 1028205 | 4.182 | 0.00 | 1060620 | 4.31 | 0.00 | 0.128% |
| 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 | Ludhiana Holdings Ltd | 79515 | 0.323 | 0.00 | 0 | 0.00 | 0.00 | (0.323)% |
| 8 | Monica Growth Fund (P) Ltd | 112560 | 0.458 | 0.00 | 112560 | 0.458 | 0.00 | 0.00% |
| 9 | Nagdevi Trading & Investment Co Ltd | 716080 | 2.912 | 0.00 | 716080 | 2.912 | 0.00 | 0.00% |
| 10 | Nahar Growth Fund (P) Ltd | 46933 | 0.191 | 0.00 | 46933 | 0.191 | 0.00 | 0.00% |
| 11 | Neha Credit And Investment (P) Ltd | 27389 | 0.111 | 0.00 | 27389 | 0.111 | 0.00 | 0.00% |
| 12 | Ruchika Growth Fund (P) Ltd | 112560 | 0.458 | 0.00 | 112560 | 0.458 | 0.00 | 0.00% |
| 13 | Shankheshwar Holding Co. Ltd | 280784 | 1.142 | 0.00 | 280784 | 1.142 | 0.00 | 0.00% |
| 14 | Vanaik Investors Ltd | 90669 | 0.369 | 0.00 | 90669 | 0.369 | 0.00 | 0.00% |
| 15 | Vardhman Investments Ltd | 73220 | 0.298 | 0.00 | 73220 | 0.298 | 0.00 | 0.00% |
| 16 | Vanaik Spinning Mills Ltd | 107156 | 0.436 | 0.00 | 107156 | 0.436 | 0.00 | 0.00% |
| 17 | Nahar Industrial Enterprises Ltd | 1264720 | 5.144 | 0.00 | 1264720 | 5.144 | 0.00 | 0.00% |
| 18 | Oswal Woolen Mills Ltd. | 74102 | 0.301 | 0.00 | 153617 | 0.625 | 0.00 | 0.323% |
| 19 | J L Growth Fund Ltd | 320563 | 1.304 | 0.00 | 320563 | 1.304 | 0.00 | 0.00% |
| 20 | Nahar Capital and Financial Services Ltd | 12087671 | 49.161 | 0.00 | 12087671 | 49.161 | 0.00 | 0.00% |
| | **Total** | **17031947** | **69.269** | **0.00** | **17064362** | **69.401** | **0.00** | **0.128%** |

*Note: During the year, as per order dated 28.03.2014 Punjab & Haryana High Court, a Promoter Company i.e. M/s Ludhiana Holdings Limited has been amalgamated with M/s. Oswal Woollen Mills Limited thus the holding of 79515 equity shares stand merged with the holding of M/s Oswal Woollen Mills Limited

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

| SN | Particulars | Date the year | Reason | Shareholding at the beginning/ Changes during the year | | Cumulative Shareholding | |
|---|---|---|---|---|---|---|---|
| | | | | **No. of shares** | **% of total shares of the company** | **No. of shares** | **% of Total shares of the company** |
| | Nahar Spinning Mills Limited | | | | | | |
| | At the beginning of the year | 01-04-2014 | | 17031947 | 69.269 | 17031947 | 69.269 |
| | Changes during the year | 16-03-2015 | Transfer | 700 | 0.003 | 17032647 | 69.272 |
| | | 17.03.2015 | Transfer | 974 | 0.004 | 17033621 | 69.276 |
| | | 18.03.2015 | Transfer | 541 | 0.002 | 17034162 | 69.278 |
| | | 19.03.2015 | Transfer | 9706 | 0.039 | 17043868 | 69.317 |
| | | 20.03.2015 | Transfer | 5000 | 0.020 | 17048868 | 69.337 |
| | | 24.03.2015 | Transfer | 4332 | 0.018 | 17053200 | 69.355 |
| | | 25.03.2015 | Transfer | 5179 | 0.021 | 17058379 | 69.376 |
| | | 26.03.2015 | Transfer | 1673 | 0.007 | 17060052 | 69.383 |
| | | 27.03.2015 | Transfer | 1413 | 0.006 | 17061465 | 69.389 |
| | | 30.03.2015 | Transfer | 1634 | 0.007 | 17063099 | 69.396 |
| | | 31.03.2015 | Transfer | 1263 | 0.005 | 17064362 | 69.401 |
| | At the end of the year | 31-03-2015 | | 17064362 | 69.401 | 17064362 | 69.401 |

Note : There are no other changes in the total shareholding of promoters between 01-04-2014 and 31-03-2015

(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** | |
|---|---|---|---|---|---|---|---|---|
| | | **No. of shares Beginning (01.04.2014) end of the year (31.03. 2015)** | **shares of the Company** | **% of total** | | | **No. of shares** | **% of Total shares of the Company** |
| 1 | JAGAT FOODS PVT LTD * | 123167 | 0.501 | 01-04-2014 | | | | |
| | | | | 19-09-2014 | 15924 | Transfer | 139091 | 0.566 |
| | | | | 06-02-2015 | 2500 | Transfer | 141591 | 0.576 |
| | | | | 27-02-2015 | -141591 | Transfer | 0 | 0.000 |
| | | NIL | 0.00% | 31-03-2015 | | | NIL | 0.000 |
| 2 | KUNAL RAKESH AGGARWAL | 105045 | 0.427 | 01-04-2014 | | | | |
| | | | | | 0 | Nil Movement during the year | | |
| | | 105045 | 0.427 | 31-03-2015 | | | 105045 | 0.427 |
| 3 | KUNAL RAKESH AGGARWAL | 90000 | 0.366 | 01-04-2014 | | | | |
| | | | | | 0 | Nil Movement during the year | | |
| | | 90000 | 0.366 | 31-03-2015 | | | 90000 | 0.366 |
| 4 | STAR FINVEST PRIVATE LTD * | 60000 | 0.244 | 01-04-2014 | | | | |
| | | | | 30-06-2014 | -25543 | Transfer | 34457 | 0.140 |
| | | | | 04-07-2014 | 180 | Transfer | 34637 | 0.141 |
| | | | | 11-07-2014 | 25363 | Transfer | 60000 | 0.244 |
| | | | | 18-07-2014 | -25000 | Transfer | 35000 | 0.142 |
| | | | | 08-08-2014 | -5000 | Transfer | 30000 | 0.122 |
| | | | | 22-08-2014 | 2000 | Transfer | 32000 | 0.130 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | 29-08-2014 | -2000 | Transfer | 30000 | 0.122 |
| | | | | 30-09-2014 | -10000 | Transfer | 20000 | 0.081 |
| | | | | 17-10-2014 | -10271 | Transfer | 9729 | 0.039 |
| | | | | 31-10-2014 | -9729 | Transfer | 0 | 0.000 |
| | | NIL | 0.00 | 31-03-2015 | | | 0 | 0.000 |
| 5 | KUNAL RAKESH AGGARWAL | 67000 | 0.272 | 01-04-2014 | | | | |
| | | | | | 0 | Nil Movement during the year | | |
| | | 67000 | 0.272 | 31-03-2015 | | | 67000 | 0.272 |
| 6 | MADAN LAL CHHAJER | 51519 | 0.210 | 01-04-2014 | | Transfer | | |
| | | | | 11-04-2014 | 923 | Transfer | 52442 | 0.214 |
| | | | | 21-11-2014 | 900 | Transfer | 53342 | 0.217 |
| | | 53342 | 0.217 | 31-03-2015 | | | 53342 | 0.217 |
| 7. | DEENABANDHU JALAN* | 49972 | 0.203 | 01-04-2014 | | | | |
| | | | | | 0 | Nil Movement during the year | | |
| | | 49972 | 0.203 | 31-03-2015 | | | 49972 | 0.203 |
| 8. | MANGAL KESHAV CAPITAL LTD* | 46304 | 0.188 | 01-04-2014 | | | | |
| | | | | | 0 | Nil Movement during the year | | |
| | | 46304 | 0.188 | 31-03-2015 | | | 46304 | 0.188 |
| 9. | K K RAJAGOPALAN* | 30412 | 0.124 | 01-04-2014 | | | | |
| | | | | | 0 | Nil Movement during the year | | |
| | | 30412 | 0.124 | 31-03-2015 | | | 30412 | 0.124 |
| 10. | A S VENKHATRAMANI* | 30000 | 0.122 | 01-04-2014 | | | | |
| | | | | | 0 | Nil Movement during the year | | |
| | | 30000 | 0.122 | 31-03-2015 | | | 30000 | 0.122 |
| 11. | GARIMA GIRISH PURI# | 25000 | 0.102 | 01-04-2014 | | | | |
| | | | | 20-06-2014 | 16426 | Transfer | 41426 | 0.169 |
| | | | | 30-06-2014 | 47075 | Transfer | 88501 | 0.360 |
| | | | | 04-07-2014 | 3799 | Transfer | 92300 | 0.375 |
| | | | | 11-07-2014 | -67300 | Transfer | 25000 | 0.101 |
| | | | | 18-07-2014 | 70625 | Transfer | 95625 | 0.388 |
| | | | | 25-07-2014 | 4028 | Transfer | 99653 | 0.404 |
| | | | | 01-08-2014 | 1224 | Transfer | 100877 | 0.409 |
| | | | | 17-10-2014 | 6699 | Transfer | 107576 | 0.436 |
| | | | | 24-10-2014 | 481 | Transfer | 108057 | 0.438 |
| | | | | 31-10-2014 | 2757 | Transfer | 110814 | 0.449 |
| | | | | 14-11-2014 | 13769 | Transfer | 124583 | 0.505 |
| | | | | 06-02-2015 | 2200 | Transfer | 126783 | 0.514 |
| | | | | 13-02-2015 | 2360 | Transfer | 129143 | 0.524 |
| | | | | 20-02-2015 | 1430 | Transfer | 130573 | 0.531 |
| | | 130573 | 0.531 | 31-03-2015 | | | 130573 | 0.531 |
| 12. | C D INTEGRATED SERVICES LIMITED# | | | | | | | |
| | | NIL | 0.00 | 01-04-2014 | | | | |
| | | | | 19-12-2014 | 20000 | Transfer | 20000 | 0.080 |
| | | | | 13-03-2015 | 140000 | Transfer | 160000 | 0.651 |
| | | 160000 | 0.651 | 31-03-2015 | | | 160000 | 0.651 |
| 13. | GIRISHCHANDRA BALKRISHAN PURI# | | | | | | | |
| | | 12000 | 0.049 | 01-04-2014 | | | | |
| | | | | 20-06-2014 | 32780 | Transfer | 44780 | 0.182 |
| | | | | 30-06-2014 | 11375 | Transfer | 56155 | 0.228 |
| | | | | 04-07-2014 | 5845 | Transfer | 62000 | 0.252 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | 11-07-2015 | -50000 | Transfer | 12000 | -0.049 |
| | | | 18-07-2014 | 60000 | Transfer | 72000 | 0.293 |
| | | | 24-09-2014 | 8000 | Transfer | 80000 | 0.325 |
| | | | 30-12-2015 | 1000 | Transfer | 81000 | 0.329 |
| | 81000 | 0.329 | 31-03-2015 | | | 81000 | 0.329 |
| 14. C D INTEGRATED SERVICES LIMITED# | NIL | 0.00 | 01-04-2014 | | | | |
| | | | 08-08-2014 | 2793 | Transfer | 2793 | 0.011 |
| | | | 22-08-2014 | 65049 | Transfer | 67842 | 0.276 |
| | | | 29-08-2014 | 16543 | Transfer | 84385 | 0.343 |
| | | | 12-09-2014 | 9000 | Transfer | 93385 | 0.380 |
| | | | 19-09-2014 | -15924 | Transfer | 77461 | 0.315 |
| | | | 05-12-2014 | -1893 | Transfer | 75568 | 0.307 |
| | 75568 | 0.307 | 31-03-2015 | | | 75568 | 0.307 |
| 15. LACHMAN KISHAN CHAND# | NIL | 0.00 | 01-04-2014 | | | | |
| | | | 08-08-2014 | 5000 | Transfer | 5000 | 0.020 |
| | | | 30-09-2014 | 15000 | Transfer | 20000 | 0.081 |
| | | | 17-10-2014 | 3707 | Transfer | 23707 | 0.096 |
| | | | 24-10-2014 | 1543 | Transfer | 25250 | 0.102 |
| | | | 31-10-2014 | 735 | Transfer | 25985 | 0.105 |
| | | | 14-11-2014 | 1456 | Transfer | 27441 | 0.111 |
| | | | 21-11-2014 | 2559 | Transfer | 30000 | 0.122 |
| | | | 05-12-2014 | 15650 | Transfer | 45650 | 0.185 |
| | | | 19-12-2014 | 4350 | Transfer | 50000 | 0.203 |
| | | | 09-01-2015 | 1000 | Transfer | 51000 | 0.207 |
| | | | 20-02-2015 | 2500 | Transfer | 53500 | 0.217 |
| | | | 27-02-2015 | 4303 | Transfer | 57803 | 0.235 |
| | 57803 | 0.235 | 31-03-2015 | | | 57803 | 0.235 |
| 16. TANVI J MEHTA# | NIL | 0.00 | 01-04-2014 | | | | |
| | | | 11-04-2014 | 10126 | Transfer | 10126 | 0.041 |
| | | | 18-04-2014 | 196 | Transfer | 10322 | 0.042 |
| | | | 02-05-2014 | 1036 | Transfer | 11358 | 0.046 |
| | | | 23-05-2014 | 225 | Transfer | 11583 | 0.047 |
| | | | 13-06-2014 | 6138 | Transfer | 17721 | 0.072 |
| | | | 22-08-2014 | 25000 | Transfer | 42721 | 0.173 |
| | | | 12-09-2014 | 19946 | Transfer | 62667 | 0.254 |
| | | | 14-11-2014 | 2892 | Transfer | 65559 | 0.266 |
| | | | 27-02-2015 | -12409 | Transfer | 53150 | 0.216 |
| | | | 31-03-2015 | -951 | Transfer | 52199 | 0.212 |
| | 52199 | 0.212 | 31-03-2015 | | | 52199 | 0.212 |

