The Nahar Group

30th Annual REPORT 2017-18



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. Inder Mohan Chhibba
Independent Director

Dr. Manisha Gupta
Independent Director

Dr. Suresh Kumar Singla
Independent Director

Dr. Yash Paul Sachdeva
Independent Director

Dr. Amrik Singh Sohi
Independent Director

Dr. Vijay Asdhir
Independent Director

Sh. Rakesh Kumar Jain
Chief Financial Officer

Mrs. Nidhi Khande
Company Secretary

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

BANKERS
Oriental Bank of Commerce
Punjab National Bank

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

30th ANNUAL GENERAL MEETING
Day : Friday
Date : 28th September 2018
Time : 12.30 pm
Place : At the Premises of
Nahar Industrial Enterprises Limited
Focal Point, Ludhiana

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE **30TH ANNUAL GENERAL MEETING** of the members of **NAHAR POLY FILMS LIMITED** will be held on **Friday the 28th day of September, 2018 at 12.30 P.M.** at the premises of **M/s Nahar Industrial Enterprises Limited,** Focal point, Ludhiana to transact the following business:

ORDINARY BUSINESS:

ITEM NO: 1- ADOPTION OF FINANCIAL STATEMENTS

(I) To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.

(ii) To receive, consider and adopt the Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the Report of the Auditors thereon.

ITEM NO: 2 - DECLARATION OF DIVIDEND

To declare dividend @ 10% i.e. Rs.0.50 per Equity Share of Rs 5 each for the year ended 31st March, 2018.

ITEM NO: 3 - APPOINTMENT OF MR. JAWAHAR LAL OSWAL AS A NON EXECUTIVE DIRECTOR LIABLE TO RETIRE BY ROTATION

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.

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

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

SPECIAL BUSINESS

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

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force,) the Cost Auditors **M/s. Khushwinder Kumar & Associates (Firm Registration No.000102)** appointed by the Board to conduct the audit of the Cost Records of the Company for the Financial year ended March 31, 2018-19, at a remuneration of Rs. 45000 (Rupees Forty Five Thousand Only)" plus applicable taxes and reimbursement of out of pocket expenses incurred, be and is hereby ratified.

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

ITEM NO : 6- TO DETERMINE THE FEES FOR DELIVERY OF ANY DOCUMENT THROUGH A PARTICULAR MODE OF DELIVERY

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

"RESOLVED THAT pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), upon receipt of a request from a member for delivery of any document through a particular mode an amount of Rs 100/- (Rupees one hundred only) or estimated expenses whichever is more, for each such document, be levied as and by way of fees for sending the document to him/her in desired particular mode."

"RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member at least 10 days in advance to the Company, before dispatch of such document and in absence thereof, no such request will be entertained."

ITEM NO : 7- TO APPROVE CONTINUATION OF HOLDING OF OFFICE AS NON-EXECUTIVE DIRECTOR BY MR. JAWAHAR LAL OSWAL (DIN: 00463866), UPON ATTAINING THE AGE OF 75 YEARS

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

"RESOLVED THAT pursuant to the provisions of Regulation 17 (1A) of SEBI Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 read with the provisions of Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force),

consent and approval of the Members be and is hereby accorded for continuation of holding of office as Non Executive Director of the Company by Mr Jawahar Lal Oswal (DIN 00463866), upon attaining the age of 75 years on 1st October, 2018."

"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

NIDHI KHANDE

DATED : 6TH AUGUST, 2018 (Company Secretary)

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

NOTES

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

   A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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

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

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

5. The Register of Members and Share Transfer Register of the Company shall remain closed from 12th September, 2018 to 14th September, 2018 (both days inclusive) for the purpose of equity dividend for the years ended 31st March, 2018.

6. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members, whose names appear in Register of members as on 11th September, 2018 or Register of beneficial owners, maintained by the Depositories at the close of 11th September, 2018 .

7. Pursuant to Section 124(5) of the Companies Act, 2013 unclaimed dividends up to the financial year 2009-10 has been transferred to Investor Education and Protection Fund. Further unpaid dividend for the year 2010-11 is to be transferred to Investor Education and Protection Fund in October, 2018. Shareholders who have not encased their dividend warrants relating to the said period are requested to claim the amount from the Company at the earliest.

   Pursuant to Section 124 (6) of the Companies Act, 2013 read with rule 6 of Investor Education and Protection fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares (in respect of which dividend remain unpaid or unclaimed for a period of seven consecutive years) to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the Company's website and can be accessed through the link: http://owmnahar.com/nahar_polyfilm/pdf/2008-09.pdf. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in/IEPF/refund.html.