Note:- (*) those who were in the list of top ten shareholders as on 31.03.2014 but are no longer in the list of top 10 shareholders as on 31.03.2015

Note:- (#) those who are in the list of top ten shareholders as on 31.03.2015 but were not in the list of top 10 shareholders as on 31.03.2014

**(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 | 01-04-2014 | | 700 | 0.003 | 700 | 0.003 |
| | Changes during the year | | N.A. | 0 | 0.000 | 0 | 0.000 |
| | At the end of the year | 31-03-2015 | | 700 | 0.003 | 700 | 0.003 |
| 2 | KOMAL JAIN | | | | | | |
| | At the beginning of the year | 01-04-2014 | | 175 | 0.001 | 175 | 0.001 |
| | Changes during the year | | N.A. | 0 | 0.000 | 0 | 0.000 |
| | At the end of the year | 31-03-2015 | | 175 | 0.001 | 175 | 0.001 |
| 3 | KANWAR SAIN MAINI | | | | | | |
| | At the beginning of the year | 01.04.2015 | | 28 | 0.000 | 28 | 0.000 |
| | Changes during the year | | N.A. | 0 | 0.000 | 0 | 0.000 |
| | At the end of the year | 31.03.2015 | | 28 | 0.000 | 28 | 0.000 |

Note: Sh. Dinesh Oswal & Sh. Kamal Oswal, Directors of the company are also promoters of the company and their holding of share have been included in the promoter category.

## 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 | 797318081 | Nil | Nil | 797318081 |
| ii) Interest due but not paid | Nil | Nil | Nil | Nil |
| iii) Interest accrued but not due | 2826008 | Nil | Nil | 2826008 |
| Total (i+ii+iii) | 800144089 | Nil | Nil | 800144089 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | Nil | 200300000 | Nil | 200300000 |
| * Reduction | Nil | 200300000 | Nil | 200300000 |
| Net Change | Nil | Nil | Nil | Nil |
| Indebtedness at the end 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 |

## 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 |
|---|---|---|---|
| | | Sh. Satish Kumar Sharma<br>Executive Director | |
| 1. | Gross Salary | 1829350.00 | 1829350.00 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1746850.00 | 1746850.00 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 82500.00 | 82500.00 |
| | (c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961 | - | - |
| 2 | Stock Option | -- | – |
| 3 | Sweat Equity | -- | – |
| 4 | Commission<br>- as % of profit<br>- others, specify… | – | – |
| 5 | Others, please specify | – | – |
| | Total (A) | 1829350.00 | 1829350.00 |
| | Ceiling as per the Act | Rs. 36.81 Lacs (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** | |
| 1 | Fee for attending board committee meetings | 35000 | 35000 | 35000 | 35000 | 25000 | 35000 | 200000 |
| | Commission | - | - | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - | - | - |
| | Total (1) | 35000 | 35000 | 35000 | 35000 | 25000 | 35000 | 200000 |
| 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 | 25000 | 35000 | 35000 | 35000 | 35000 | - | 165000 |
| | Commission | - | - | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - | - | - |
| | Total (2) | 25000 | 35000 | 35000 | 35000 | 35000 | - | 165000 |
| | Total (B)=(1+2) | 60000 | 70000 | 70000 | 70000 | 60000 | - | 365000 |
| | Total Managerial Remuneration (A +B)* | | | | | | | 2194350 |
| | Overall Ceiling as per the Act | Rs. 80.98 Lacs (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 and 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 | 703121 | 313568 | 1016689 |
| | (a) Salary as per provisions contained in 1961 section 17(1) of the Income-tax Act, | 682320 | 309693 | 992013 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 20801 | 3875 | 24676 |
| | (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 | 703121 | 313568 | 1016689 |

### 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** | | | **NONE** | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| **B. DIRECTORS** | | | **NONE** | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| **C. OTHER OFFICERS IN DEFAULT** | | | **NONE** | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : Ludhiana**
**DATED : 5th August, 2015**

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

**Annexure-V**

**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 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 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 2014-15 | % increase in Remuneration in the Financial Year 2014-15 | 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 | 25000 | 25 | 0.19 | – |
| 2 | Sh. Dinesh Oswal Non ExecutiveDirector | 35000 | 75 | 0.26 | – |
| 3 | Sh. Kamal Oswal Non-Executive Director | 35000 | 75 | 0.26 | – |
| 4 | Sh. Dinesh Gogna Non-Executive Director | 35000 | 75 | 0.26 | – |
| 5 | Sh. S.K. Sharma* Executive Director | 1829350* | 14.47 | 13.71 | Profit before Tax increased to Rs. 7.59 crores in the Financial Year 2014-15 from Rs. 0.29 Crores in the FY 2013-14 and After Tax it increased to Rs 4.54 crores in the financial year 2014-15 from 0.29 crores in 2013-14 |
| 6 | Mr. Komal Jain Non-Executive Director | 35000 | 75 | 0.26 | – |
| 7 | Dr. (Mrs.) H.K. Bal Independent Director | 35000 | 75 | 0.26 | – |
| 8. | Dr. S.K. Singla Independent Director | 35000 | 75 | 0.26 | – |
| 9 | Dr. Y.P. Sachdeva Independent Director | 35000 | 75 | 0.26 | – |
| 10 | Prof. K.S. Maini Independent Director | 35000 | 75 | 0.26 | – |
| 11 | Dr. A.S. Sohi Independent Director | 25000 | 66.67 | 0.19 | – |
| 12 | Dr. Vijay Asdhir Independent Director | 35000 | 250 | 0.26 | – |
| 13 | Mrs. Rakesh Kumar Jain Chief Financial Officer | 703121 | 12.20 | - | Profit before Tax increased to Rs. 7.59 crores in the Financial Year 2014-15 from Rs. 0.29 Crores in the FY 2013-14 and After Tax it increased to Rs. 4.54 crores in the financial year 2014-15 from 0.29 crores in 2013-14 |
| 14. | Atul Sud Company Secretary | 313568 | 14.61 | - | |

*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. 133443/-

iii) In the financial year, there was an increase of 12.52% in the median remuneration of employees;

iv) There were 177 permanent employees on the rolls of company as on March 31, 2015;

v) Relationship Between average increase in remuneration and company performance :- The profit before tax for the financial year ended March 31, 2015 increased to Rs.7.59 Crores from Rs.0.29 Crores for the year ended March 31,2014 where as the increase in median remuneration is 12.52%.The average increase in median remuneration was in line with the performance of company.

vi) Comparison of Remuneration of Key Managerial Personnel(s) against the performance of the company. The total remuneration of Key Managerial Personnel increased by 13.92% from Rs 2498291 in 2013-14 to Rs 2846039 In 2014-15 whereas the Profit before tax increased by 2517.24% to Rs. 7.59 Crores ( Rs.0.29 Crores in 2013-14).

vii) Variation in the market capitalization of the Company, price earning ratio as at the closing date of current financial year and previous financial year at NSE:

| Particulars | As on 31.03.2014 | As on 31.03.2015 |
|---|---|---|
| a) Market Capitalisation of the Company | Rs. 2471.10 Lacs<br>(@ Rs. 10.05 per share) | Rs. 5040.53 Lacs<br>(@ Rs. 20.50 per share) |
| b) Price Earnings Ratio of the Company | 83.75<br>(Rs. 10.05/Rs. 0.12) | 11.08<br>(Rs. 20.50/Rs. 1.85) |
| c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer | 0.273%* | |

*Note: The company came out with a public offer of 12% Unsecured Fully Convertible Debentures of Rs. 230/- each to the shareholders in the year 1994. The Part A was converted into one equity share of Rs. 10/- each and Part B of Rs. 170 each of Unsecured Fully Convertible Debentures into 4.36 equity shares of Rs. 10/- each i.e., at a rate of Rs. 38.99 (including premium on shares). In 2007 As per Scheme of Demerger and Arrangement approved by the Hon'ble Punjab and Haryana High Court vide its order dated 21.12.2006, the face value of the share was reorganized into Rs. 5/- each as per the Scheme. Accordingly the conversion price of shares has been adjusted proportionately for comparison.

(viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e.2014-15 was 11.96% whereas the decrease in the managerial remuneration for the same financial year was 13.74%

(ix) The key parameters for the variable component of remuneration availed by the directors: Not applicable as none of the Director is availing any variable component of remuneration.

(x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable;

(xi) 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.

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : Ludhiana**
**DATED : 5th August, 2015**

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

**ANNEXURE-VI**

**PARTICULARS OF CONSERVATION OF ENEGY, 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

a) 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 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, Lime Powder, Lime Stone, Thermic Fluid-Therminol-55, Ultra Low Sulphur Diesel as fuel as per detail given below:

| ITEM | QTY | AMOUNT |
|---|---|---|
| CHAR COAL | 850 | 16250 |
| LIME POWDER | 5500 | 26125 |
| LIME STONE | 8000 | 20808 |
| THERMIC FLUID-THERMINOL-55 | 850 | 88913 |
| ULTRA LOW SULPHUR DIESEL | 1885 | 117398 |

b) Additional investment & proposal for reduction of consumption of energy:

The company will take necessary measures as may be required from time to time for conservation of energy.

c) Impact of measures, consequent to (a) and (b) above :

The above measures will result in energy saving and consequent reduction in cost of production.

## B. TECHNOLOGY ABSORPTION

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

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

| | | |
|---|---|---|
| Detail of Technology imported | : | NIL |
| Year of import | : | NA |
| Whether the technology has been fully absorbed: | : | NA |
| If not fully absorbed, areas where absorption has not taken place, and the reasons thereof | : | NA |

- **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 Markets for products and export plans.

During the financial year 2014-2015 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 2014-15 | Previous Year 2013-14 |
|---|---|---|---|
| **(II)** | **Total Foreign Exchange used and earned :-** | | |
| a) | Foreign Exchange outgo (Rs.) | **138338510.00** | 173521381.00 |
| b) | Foreign Exchange earned (Rs.) | **414116258.00** | 453095030.00 |

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : LUDHIANA**
**DATED : 5th August, 2015**

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

## ANNEXURE - VII

### 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. Clause 49 of the Listing Agreement with stock exchanges incorporate certain mandatory disclosure requirements with regard to Corporate Governance Rules, we are pleased to report the following:-

**I. BOARD OF DIRECTORS**

1. The Board of the Company is well structured with adequate blend of professional executive and Independent Directors.
2. The present strength of the Board is of Twelve Directors The Board Comprises of Executive and Non executive Directors. Sh. J.L. Oswal is a non Executive Chairman & Sh. Satish Kumar Sharma, is an Executive Director. Thus the post of Chairman and Executive Director are held by different persons.
3. The present board consists of one half of the Independent Directors, as required under under Corporate Governance Rules. Out of Twelve Board members, six members 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 the Independent Directors. Dr. (Mrs.) H.K. Bal is women Director of the Company. Thus the company has complied the Corporate Governance Rules regarding composition of Board of Directors.
4. During the year the Board met four times on 29.05.2014, 11.08.2014, 12.11.2014 and 03.02.2015 during the period April, 2014 to March, 2015 with clearly defined agenda circulated well in advance of each meeting. The maximum interval between the two board meetings is not more than 120 days.
5. None of the directors is a member of more than 10 (ten) board level committees or is Chairman of more than 5 (five) such Board level committees as required under clause 49 of the Listing Agreement & none of director is a director in more than Twenty companies as prescribed under the Companies Act, 2013.
6. Earlier the Non- Executive Directors were are paid sitting fee of Rs. 5000/- per meeting of the Board. However, w.e.f. 11th August, 2015 the Board has increased the sitting fee payable to Non Executive Directors from Rs. 5000/- to Rs. 10000/- per meeting of the Board.
7. Sh. Jawahar Lal Oswal is the father of Sh. Kamal Oswal and Sh. Dinesh Oswal. 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.
8. Participation of Non Executive Directors has been active in the board meetings. Attendance record of directors in the Board meetings and the Annual General Meeting during the year 2014-2015 is as 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 30.09.2013) | No. of Shares held |
|---|---|---|---|---|---|---|---|
| | | | Member | Chairman | | | |
| Mr.Jawahar Lal Oswal | Non Executive Promoter | 8 | -- | 1 | 3 | No | Nil |
| Mr. Dinesh Oswal | Non Executive Promoter | 8 | -- | -- | 4 | Yes | 105273 |
| Mr. Kamal Oswal | Non Executive Promoter | 9 | 1 | -- | 4 | Yes | 31500 |
| Mr. Dinesh Gogna | Non Executive | 8 | 6 | 2 | 4 | No | 700 |
| Dr.(Mrs.) H.K. Bal | Non Executive Independent | 5 | 2 | 2 | 4 | Yes | Nil |
| Mr. S.K. Sharma | Executive Director | 2 | 3 | -- | 4 | 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 | 6 | 4 | -- | 4 | No | Nil |
| Sh. Komal Jain | Non Executive | 6 | 1 | -- | 4 | Yes | 175 |
| Dr. Amrik Singh Sohi | Non Executive Independent | 3 | 2 | 1 | 3 | No | Nil |
| Dr. Vijay Asdhir | Non Executive Independent | 1 | 1 | 1 | 4 | Yes | Nil |

9. Code of Conduct: The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standards of transparency. Accordingly, the company has laid down a code of conduct for all its Board Members and Senior Managerial Personnel and they are complying the said code of conduct. The code of conduct is also available on company's website i.e. www.owmnahar.com.
10. The Company ensures compliance of various statutory requirements by all its business units.
11. All the Statutory Registers that are required to be maintained, particularly, Register of Directors Shareholding, Register of Investments etc. are properly maintained and continuously updated.

**FAMILIARISATION PROGRAMME 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 to familiarize with the 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. The details of the Company's policy on Familiarisation Programme for Independent Directors are posted on the website of the Company and can be accessed at http://www.owmnahar.com/npfl/

**SEPARATE MEETING OF INDEPENDENT DIRECTORS**

As stipulated in the code of Independent Directors under the Companies act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 15th December, 2014, without the attendance of Non Independent Directors and members of the management. All 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 Directors and Non-Executive Directors;
iii. Assessed the quality 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.

The Independent Directors were of the unanimous opinion that the Sh. S.K. Sharma Executive Director of the Company is providing good leadership to the executive team. He is expert in BOPP Film Industry and holds an experience of more than 30 years. He also posses good finance knowledge and plays a pivotal role in guiding and managing the company's affairs in a transparent manner to achieve its objectives and to maximize the wealth of the shareholders. They also confirmed that all the Directors of the Company are persons of integrity and possess relevant expertise and experience. The Board as a whole is an integrated, balanced and organized team of experts. All the Directors are participative, interactive and communicative and take keen interest in the affairs of the Company. The Chairperson, Sh. J.L. Oswal who is an eminent Industrialist having business experience of more than 51 years, not only provides leadership to the Board but also provides advice to the Executive Director/Chief Executive Officer by sharing his expertise and experience in handling the complex situations. He oversees the distribution of information to Directors and implementation of Good Corporate Governance practices. The information flow between the Company's management and the Board is reasonable, accurate and timely which enable the smooth functioning of the Company's affairs.

**II. AUDIT COMMITTEE**

The Board has already constituted an independent and qualified Audit committee as per Section 177 of the Companies Act, 2013. The committee consists of three Non-Executive Directors under the chairmanship of Sh. Suresh Kumar Singla, Prof K.S. Maini and Sh. Dinesh Gogna 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 is the secretary of the Committee. The Chief Financial Officer and the Finance Advisor are the permanent invitees 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.

The term of reference of the Audit Committee is as per clause-49 of the Listing Agreement entered into with the Stock Exchanges, SEBI Guidelines and Section 177 of the Companies Act, 2013. During the financial year 2014-15, the committee met four

times i.e. on 29th May, 2014, 11th August, 2014, 12th November, 2014 and 3rd February, 2015 and for reviewing and adopting the quarterly un-audited financial results as well as the financial statement for the year ended 31st March, 2014 before recommendation of the same to the Board of Directors for their perusal and adoption.

The attendance record of the audit committee meeting is as under:

| Name of the Member | No. of meetings held Upto 31.03.2015 | 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, 2014 and replied/clarified the queries raised at the Annual General Meeting.

**III. NOMINATION & REMUNERATION COMMITTEE**

The Board of Directors in their meeting held on 29th May, 2014 has reclassified Remuneration Committee as Nomination and Remuneration Committee. The committee consists of three independent directors, Sh S.K. Singla as chairman, Sh. Komal Jain and Dr.( Mrs.) H.K. Bal are the other members of the committee.

The broad term of reference of the Nomination and Remuneration Committee is to ensure that the company's remuneration policies in respect of Whole Time Director/Working Directors, Senior Executives are competitive so as to recruit and retain best talent in the company and to ensure appropriate disclosure of remuneration paid to said persons.

The committee met three times during the year under review i.e. on 29.05.2014, 11.08.2014 and 18.11.2014. The attendance record of the meeting held is as follows:

| Name of the Member | No. of meetings held Upto 31.03.2015 | No. of meetings attended |
|---|---|---|
| Sh. S.K. Singla | 3 | 3 |
| Sh. Komal Jain | 3 | 3 |
| Dr. (Mrs. H.K. Bal) | 3 | 3 |

**REMUNERATION OF DIRECTORS**

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. The tenure of office of Executive Director is for five years from the respective dates of appointments, and can be terminated by either party by giving one month notice in writing. There is no separate provision for payment of severance fees. Pursuant to Section 197 & 198 read with Schedule V of the Companies Act, 2013, Rs. 1829350/- only has been paid as total remuneration for the year 2014-15 to Sh. Satish Kumar Sharma, Executive Director of the Company, as detailed below:

| Name of Director | Salary | Benefits | Bonuses | Stock Option | Pension | Total |
|---|---|---|---|---|---|---|
| Satish Kumar Sharma | 1746850 | 82500.00 | - | - | - | 1829350 |

The non-executive directors are paid remuneration in the form of sitting fees for attending Board Meetings as fixed by the Board of Directors from time to time subject to statutory provisions. The details of sitting fee paid to Non executive Directors are:

| Name of Director | Sitting Fee (Rs.) |
|---|---|
| Sh. Jawahar Lal Oswal | 25,000.00 |
| Sh. Kamal Oswal | 35,000.00 |
| Sh. Dinesh Oswal | 35,000.00 |
| Sh. Dinesh Gogna | 35,000.00 |
| Sh. Komal Jain | 35,000.00 |
| Dr. (Mrs.) H.K. Bal | 35,000.00 |
| Prof. K.S, Maini | 35,000.00 |
| Dr. S.K. Singla | 35,000.00 |
| Dr. Yash Paul Sachdeva | 35,000.00 |
| Dr. Amrik Singh Sohi | 25,000.00 |
| Dr. Vijay Asdhir | 35,000.00 |

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

The appointment and remuneration policy of the Company in respect of Company's Directors has already been discussed in the Directors' Report. Hence, the same is not repeated here for the sake of brevity.