   Shareholder may note that the equity shares as well as unclaimed dividends transferred to IEPF

Authority can be reclaimed by making an application to the IEPF Authority in e-form IEPF-5 as per the procedure provided under Rule 7 of the IEPF Rules. The Shareholders can also view the procedure at www.iepf.gov.in.

8. In terms of the provisions of section 152 of the Companies Act, 2013, Mr Jawahar Lal Oswal and Mr Dinesh Gogna, Directors retire by rotation at this Meeting and offered themselves for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company re-commend their respective re-appointments.

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

   The said amendment shall come into force on the one hundred and eightieth day from the publication of Official Gazette.

   In view of the above, members are hereby informed that effective 5th December, 2018 requets for effecting transfer of securities in physical form shall not be processed unless the securities are held in the dematerialized form with a Depository. Hence all members who are holding equity shares in physical form are requested to go in for dematerialization of securities at the earliest.

10. The Company provides the facility of paying dividend through Electronics Clearing System (ECS). The members desirous of availing the facility of electronic credit of dividend are requested to ensure that their correct bank details alongwith 9 digit MICR code of their Bank is updated in the records of the Depository Participant (DP). Members, who hold the shares in physical form, should contact the Registrar & Transfer Agent or the Company in this regard. In order to prevent fraudulent encashment of dividend warrants, members are requested to provide their correct bank account details to their DP in case of electronic holding and to the Registrar & Transfer Agent or the Company in case of physical holding.

11. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting, held on September 26, 2017.

12. 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.

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

14. We request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.

15. Electronic copy of the Annual Report for the year 2017-18 is being sent to all the members whose email Ids are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.

16. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.

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

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

19. The information required to be provided under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, regarding the Directors who are proposed to be re-appointed is given hereto and form part of the

Notice.

20. **The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s) before 11th Setember 2018. Members holding shares in physical form are required to submit their self attested copy of PAN card, bank details along with original cancelled cheque leaf/ attested bank passbook showing name of account holder and address to the company at its Registered Office at 376, Industrial Area-A, Ludhiana-141003 or to the Registrar and Share Transfer Agents, M/s. Alankit Assignments Limited, Unit: Nahar Poly Films Limited, Alankit House, 1E/13, Jhandewalan Extension, New Delhi-110055.**

21. 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.

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

23. Notice of the 30th Annual General Meeting and the Annual Report for the financial year 2017-18 will also be available on the Company's website i.e. www.owmnahar.com. The above said Notice will also be available on the website of CDSL i.e. www.cdslindia.com.

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

25. 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.

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

i. The voting period begins on 25th September, 2018 (9:00 A.M.) and ends on 27th September, 2018 (5:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. The shareholders should log on to the e-voting website www.evotingindia.com

iv. Click on "Shareholders(Members)" tab.

v. Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

	For members holding shares in Demat and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.(Sequence number is printed on Address Slipas provided with Annual Report) • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id/Folio number in the Dividend Bank details field as mentioned in instruction (5).

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

x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

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

xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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

xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

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

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

xx. Note for Non – Individual Shareholders and Custodians

a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

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

c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

d) The list of accounts linked in the login should be mailed to helpdesk.evoting@

cdslindia.com and on approval of the accounts they would be able to cast their vote.

e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xxi. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Friday, 21st September, 2018 may follow the same instructions as mentioned above for e-Voting.

xxii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

Nidhi Khande

Company Secretary and Compliance Officer

376, Industrial Area-A, Ludhiana – 141003

0161-2600701 to 2600705

CIN: L17115PB1988PLC008820

secnel@owmnahar.com

Other instructions:

27. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut off date.

28. 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).

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

30. 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.

31. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 30th Annual General Meeting i.e 28th September, 2018.

32. A person who is not a Member as on the cut off date i.e. 21st September, 2018 should treat this Notice for information purposes only.

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

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

ITEM NO. 5

As per the provisions of Companies (Cost Records and Audit) Amendment Rules, 2014 notified by MCA vide its notification dated 31st December, 2014, Company's activities fall within the purview of Cost Audit requirement. Accordingly the Board, at its meeting held on 30th May, 2018, on the recommendation of Audit Committee, approved the appointment of M/s. Khushwinder Kumar & Associates (Firm Registration No.000102) and remuneration of Rs.45000/- (Rupees Forty Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred for conducting the Cost Audit of the Cost records of the Company for the financial year 2018-2019.