**IV. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Board has reclassified and changed the name of shareholder's/Investors Grievances Committee to Stakeholders Relationship Committee in its meeting held on 29th May, 2014. The Committee consists of three Non Executive Directors under the Chairpersonship of Dr. (Mrs.) H.K. Bal, Sh. A.S. Sohi and Sh. Komal Jain are the other two members of the committee. Sh. Atul Sud, Company Secretary is the compliance officer of the company. The committee look into the complaints/grievances of shareholders in respect of transfer of shares, non-receipt of dividend/share certificates, Demat problems etc. The committee met 4 times during April, 2014 to March, 2015 i.e. 29.05.2014, 11.08.2014, 12.11.2014 and 03.02.2015 and the attendance record of the meeting held is as follow:

| Name of the Member | No. of meetings held Upto 31.03.2015 | No. of meetings attended |
|---|---|---|
| Dr. (Mrs.) H.K. Bal | 4 | 4 |
| Sh. Komal Jain | 4 | 4 |
| Sh. A S Sohi | 4 | 3 |

The Company is quick in the redressal of the grievances of the shareholders and attends to most of the investors correspondence/grievances within a period of 15 to 20 days from the date of receipt of the same. However the Company did not receive any complaint during the year. The details regarding the same are as under:

No. of complaints received during the year: 0
No. of complaints resolved during the year: 0
No. of complaints pending as on 31.03.2015 : Nil

**V. SHARE TRANSFER COMMITTEE**

The company has also constituted a share transfer committee comprising 5 members under the Chairmanship of Sh. Dinesh Oswal. 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 21 times during the period April, 2014 to 31st March, 2015 i.e. 29.04.2014, 31.05.2014, 16.06.2014, 30.06.2014, 15.07.2014, 31.07.2014, 14.08.2014, 30.08.2014, 13.09.2014, 30.09.2014, 15.10.2014, 31.10.2014, 15.11.2014, 29.11.2014, 15.12.2014, 31.12.2014, 15.01.2015, 31.01.2015, 14.02.2015, 28.02.2015, 16.03.2015 and 31.03.2015. The attendance of the members is as follows:-

| Name of the Member | No. of meetings held Upto 31.03.2014 | No. of meetings attended |
|---|---|---|
| Sh. Dinesh Oswal | 22 | 22 |
| Sh. Kamal Oswal | 22 | 22 |
| Sh. Dinesh Gogna | 22 | 21 |
| Sh. Komal Jain | 22 | 22 |
| Sh. Atul Sud | 22 | 22 |

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. WHISTLE BLOWER POLICY/VIGIL MECHANISM**

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, 2014 has established a Whistle Blower Policy/Vigil Mechanism for its directors and employees through Resolution dated 29th May, 2014 to report the genuine concerns or grievances about the unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or Policy. The Policy also enables the adequate safeguards against victimisation of persons who use such mechanism.

The Audit Committee regularly review the working of the Mechanism and no complaint was received during the year. The mechanism provide direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. In case of repeated frivolous complaints being filed by a director or an employee, the Audit Committee may take suitable action against the concerned director or employee including reprimand them. The company confirms that no personal have been denied access to the Audit Committee.

Whistle Blower Policy/Vigil Mechanism is also posted on the Website of the Company. The Company has a dedicated e-mail address i.e. whistleblowernpfl@owmnahar.com for reporting the genuine concerns.

**VII. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Board of Directors in their meeting held on 29th May, 2014 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, as Chairman and Dr. S.K. Singla and Mr. Dinesh Gogna, as members of the Committee.

The terms and reference of the Committee are:-

The terms and reference of the Committee include:-

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 two times i.e. on 11th August, 2014 and 2nd February 2015. The attendance record of the meetings held is as under:-

| Name of the Member | No. of meetings held Upto 31.03.2015 | No. of meetings attended |
|---|---|---|
| Sh. Dinesh Oswal | 2 | 2 |
| Dr. S.K.Singla | 2 | 2 |
| Sh. Dinesh Gogna | 2 | 2 |

## VIII. GENERAL BODY MEETINGS

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

| Financial year | Location | Date | Time |
|---|---|---|---|
| 2011-2012 | Premises Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana | 29.09.2012 | 10.45 A.M. |
| 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 | 11.30 A.M. |

**II) Special Resolutions passed in the previous three Annual General Meetings:**

**2011-12**

No Special Resolution was passed.

**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.

**III) Special Resolution passed last year through postal ballot.**

No special resolution was passed during the financial year ended 31.03.2015 through postal ballot.

**IV) Proposal of Special Resolution through postal ballot.**

Presently, No Special resolution is proposed to be conducted through postal ballot.

## IX. DISCLOSURES

I) 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 potential conflict with the interest of the company at large. During the Year, the Company had not entered in to any contract/arrangement/transactions with the related parties which could be considered material in accordance with the provisions of the clause 49 of the Listing Agreement . However the details of transaction with the group / Associate Companies are disclosed in Note No. 30 to the Financial Statements.

II) The company continues to comply with the requirement of Stock Exchange, SEBI or any statutory authority on all matters related to capital market during the last three years. No penalty or structures have imposed on the company by the said authorities relating to the above.

III) The company complied with not only the mandatory requirements but has also complied with non mandatory requirements in respect of Separate posts of Chairman and CEO.

The Company is yet to comply with the other non mandatory requirements of the Listing Agreement.

## X. 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 help 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 is responsible for implementation of the Code.

## XI. MEANS OF COMMUNICATION

The company's quarterly/yearly results in the format prescribed by the Stock Exchanges are approved and taken on record by the Board within the prescribed time frame and sent immediately to all Stock Exchanges on which the company's equity shares are listed. These results are published in leading newspapers i.e Business Standard/ Financial Express in English and Punjabi Desh Sewak in vernacular. The Company's Quarterly, Half yearly and Annual Results are also displayed on the website of the company i.e. www.owmnahar.com. Whenever any official news is released, the same is also displayed on the aforesaid Website of the company. The Quarterly & Annual Financial Statement, alongwith Balance Sheet, Profit & Loss Account, Directors Report, Auditors Reports, Cash Flow Statements, Corporate Governance Reports, Report On Management Discussions and Analysis and share holding pattern etc. can also be retrieved by investors from the website of Bombay Stock Exchange Ltd. & National Stock Exchange of India Limited. Likewise whenever any presentation about company's working is made to Financial Institution

Investors or to the analyst, the same is displayed on company's Website.

The Quarterly and Annual Financial Statements, Balance Sheet, Profit & loss Account, Directors' Report, Auditor' 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, Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

## XII. GENERAL SHAREHOLDERS INFORMATION

1. **Annual General Meeting** : September 30, 2015
   **Date, Day, Time & venue** : Wednesday at 2.00 P.M. at the premises of M/s. Nahar Industrial Enterprises Limited, Focal Point, Ludhiana.
2. **Financial Calendar** : The Financial year of the company covers 1st April to 31st March
3. **Date of Book Closure** : 12th September, 2015 to 22th September, 2015
4. **Dividend Payment** : Considering the future requirement of funds and to conserve resources, no dividend has been declared for the year Ended 31st March, 2015

   a) **Unclaimed/Unpaid Dividend:** All unclaimed/ unpaid dividend up to the financial year ended March 31, 2007 have been transferred to the Investor Education and Protection Fund of the Central Government pursuant to Section 205 C of the Companies Act, 1956.

   Further the dividend for the financial year ended 31st March, 2008 will be transferred to the said Fund in November, 2015. All the members who have not en-cashed their dividend warrants for the aforesaid year may approach the company for obtaining duplicate dividend warrants/ revalidation of dividend warrants.

   b) **Change of Address:** Members may kindly note that the R & T Agent and/ or Company will not entertain requests for noting of change of address/ bank details/ ECS Mandate in case of accounts with demat holding. For this purpose, the Shareholders should approach their depository Participants.
5. **Listing of Equity Shares :** The National Stock Exchange of India Ltd (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (East) Mumbai.

   The Bombay Stock Exchange Limited (BSE), 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001.

   The listing fees payable to BSE and NSE for 2015-2016 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 2015-16 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. **Compliance Officer**

   Mr. Atul Sud, Company Secretary is a compliance officer of the company.
10. **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".

## XIII. MARKET PRICE DATA

The month wise High, Low stock prices during the financial year 2014-2015 are as follows

| Month | Bombay Stock Exchange | | National Stock Exchange | |
|---|---|---|---|---|
| | High | Low | High | Low |
| April, 2014 | 13.30 | 10.30 | 13.00 | 9.80 |
| May, 2014 | 15.98 | 10.62 | 16.05 | 10.80 |
| June, 2014 | 25.50 | 15.95 | 25.50 | 15.70 |
| July, 2014 | 24.35 | 20.40 | 24.60 | 20.45 |
| August, 2014 | 28.60 | 22.40 | 29.35 | 22.00 |
| September, 2014 | 30.85 | 23.15 | 30.40 | 23.05 |
| October, 2014 | 27.50 | 21.30 | 26.50 | 21.55 |
| November, 2014 | 35.95 | 24.35 | 35.90 | 24.45 |
| December, 2014 | 37.00 | 26.10 | 37.20 | 25.55 |
| January, 2015 | 31.50 | 24.05 | 34.30 | 24.30 |
| February, 2015 | 27.40 | 18.70 | 26.00 | 18.30 |
| March, 2015 | 24.90 | 17.75 | 24.90 | 18.20 |

**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

**XIV.PERFORMANCE IN COMPARISION TO BSE SENSEX:-**

Comparison between Nahar Poly Films Limited closing price variation and BSE Sensex variation in percentage is as under.

| Financial Year | Share Prices of the Company | | | | BSE Sensex | | | |
|---|---|---|---|---|---|---|---|---|
| 2014-15 | 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, 2014 | 13.30 | 10.30 | 12.11 | -15.44 | 22939.31 | 22197.51 | 22417.80 | 0.14 |
| May, 2014 | 15.98 | 10.62 | 15.22 | 25.68 | 25375.63 | 22277.04 | 24217.34 | 8.03 |
| June, 2014 | 25.50 | 15.95 | 23.60 | 55.06 | 25725.12 | 24270.20 | 25413.78 | 4.94 |
| July, 2014 | 24.35 | 20.40 | 22.15 | -6.14 | 26300.17 | 24892.00 | 25894.97 | 1.89 |
| August, 2014 | 28.60 | 22.40 | 24.10 | 8.80 | 26674.38 | 25232.82 | 26638.11 | 2.87 |
| Sept, 2014 | 30.85 | 23.15 | 24.20 | 0.41 | 27354.99 | 26220.49 | 26630.51 | -0.03 |
| Oct, 2014 | 27.50 | 21.30 | 24.70 | 2.07 | 27894.32 | 25910.77 | 27865.83 | 4.64 |
| Nov, 2014 | 35.95 | 24.35 | 32.60 | 31.98 | 28822.37 | 27739.56 | 28693.99 | 2.97 |
| Dec, 2014 | 37.00 | 26.10 | 29.05 | -10.89 | 28809.64 | 26469.42 | 27499.42 | -4.16 |
| January, 2015 | 31.50 | 24.05 | 25.45 | -12.39 | 29844.16 | 26776.12 | 29182.95 | 6.12 |
| February, 2015 | 27.40 | 18.70 | 20.60 | -19.06 | 29560.32 | 28044.49 | 29361.50 | 0.61 |
| March, 2015 | 24.90 | 17.75 | 20.60 | 0.00 | 30024.74 | 27248.45 | 27957.49 | -4.78 |

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

**XV. Registrar and 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.

**XVI. Share Transfer System**

The company has constituted share transfer committee consisting of five members, namely Sh. Dinesh Oswal, Sh. Kamal Oswal, Sh. Dinesh Gogna and Sh. Komal Jain, Directors of the Company and Sh. Atul Sud, Company Secretary of the Company. 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 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.

**XVII. 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.

**XVIII. Distribution of Shareholding as on March 31, 2015**

As on March 31, 2015 your Company had 25349 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 | 23038 | 90.88 | 3178153 | 12.93 |
| 501-1000 | 1590 | 6.27 | 1032186 | 4.20 |
| 1001-2000 | 377 | 1.49 | 543124 | 2.21 |
| 2001-3000 | 118 | 0.47 | 294568 | 1.20 |
| 3001-4000 | 52 | 0.20 | 181516 | 0.74 |
| 4001-5000 | 35 | 0.14 | 163343 | 0.66 |
| 5001-10000 | 71 | 0.28 | 510256 | 2.07 |
| 10000 and above | 68 | 0.27 | 18684845 | 75.99 |
| **TOTAL** | **25349** | **100** | **24587991** | **100.00** |

**XIX. The Shareholding pattern as on March 31, 2015 as follows:**

| Shares held by | No. of Shares | % of holding |
|---|---|---|
| Banks and Mutual Funds | 3324 | 0.01 |
| Foreign holdings (FIIs, NRIs) | 100410 | 0.41 |
| Bodies Corporate | 709109 | 2.88 |
| Directors/Relatives of Directors | 3909 | 0.02 |
| General Public | 6706877 | 27.28 |
| Promoters | 17064362 | 69.40 |
| **TOTAL** | **24587991** | **100.00** |

**XX. 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 (India) Ltd. (CDSL). The investors have an option to dematerialise their equity shares with either of the Depositories. As on 31st March, 2015 2,28,01,121 comprising of

92.73% of the total equity capital of the company have been dematerialised.

**XXI. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity**

The company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments which is likely to have any impact on the equity of the company.

| | | |
|---|---|---|
| **XXII. Plant Location** | : | VILLAGE SARAKIAN/ ITAYAKALAN<br>DISTT. RAISEN (M.P.) |
| **XXIII. Address for Correspondence** | : | NAHAR TOWER<br>376, Industrial Area-A,<br>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. CEO/CFO Certification**

As required under Clause 49 of the Listing Agreement, a Certificate duly signed by the Executive Director and Chief Financial Officer was placed at the meeting of Board of Directors held on 30th May, 2015.

**XXV. SEBI COMPLAINTS REDRESS SYSTEM (SCORES)**

The Company processes the investors' complaints received by it through a computerized complaint redress system. The sailent features of this system are computerized database of all inward receipts and action taken on them, online submission of Action Taken Report (ATRs) along with supporting documents electronically in SCORES. The Investors can view online the current status of their complaints submitted through SEBI Complaints Redress System (SCORES). During the financial year 2014-2015, the Company did not receive any complaint through SCORE.

**XXVI. 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 share 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 where the securities of the Company are listed within 30 days of the end of the each quarter.

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : LUDHIANA** **JAWAHAR LAL OSWAL**
**DATED : 5th August, 2015** **(Chairman)**
**DIN: 00463866**

## EXECUTIVE DIRECTOR'S DECLARATION

Pursuant to the requirement of Clause 49 of the listing agreement, I hereby confirm that all Board Members and Senior Management personnel (as defined in the above said Clause 49) of the company have affirmed compliance with Code of Conduct for Board & Senior Management Personnel' for the year ended 31st March, 2015.

**PLACE : LUDHIANA** **S.K. SHARMA**
**DATED : 5th August, 2015** **(Executive Director)**
**DIN:00402712**

**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, sealability etc. Further with rapid urbanization, increasing health consciousness, changing food habits of people who prefer packed foods, the demand of BOPP Films is rising both in domestic and overseas markets.

At present BOPP Films Industry is growing at a rate of 9-10% 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 periods. Further revival of the Global economies will push the demand further.

As you are aware that the Company has put up a 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 in the markets. Presently the company is exporting goods to Nigeria, United kingdom, United Arab Emirates, Bangladesh, Turkey, Oman, Tanzania, Nepal, Slovak Republic etc. We assure you that continuos efforts will be made to tap new export markets so that Company can improve its performance in the Coming periods.

**Opportunities and Threats**

The growing sale of packed food coupled with rapid growth in the retail market, has enabled the BOPP Films industry to register a growth over a period of time. 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 economic growth especially in emerging and developing countries, will give a further boost to the demand for the BOPP Films Industry.

Besides the pricing advantage of BOPP Films over lower micron 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.

The changing demographic trends along with the growth in the organised retailing are fueling the growth of the BOPP Film Industry. India's large population is receptive to use of healthy and packaged food which in turn will result into continuous demand for BOPP films. Moreover with the rising standard of food safety and hygiene, growing demand for convenience and packaged foods will further boost the demand for BOPP Films, which is good for the 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 and China. 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 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. The company achieved an operative income of Rs.343.13 crores out of which Rs.43.45 crores is export turnover. The company earned a net profit of Rs. 4.54 crores as against 0.29 crores in the previous year. The detailed performance 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 employees strength of the company was 177 as on 31st March, 2015.

**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: 5th August, 2015** **(Chairman)**
**DIN: 00463866**

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**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 on 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company, for ensuring the compliance of conditions of the 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, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor Grievance received during the year ended 31st March, 2015 is un-attended/pending for a period exceeding one month against the company as per the records maintained by the Shareholders/Investors' Grievance Committee. 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
(F. Reg. No. 001393N)

**PLACE : LUDHIANA** **VINOD KUMAR KHANNA**
**DATED : 5th August, 2015** **(Partner)**
**M.No. 081585**

# 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, 2015, 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 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 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 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 controls 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;

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

(c) in the case of the Cash Flow Statement, of the 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, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b. In our opinion, proper books of account, as required by law have been kept by the Company so far, as appears from our examination of such books.
   c. The Balance Sheet, Statement of Profit and Loss, and 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 written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act,.
   f. 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.
      (ii) The company did not have any long term contacts including derivative contracts for which there were any material foreseeable losses.
      (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**
**Dated : 30.05.2015**

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

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

**[Referred to in paragraph (1) under section "Reporting on Other Legal and Regulatory Requirements" of our report of even date]**

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

b) According to the information and explanations given to us, the company has adopted a policy of physically verification of the fixed assets in a phased manner. In accordance with this policy, 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.

ii) a) Physical verification has been carried out by the Management in respect of inventory at reasonable intervals including as on March 31, 2015. In our opinion the frequency of verification is reasonable.

b) Based on information and explanations given to us and the records produced to us, in our view, the procedures of physical verification of inventory followed by the management during the year are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) The Company is maintaining proper records of inventory. As per the information given to us, the discrepancies noticed on physical verification of Inventories as compared to book records were not material and have been dealt properly in the books of account.

iii) According to the information and explanations given to us, the company has not granted unsecured loans to the companies covered in the register maintained under section 189 of the Companies Act.

iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.

v) According to the information and explanations given to us, the company has not accepted deposits from public during the year covered under the provisions of section 73 or 76 any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014.

vi) According to the information and explanations given to us, the maintenance of cost records has not been prescribed u/s 148 of the Companies Act, 2013.

vii) (a) According to the information and explanations given to us and records of the Company examined by us, the company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts in respect of statutory dues payable were outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable. According to the information and explanation given to us, no order under its aforesaid sections has been passed by the company law board or the Reserve Bank of India or any Court or any other Tribunal on the company.

(b) According to the records of the company and information and explanation given to us, there are no dues of statutory dues that have not been deposited on account of any dispute.

(c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

viii) In our opinion and according to the information and explanations given to us, the company does not have accumulated losses and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions or banks.

x) In accordance with the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

xi) In our opinion and according to the information and explanations given to us, the company has not taken any term loan during the year.

xii) Further on the basis of information and explanation given to us, we report that no fraud on or by the company has been noticed or reported during the course or our audit.

**For GUPTA VIGG & CO.**
Chartered Accountants
FRN 001393N

**Place : Ludhiana**
**Dated : 30.05.2015**

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

## BALANCE SHEET AS AT 31ST MARCH, 2015

| Particulars | Note No. | Current Year ₹ | Previous Year ₹ |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' funds** | | | |
| Share capital | 1 | **125776643** | 125776643 |
| Reserves and surplus | 2 | **1362186142** | 1318262239 |
| | | **1487962785** | 1444038882 |
| **Non-current liabilities** | | | |
| Long-term borrowings | 3 | **434453599** | 623262081 |
| Deferred Tax Liabilities | 4 | **10345217** | 0 |
| Other Long Term Liabilities | 5 | **0** | 1888224 |
| | | **444798816** | 625150305 |
| **Current liabilities** | | | |
| Short-term borrowings | 6 | **299142794** | 402034220 |
| Trade payables | 7 | **39903989** | 49753297 |
| Other current liabilities | 8 | **209018388** | 230141839 |
| Short-Term Liabilities | 9 | **6571370** | 0 |
| | | **554636541** | 681929356 |
| TOTAL | | **2487398142** | 2751118543 |
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Fixed assets | 10 | | |
| Tangible assets | | **889160773** | 1069757917 |
| Intangible assets | | **20799** | 83193 |
| Capital work-in-progress | | **0** | 8060503 |
| Non-Current Investments | 11 | **963902509** | 964865238 |
| Deferred tax assets (net) | 4 | **0** | 8271023 |
| Long-Term Loans and Advances | 12 | **19341583** | 19752795 |
| | | **1872425664** | 2070790669 |
| **Current assets** | | | |
| Inventories | 13 | **94489719** | 172775241 |
| Trade receivables | 14 | **310120576** | 312667323 |
| Cash and cash equivalents | 15 | **4078044** | 4038391 |
| Short-term loans and advances | 16 | **198250034** | 183152815 |
| Other current assets | 17 | **8034105** | 7694104 |
| | | **614972478** | 680327874 |
| TOTAL | | **2487398142** | 2751118543 |
| **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 : 30.05.2015**

**VINOD KUMAR KHANNA**
Partner
M.No.081585

**ATUL SUD**
Company Secretary

**RAKESH JAIN**
Chief Financial Officer

**J.L.OSWAL**
Chairman

**S.K. SHARMA**
Executive Director

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31.03.2015

| Particulars | Note No. | Current Year | Previous Year |
|---|---|---|---|
| | | ₹ | ₹ |
| Revenue from operations | 18 | **3431338061** | 3303850923 |
| Less: Excise Duty | | **-311244206** | -290688126 |
| Operating Income | | **3120093855** | 3013162797 |
| Other income | 19 | **32363374** | 21920830 |
| | | **3152457229** | 3035083627 |
| **Expenses:** | | | |
| Cost of materials consumed | 20 | **2132262302** | 2215290632 |
| Purchases of Stock-in-Trade | | **0** | 0 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 21 | **57314391** | 10474461 |
| Employee benefits expense | 22 | **57770036** | 53167382 |
| Finance costs | 23 | **131156014** | 138880659 |
| Depreciation and amortization expense | 10 | **217212414** | 144718000 |
| Other expenses | 24 | **480818957** | 469615174 |
| Total expenses | | **3076534114** | 3032146308 |
| | | **75923115** | 2937319 |
| Tax expense: | | | |
| Current tax | | **-11700000** | 0 |
| Deferred tax | | **-18849339** | 0 |
| Profit (Loss) For The Period | | **45373776** | 2937319 |
| Earnings per equity share: | 28 | | |
| Basic and Diluted | | **1.85** | 0.12 |
| 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 : 30.05.2015**

**VINOD KUMAR KHANNA**
Partner
M.No.081585

**ATUL SUD**
Company Secretary

**RAKESH JAIN**
Chief Financial Officer

**J.L.OSWAL**
Chairman

**S.K. SHARMA**
Executive Director

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

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

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 |

**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 | 867303390 | 867303390 |
| (-) Depreciation as per note 10(c)(net of deferred tax) | (485344) | - |
| Closing Balance | 866818046 | 867303390 |
| **Surplus:** | | |
| Opening Balance | 3158703 | 198474 |
| Add: Profit (Loss) for the year | 45373776 | 2937319 |
| Add: Income Tax Adjustments for prior periods | (964529) | 22910 |
| Balance c/f to Balance Sheet | 47567950 | 3158703 |
| **Total** | **1362186142** | **1318262239** |

## 3. Long Term Borrowings

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Term loans | | |
| From banks* | | |
| - Oriental Bank of Commerce | 287549000 | 402569000 |
| - Bank of Maharashtra | 146904599 | 220693081 |
| **Total** | **434453599** | **623262081** |

*The Term loan is secured by way of first charge (on pari passu basis) on factory land and building and hypothecation of Plant and Machinery 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 (To 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. | 75570611 | 123066729 |
| **Deferred Tax Asset** | | |
| Timing Difference on Account of unabsorbed depreciation | 64309211 | 130460603 |
| Timing Difference on account of allowances under section 43B | 916183 | 877149 |
| **Total** | **10345217** | **(8271023)** |

## 5. Other Long Term Liabilities

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Trade Payables-Creditors for Capital Goods | - | 1888224 |
| **Total** | **-** | 1888224 |

## 6. Short Term Borrowings

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Working Capital Loans from banks | 299142794 | 402034220 |
| **Total** | **299142794** | **402034220** |

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.

**7. Trade Payables**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Sundry Creditors | 39903989 | 49753297 |
| **Total** | **39903989** | **49753297** |

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.

**8. Other Current Liabilities**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Current maturities of long-term debt | 174055600 | 176882008 |
| TDS Payables | 978732 | 896751 |
| Statutory Liabilities | 1547185 | 1716646 |
| Other Liabilities | 18227571 | 28108392 |
| Advance from customers | 11911872 | 19552727 |
| Security Deposits | 125047 | 22466 |
| Due to Directors | 114880 | 110748 |
| Unpaid dividends | 2057501 | 2852101 |
| **Total** | **209018388** | **230141839** |

**9. Short Term Provisions**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Provision for current year Income Tax( Net of Advance Tax) | 6571370 | - |
| **Total** | **6571370** | **-** |

**10. Fixed Assets**

| | Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As on 01.04.14 | Additions 2014-15 | Sales/ Adj | As on 31.03.15 | As on 01.04.14 | Additions 2014-15 | Sales/ Adj | As on 31.03.15 | As on 31.03.15 | As on 31.03.14 |
| A | **TANGIBLE ASSETS** | | | | | | | | | | |
| | LAND & BUILDING | | | | | | | | | | |
| | - LAND | 17653165 | 0 | 0 | 17653165 | 0 | 0 | 0 | 0 | 17653165 | 17653165 |
| | - BUILDING | 236041061 | 10291399 | 0 | 246332460 | 27369147 | 12794089 | 0 | 40163236 | 206169224 | 208671914 |
| | SUB TOTAL | 253694226 | 10291399 | 0 | 263985625 | 27369147 | 12794089 | 0 | 40163236 | 223822389 | 226325079 |
| | PLANT & MACHINERY | | | | | | | | | | |
| | - MACHINERY | 1361533177 | 26223791 | 0 | 1387756968 | 523363489 | 203387186 | 0 | 726750675 | 661006293 | 838169688 |
| | - VEHICLES | 2063139 | 1426019 | 1191229 | 2297929 | 647588 | 330533 | 463839 | 514282 | 1783647 | 1415551 |
| | - OTHER EQUIPMENTS | 5267448 | 57500 | 0 | 5324948 | 2154362 | 1252075 | 0 | 3406437 | 1918511 | 3113086 |
| | SUB TOTAL | 1368863764 | 27707310 | 1191229 | 1395379845 | 526165439 | 204969794 | 463839 | 730671394 | 664708451 | 842698325 |
| | FURNITURE & FIXTURES | | | | | | | | | | |
| | - FURNITURE & FIXTURES | 1334888 | 0 | 0 | 1334888 | 600375 | 104580 | 0 | 704955 | 629933 | 734513 |
| | SUB TOTAL | 1334888 | 0 | 0 | 1334888 | 600375 | 104580 | 0 | 704955 | 629933 | 734513 |
| | TOTAL (TANGIBLE ASSETS) | 1623892878 | 37998709 | 1191229 | 1660700358 | 554134961 | 217868463 | 463839 | 771539585 | 889160773 | 1069757917 |
| B | **INTENGIBLE ASSETS** | | | | | | | | | | |
| | - SOFTWARE | 415981 | 0 | 0 | 415981 | 332788 | 62394 | 0 | 395182 | 20799 | 83193 |
| | TOTAL (INTENGIBLE ASSETS) | 415981 | 0 | 0 | 415981 | 332788 | 62394 | 0 | 395182 | 20799 | 83193 |
| C | **CAPITAL WIP** | | | | | | | | | | |
| | - BUILDING UNDER CONSTRUCTION | | | | | | | | | 0 | 3311927 |
| | - MACHINERY UNDER INSTALLATION | | | | | | | | | 0 | 4748576 |
| | TOTAL (CWIP) | | | | | | | | | 0 | 8060503 |
| | TOTAL CURRENT YEAR | 1624308859 | 37998709 | 1191229 | 1661116339 | 554467749 | 217930857 | 463839 | 771934767 | 889181572 | 1077901613 |
| | TOTAL PREVIOUS YEAR | 1642593509 | 25609642 | 43894292 | 1624308859 | 416462017 | 144718000 | 6712268 | 554467749 | 1077901613 | 1226255542 |

a) There are no intengible assets under development as on 31.03.2015 as well as on 31.03.2014.

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) Effective from April 1,2014 the useful life of fixed Assets have been revised in accordance with Schedule II to the Companies Act, 2013. Further based on the transitional provisions provided in Note 7(b) of schedule-II to the act, an amount of Rs. 485344 (Depreciation Re. 718443 reduced by Rs. 233099 being deferred tax asset theron) has been reduced from retained earning in respect of assets having no useful life as on 1st April 2014 and is included in the figure of deprecistion during the year and is not shown separately in the above chart.

d) 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.

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

## 11. Non Current Investments

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| **Other Investments** | | |
| Investment in Equity instruments | 963902509 | 964865238 |
| **Total** | **963902509** | **964865238** |

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Aggregate amount of quoted investments (Market value of ₹ 1144061238/- ,Previous Year Market value of ₹ 1125954387/-) | 963902509 | 963902509 |
| Aggregate amount of unquoted investments | - | 962729 |

### 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 | 6611332 | Quoted | Fully paid | 39.481 | 39.481 | 367315961 | 367315961 | Yes | N.A. |
| M/s. IDFC Limited | Others | 5000 | 5000 | Quoted | Fully paid | - | - | 170000 | 170000 | Yes | N.A. |
| M/s. Nahar Spinning Mills Limited | Group Company | 6902244 | 6902244 | Quoted | Fully paid | 19.138 | 19.138 | 381415718 | 381415718 | Yes | N.A. |
| M/s. Nahar Industrial Enterprises Limited | Group Company | 2708800 | 2708800 | Quoted | Fully paid | 6.706 | 6.706 | 215000830 | 215000830 | Yes | N.A. |
| M/s. Palm Motels Limited | Group Company | - | 655 | Unquoted | Fully paid | - | - | 0 | 962729 | Yes | N.A. |
| **Total** | | | | | | | | **963902509** | **964865238** | | |

## 12. Long Term Loans & Advances

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Capital Advances | 558688 | 10631500 |
| Security Deposits | 18782895 | 9121295 |
| **Total** | **19341583** | **19752795** |

**13. Inventories**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| a. Raw Materials and components | 18723714 | 35149083 |
| b. Work-in-progress | 54657013 | 55672971 |
| c. Finished goods | 1330147 | 57680414 |
| d. Waste/Scrap Material | 511610 | 459776 |
| e. Stores and spares | 19267235 | 23812997 |
| **Total** | **94489719** | **172775241** |

**14. 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 | 307671141 | 310624777 |
| | 307671141 | 310624777 |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | | |
| - Unsecured, considered good | 339383 | 1365581 |
| - Unsecured, considered doubtful | 2110052 | 676965 |
| **Total** | **310120576** | **312667323** |

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).

**15. Cash and cash equivalents**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| a. Balances with banks | | |
| This includes: | | |
| - In Current Accounts | 1627586 | 472181 |
| - Earmarked Balances (eg/- unpaid dividend accounts) | 2057500 | 2852100 |
| - Margin money FDR# | 186393 | 171214 |
| b. Cash on hand | 206565 | 542896 |
| **Total** | **4078044** | **4038391** |

**# Maturity period of fixed deposits are more than 12 months**

**16. Short-term loans and advances**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| MODVAT / Cenvat Credit Unutilised | 27078964 | 60418045 |
| Others Unsecured, considered good | 171171070 | 122734770 |
| **Total** | **198250034** | **183152815** |

No Short-term loans and advances stated above include debts due 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)

**17. Other Current Assets**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Advance Taxes (Net of Provisions) | 8034105 | 7694104 |
| **Total** | **8034105** | **7694104** |

## 18. Operating Income

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| **Operating Income:** | | |
| Export Sales | 434462336 | 479029037 |
| Domestic Sales | 2938743473 | 2705270227 |
| | 3373205809 | 3184299264 |
| **Less:** | | |
| Excise Duty | 311244206 | 290688126 |
| Net Sales | 3061961603 | 2893611138 |
| Export Incentives | 7687677 | 9956848 |
| OPERATING INCOME | 3069649280 | 2903567986 |
| **Other Operating Income:** | | |
| Sales Miscellaneous | 6653556 | 6714589 |
| Others | 43791019 | 102880222 |
| | 50444575 | 109594811 |
| **Total** | **3120093855** | **3013162797** |

## 18.1 Detail of Sales

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| **EXPORT SALES** | | |
| - Direct Export of BOPP Film | 434462336 | 479029037 |
| **Local Sales** | | |
| - Deemed Export of BOPP Film | 113884887 | 69100357 |
| - BOPP Film | 2806991765 | 2596747640 |
| - BOPP Other (Incl.Waste) | 17866821 | 39422230 |
| - Other (Misc.Scrap) | 6653556 | 6714589 |
| **Total** | **3379859365** | **3191013853** |

## 19. Other Income

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Dividend Income (From Longterm Investments) | 19541492 | 19541492 |
| Interest Gross | 1823464 | 1298635 |
| Profit on Sale of Investments | 4689923 | - |
| Profit on Sale of Fixed Assets | - | 343089 |
| Misc. Receipts | 4115956 | 427748 |
| Prior Period Items | 2192539 | 309866 |
| **Total** | **32363374** | **21920830** |

## 20. Cost of Raw Material Consumed

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Opening Stock of Raw Material | 35149083 | 42312660 |
| Raw Material Purchases (Net of Sales) | 2115836933 | 2208127055 |
| Closing Stock of Raw Material | 18723714 | 35149083 |
| **Raw Material Consumed** | **2132262302** | **2215290632** |

**20.1 Detail of Raw Material Consumed**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| PP Resins and Additives | 2132262302 | 2215290632 |

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

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| **OPENING STOCK** | | |
| - Finished Goods | 58140190 | 56481699 |
| - Work in Progress | 55672971 | 67805923 |
| | 113813161 | 124287622 |
| **CLOSING STOCK** | | |
| - Finished Goods | 1841757 | 58140190 |
| - Work in Progress | 54657013 | 55672971 |
| **(Increase) /Decrease in Finished Goods & WIP Stock** | **57314391** | **10474461** |

**21.1 Detail of Opening and Closing Stock of Goods Produced and Traded in**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| **OPENING STOCK** | | |
| BOPP Films | 57680414 | 56345036 |
| Waste | 459776 | 136663 |
| **CLOSING STOCK** | | |
| BOPP Films | 1330147 | 57680414 |
| Waste | 511610 | 459776 |

**22. Employee Benefits Expenses**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Salary Wages And Bonus | 48235144 | 44878043 |
| Contribution To PF,ESI, Group Insurance & Gratuity | 5401139 | 4476646 |
| Employee Welfare Exp. | 4133753 | 3812693 |
| **TOTAL** | **57770036** | **53167382** |

**22.1 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 31.03.2015**

| 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 | 5527832 | 4675938 |
| | Interest Cost | 442227 | 374075 |
| | Current Service Cost | 1176176 | 570100 |
| | Benefit Paid | - | - |
| | Acturial (gain/(Loss) on obligations | -53457 | -92281 |
| | Present value of obligations as at the end of the year | 7092778 | 5527832 |

| | | | |
|---|---|---|---|
| 3 | Reconciliation of Opening and Closing balances of plan assets: | | |
| | Fair value of plan as at the beginning of year | 5611795 | 4759901 |
| | Returns on plan asset | 516632 | 438859 |
| | Contributions | 1048314 | 413035 |
| | Benefit Paid | - | - |
| | Acturial (gain/(Loss) of Plan Asset | - | - |
| | Fair value of plan as at the end of year | 7176741 | 5611795 |
| 4 | Reconciliation of fair value of assets and obligations: | | |
| | Present Value of obligations as at the end of year | 7092778 | 5527832 |
| | Fair value of plan as at the end of year | 7176741 | 5611795 |
| | Net Asset/(Liability) recognized in the Balance Sheet | -83963 | -83963 |
| 5 | Expenses Recognized in statement of Profit & Loss | | |
| | Current Service Cost | 1176176 | 570100 |
| | Interest Cost | 442227 | 374075 |
| | Expected return on plan asset | -516632 | -438859 |
| | Net Acturial (gain)/loss recognised in the year | -53457 | -92281 |
| | Expenses Recognized in statement of Profit & Loss | 1048314 | 413035 |

**23. Financial Expenses**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| Interest expense | | |
| - Interest To Banks | | |
| - On Working Capital | 33807365 | 18786999 |
| - On Term Loans | 88119492 | 111371100 |
| - Interest to Others | 8775099 | 7126888 |
| Other borrowing costs | 454058 | 1595672 |
| **Total** | **131156014** | **138880659** |

**24. Other Expenses**

| Particulars | Current Year | Previous Year |
|---|---|---|
| | ₹ | ₹ |
| **MANUFACTURING EXPENSES (A)** | | |
| Power And Fuel | 163725620 | 174244742 |
| Dyes & Chemicals | 238856 | 392473 |
| Machinery Repair And Maintenance | 14122407 | 41572535 |
| Other Manufacturing Expenses | 1917723 | 2765390 |
| **Total (A)** | **180004606** | **218975140** |
| **SELLING EXPENSES (B)** | | |
| Advertisement | 15930 | - |
| Brokerage/Commission On Sale | 2926813 | 4119658 |
| Export Development And Sale Promotion | 48471 | 129797 |
| Packing & Forwarding Charges | 154146438 | 157922728 |
| Foreign Travelling Expenses (Others) | 442659 | 868756 |
| Rebate & Discount | 104059452 | 58089147 |
| Commission On Export Sales | 10247074 | 5816737 |
| Other Selling Expenses | 8485461 | 158991 |
| **Total (B)** | **280372298** | **227105814** |
| **EXCISE DUTY ON CLOSING STOCK (c)** | **204363** | **50577** |
| **ADMINISTRATIVE EXPENSES (D)** | | |
| Vehicle Maintenance | 631372 | 1009883 |

| | | |
|---|---|---|
| Conveyance | 994426 | 960142 |
| Rent | 175281 | 168540 |
| Fees And Taxes | 687878 | 1614381 |
| Insurance | 6063086 | 5968845 |
| Legal And Professional Expenses | 1580962 | 1445727 |
| Printing And Stationery | 390803 | 518712 |
| Postage And Telegraph | 330636 | 304547 |
| Miscellaneous Expenses | 1937082 | 1691093 |
| Directors Sitting Fees | 365000 | 205000 |
| Travelling Expenses | | |
| Directors | 31282 | 102586 |
| Others | 1009646 | 938783 |
| Auditors Remuneration | | |
| Audit Fees | 209327 | 194720 |
| Tax Audit Fees | 41910 | 38990 |
| Certification Charges | 4050 | 3488 |
| Other Expenses | 3677 | 6300 |
| Telephone Expenses | 667170 | 697419 |
| Share Department Exp | 219590 | 218202 |
| **Total (D)** | **15343178** | **16087358** |
| **OTHER EXPENSES (E)** | | |
| Building Repair & Maintenance | 142979 | 115737 |
| General Repair & Maintenance | 1194394 | 1759468 |
| Loss On Sale Of Fixed Assets | 32278 | 452884 |
| Amount Written Off | 999919 | 623798 |
| Previous Year Expenses | 642152 | 558976 |
| Previous Year Income Written Back | 132712 | - |
| Security Transaction Tax | - | 13 |
| Bank Charges | 1666726 | 3232455 |
| Exchange Rate Difference | 83352 | 651554 |
| Fines & Penalties | - | 1400 |
| **Total (E)** | **4894512** | **7396285** |
| **Total (A to E)** | **480818957** | **469615174** |

**25. 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 | 131845866 | 6.18% | 146547844 | 6.62% |
| - Indigenous | 2000416436 | 93.82% | 2068742788 | 93.38% |
| Spare Parts, Stores and Components | | | | |
| - Imported | 8450805 | 8.14% | 48378685 | 33.87% |
| - Indigenous | 95366446 | 91.86% | 94458957 | 66.13% |

**26. CIF Value of Imports**

| Particulars | Current Year ₹ | Previous Year ₹ |
|---|---|---|
| Raw Materials | 124504318 | 140958849 |
| Stores and Spares | 6932620 | 27913199 |

**27. Expenditure in Foreign Currency**

| Particulars | Current Year ₹ | Previous Year ₹ |
|---|---|---|
| Foreign Travelling | 179441 | 239790 |
| Commission on Export Sales | 7289772 | 3215022 |
| Subscription Expenses | 292065 | 259185 |

**28. 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 | 44409247 | 29,60,229 |
| b) Number of weighted average shares outstanding | 24587991 | 245,87,991 |
| c) Earning per share (face value Rs. 5/- per share) | 1.81 | 0.12 |
| **DILUTED** | | |
| a) Profit after Taxation | 44409247 | 29,60,229 |
| b) Number of weighted average shares outstanding | 24587991 | 245,87,991 |
| c) Earning per share (face value Rs. 5/- per share) | 1.81 | 0.12 |

**29. Earning In Foreign Exchange**

| Particulars | Current Year ₹ | Previous Year ₹ |
|---|---|---|
| FOB value of Exports | 414116258 | 453095030 |

**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/Group Companies | | Key Management Personnels & Their Relatives | |
|---|---|---|---|---|---|
| | | Current Year ₹ | Previous year ₹ | Current Year ₹ | Previous year ₹ |
| 1. | Inter Corporate Deposits Received | 200300000 | 145000000 | - | - |
| 2. | Inter Corporate Deposits repaid back | 200300000 | 145000000 | - | - |
| 3. | Interest Paid | 8732114 | 7087466 | - | - |
| 4. | Fixed Assets Sold | - | 44613393 | - | - |
| 5. | Misc. Sales | 20561 | 47987 | - | - |
| 6. | Directors Sitting Fee | - | - | 95000 | 60000 |
| 7. | Directors Remuneration | - | - | 1984750 | 1740953 |
| 8. | Sale of Investments | - | - | 5652650 | - |
| 9. | Rent Paid | 175281 | 168540 | - | - |
| 10. | DEPB Purchased | 33814626 | 31744037 | - | - |
| 11. | DEPB Sold | 36944 | 45588 | - | - |
| 12. | Reimbursements Received | 1061660 | 299852 | - | - |
| 13. | Reimbursements Paid | 2858742 | 24669420 | - | - |
| 14. | Closing Balance | - | - | - | - |
| | - Debtors/Receivables | - | 196565 | - | - |
| | - Crs./Payable | 7619 | - | - | - |

***Associates/Group Companies**

Nahar Spinning Mills Ltd., Nahar Capital & Financial Services Ltd., Nahar Industrial Enterprises Ltd., Oswal Woollen MillsLtd., 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.

**Key Management Personnel**
Sh. Jawahar Lal Oswal, Sh. Dinesh Oswal, Sh. Kamal Oswal and Sh. S.K. Sharma.

**Relatives of Key Management Personnel**
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 | Nil | 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 | 488267 | 9726960 |
| -Other | 2914016 | Nil |
| (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) | 9071697 | 15752822 |
| (d) Other commitments (specify nature) | Nil | Nil |
| | **12473980** | **25479782** |

**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.
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 Rs. 169854
   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.
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 : 30.05.2015**

**VINOD KUMAR KHANNA**
Partner
M.No.081585

**ATUL SUD**
Company Secretary

**RAKESH JAIN**
Chief Financial Officer

**J.L.OSWAL**
Chairman

**S.K. SHARMA**
Executive Director

## CASH FLOW STATEMENT FOR THE PERIOD FROM 1ST APRIL, 2014 TO 31ST MARCH, 2015 PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

(In Rs.)

| | | | |
|---|---|---|---|
| **A.** | **CASH FLOW FROM THE OPERATING ACTIVITIES** | | |
| | Net Profit before Tax and Extraordinary items | 75923115 | |
| | **Adjustments for: -** | | |
| | Depreciation | 217212414 | |
| | Interest Expenditure | 130701956 | |
| | Interest Received | -1823464 | |
| | Dividend | -19541492 | |
| | (Profit)/Loss on Sale of Investments | -4689923 | |
| | (Profit)/Loss on sale of Fixed Assets | 32278 | |
| | Operating profit before Working Capital changes | | 397814884 |
| | **Adjustments for :** | | |
| | ( Increase)/Decrease in Trade & Other Receivables | 2546747 | |
| | (Increase)/Decrease in Inventories | 78285522 | |
| | (Increase)/Decrease in Short Term Loans & Advances | -5435619 | |
| | (Increase)/Decrease in Security Deposit | -9661600 | |
| | Increase/(Decrease) in Trade Payables & Short Term Others Liabilities | -30972759 | |
| | Increase/(Decrease) in Working Capital Bank Borrowing | -102891426 | -68129135 |
| | Cash generation from operating activities | | 329685749 |
| | Interest Paid on Working Capital and other | | -42582464 |
| | Taxes (Paid)/Refund | | -6433160 |
| | Net cash from operating activities | | 280670125 |
| **B.** | **CASH FLOW FROM THE INVESTING ACTIVITIES** | | |
| | Interest Received | 1823464 | |
| | Dividend Received | 19541492 | |
| | Purchase of Fixed Assets (incl Capital work in process, capital advances, & exp pending for capitalisation) | -29526994 | |
| | Sale of Fixed Assets | 695112 | |
| | Sale/Purchase of Investments | 5652652 | -1814274 |
| **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 | -188808482 | |
| | Interest Paid on Term Loans | -88119492 | |
| | Increase/Decrease in Other Long Term Liabilities | -1888224 | |
| | Dividend Paid (including Corporate Dividend Tax) | 0 | -278816198 |
| | Net Increase in Cash and Cash Equivalent | | 39653 |
| | Cash & cash equivalents as on 31/03/2014 | | 4038391 |
| | Cash & cash equivalents as on 31/03/2015 | | 4078044 |

**Place : Ludhiana**
**Date : 30.05.2015**

**FOR AND ON BEHALF OF THE BOARD**

| **ATUL SUD** | **RAKESH JAIN** | **J.L.OSWAL** | **S.K. SHARMA** |
|---|---|---|---|
| Company Secretary | Chief Financial Officer | Chairman | Executive Director |

## 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, 2015 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 : 30.05.2015**

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

**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:
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 | 31.03.2015 |
| 2. Shares of Associate/Joint Ventures held by the Company on the year end<br>Number<br>Amount of Investment in Associates/Joint Venture<br>Extend of Holding % | <br><br>66,11,632<br>36,73,15,960<br>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 | Since the Company is not having any subsidiary or joint venture thus the Company is not required to consolidate the financial statements for the financial year ended 31st March, 2015 as per the Ministry of Corporate Affairs(MCA) Notification No. G.S.R. 723(E) dated 14/10/2014 exempted the company from filling consolidated balance sheet. |
| 5. Networth attributable to Shareholding as per latest Audited Balance Sheet | 19663.82 ( Rs. In Lacs) |
| 6. Profit / Loss for the year<br>i. Considered in Consolidation<br>ii. Not Considered in Consolidation | 1910.05 ( Rs. In Lacs)<br>N.A.<br>754.11 (Rs. In Lacs) being 39.481% of profit for the year. |

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 : 30.05.2015**

**VINOD KUMAR KHANNA**
Partner
M.No.081585

**ATUL SUD**
Company Secretary

**RAKESH JAIN**
Chief Financial Officer

**J.L.OSWAL**
Chairman

**S.K. SHARMA**
Executive Director

# 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 05, 2015 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 dessent to the Resolution (AGAINST) |
|---|---|---|---|---|
| 1 | To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2015 and the Reports of the Board of Directors and Auditors thereon | | | |
| 2 | To appoint a Director in place of Mr. Jawahar Lal Oswal (DIN 00463866), who retires by rotation and being eligible, offers himself for re-appointment. | | | |
| 3 | To appoint a Director in place of Mr. Kamal Oswal (DIN 00493213), who retires by rotation and being eligible, offers himself for re-appointment. | | | |
| 4 | To appoint Auditors and fix their remuneration | | | |
| 5 | To ratify the remuneration of Cost Auditors. | | | |

Place: Signature of the Member

Date: or

Authorised Representative

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.

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## 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 27th 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, 2015.

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.

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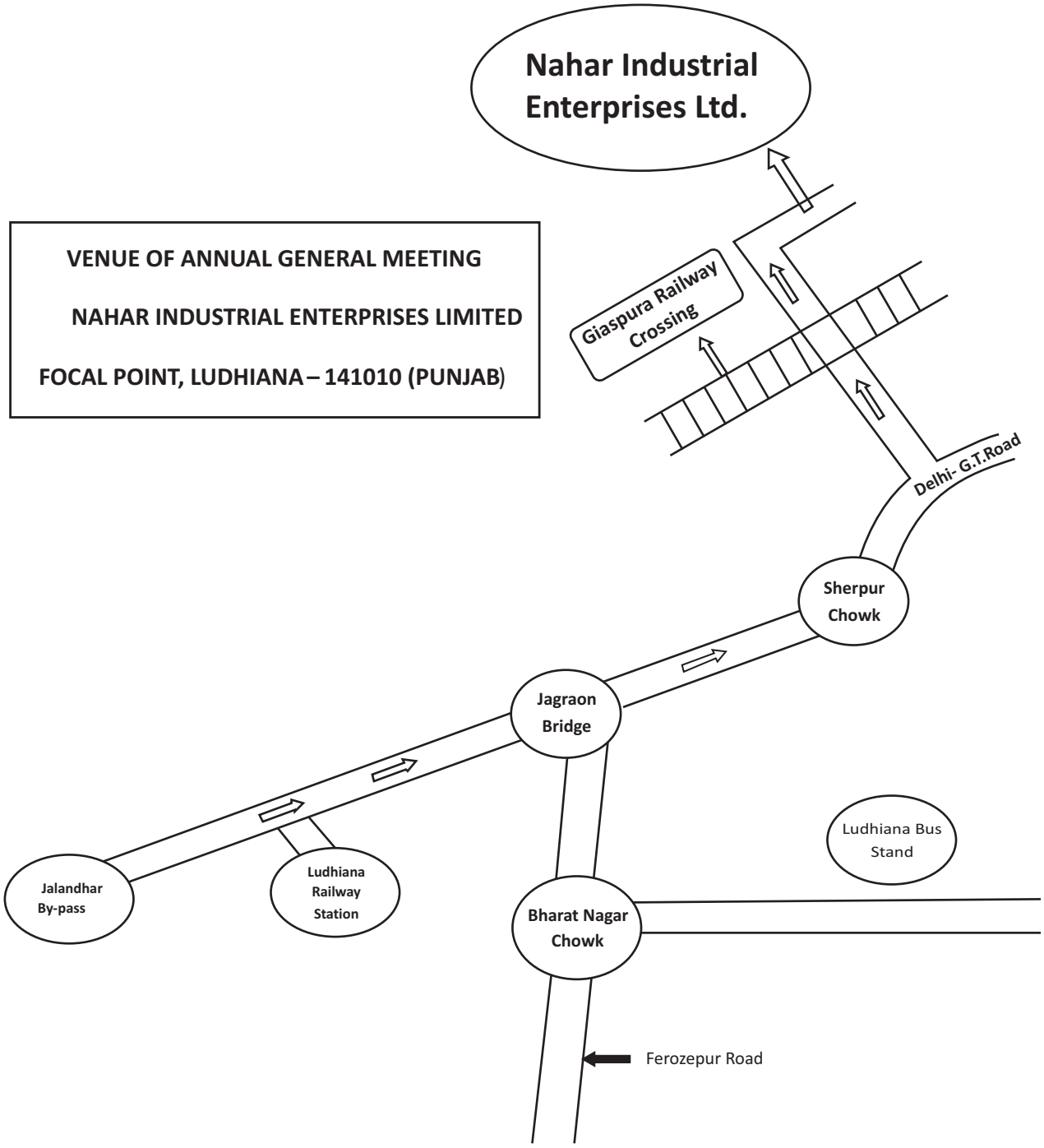
**VENUE OF ANNUAL GENERAL MEETING**

**NAHAR INDUSTRIAL ENTERPRISES LIMITED**

**FOCAL POINT, LUDHIANA – 141010 (PUNJAB)**



# Notes

# 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.

Regd. Post/Courier

If undelivered, please return to :
**NAHAR POLY FILMS LIMITED**
Regd. Office : 376, Industrial Area-'A',
Ludhiana-141 003

## NAHAR POLY FILMS LIMITED

CIN: L17115PB1988PLC008820
Regd. Office: 376, Industrial Area – A, Ludhiana – 141003
Phone No.: 0161-2600701-705, Fax No.: 0161-2661180
E-mail: secnel@owmnahar.com Website: www.owmnahar.com

**ATTENDANCE SLIP**
**E- VOTING PARTICULARS**

### 27TH ANNUAL GENERAL MEETING

2015

I/we hereby record my/our presence at the 27th Annual General Meeting of the Company, to be held on Wednesday, the 30th day of September, 2015 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. 20 of the Notice of 27th 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.: 0161-2600701-705, 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 27th Annual General Meeting of the Company, to be held on Wednesday, the 30th day of September, 2015 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. | To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2015 and the Reports of the Board of Directors and Auditors thereon. | | |
| 2. | To appoint a director in place of Mr. Jawahar Lal Oswal (DIN 00463866), who retires by rotation and being eligible offers himself for re-appointment. | | |
| 3. | To appoint a director in place of Mr. Kamal Oswal (DIN 00493213), who retires by rotation and being eligible offers himself for re-appointment. | | |
| 4. | To appoint Auditors and fix their remuneration. | | |
| 5. | To ratify the remuneration payable to Cost Auditors. | | |

Signed this ____ day of _____, 2015

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 27th 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.