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

Accordingly consent and approval of the shareholders is being sought for passing an Ordinary Resolution as set out the Item No. 5 of the Notice for ratification of remuneration payable to M/s. Khushwinder Kumar & Associates (Firm Registration No.000102) for financial year 2018-2019.

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

The Board recommends the Ordinary Resolution for your approval.

ITEM NO. 6

As per the provisions of section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him/her by post or by Registered Post or by Speed post or by courier or by delivering at his/her office or by such electronic or other mode as may be prescribed, It further provides that a member can request for delivery of any document to him/her through a particular mode, for which he shall pay such fees as may be determined by the Company in its Annual General Meeting. Therefore, to enable the Members to avail this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode and the fees needs to be determined at the Annual General Meeting as per the provisions of Companies Act, 2013.

Accordingly, the Board has proposed Ordinary Resolution set out at Item No 6 of the Notice .

None of the Directors, Key Managerial Personnel of the Company or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the resolution for your approval.

ITEM NO .7

Mr Jawahar Lal Oswal is being appointed as a Non Executive Director of the Company (Item No 3 of the accompanying Notice) under the provisions of Section 152 of the Companies Act, 2013.

The provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 as notified on 09th May, 2018 which will be effective from 1st April, 2019, provides that no listed entity shall appoint a person or continue the directorship of any person as a non executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect.

Mr Jawahar Lal Oswal is 74 years of age and will reach the age of 75 years on 1st October, 2018. He is Chairman and Non Executive Promoter Director of the Company. He holds a Bachelor's Degree in Commerce. He has more than 54 years of experience in the textile and woolen industry and he is in association with the Company since 1992. He is an eminent industrialist and his leadership qualities, expertise and experience have enabled the Company to become one of the leading Integrated Textile player of the Country. He has been awarded the 'Punjab Ratan Award' at the Punjab State Intellectual's Conference in 2003 by the All India Conference of Intellectuals. He was also awarded 'Udyog Ratna Award' by the PHD Chamber of Commerce and Industry in 2005, the 'LMA-Sat Paul Mittal Life Time Achievement Award' by the Ludhiana Management Association in 2012 and the 'Acheievers of the North' by the Economic Times in 2013.

The Board is also of the opinion that his continued association would be of immense benefits to the Company and it is desirable to continue to avail his services as No Executive Director.

Having regard to his vast business experience expertise and leadership the Nomination and Remuneration Committee has recommended his continuation on Board. The board is also of the opinion that his continued association would be of immense beneficial to the company. So it is desirable and advisable to continue avail his services as non Executive Director.

Accordingly the resolution seeking consent/approval by way of Special Resolution set out at Item No 7 of the Notice, for continuation of holding of present office by Mr Jawahar Lal Oswal as Non Executive Director even after attaining the age of 75 years, has been proposed for your approval.

Mr Jawahar Lal Oswal may be deemed to be concerned or interested in the aforesaid resolution. Mr Dinesh Oswal (Director) and Mr Kamal Oswal (Director), being relatives of Mr Jawahar Lal Oswal may be deemed to be concerned or interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the resolution for your approval.

Brief resume of Mr Jawahar Lal Oswal, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 are provided at the end of this Notice.

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

As required under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations Act, 2015 the particulars of Directors who are proposed to be appointed/re-appointed are given below:

1. Name:	Sh. Jawahar Oswal
Age:	74 Years
Qualification:	Graduate
Expertise:	Having Business experience of more than 54 years in Textile and Wollen industry.
Shareholding	Nil

Listed Companies (other than Nahar Poly Films Limited) in which Sh. Jawahar Lal Oswal holds Directorship, Chairmanship and Membership of Board as on 31st March, 2018:

Directorship of Board :

Sr. No.	Name of the Company	Status
1.	Nahar Spinning Mills Ltd.	Chairman
2.	Nahar Capital & Financial Services Ltd.	Chairman
3.	Nahar Industrial Enterprises Ltd.	Chairman
4.	Monte Carlo Fashions Limited	Chairman Cum Managing Director

Chairmanship of Board Committees : NIL

Member of Board Committees : NIL

Disclosure of relationship between Directors inter-se: Mr. Jawahar Lal Oswal is father of Mr. Kamal Oswal and Mr Dinesh Oswal. Mr Kamal Oswal and Mr Dinesh Oswal are brothers.

2. Name:	Sh. Dinesh Gogna
Age:	65 Years
Qualification:	B.A.LLB
Expertise:	Having more than 41 years experience in Corporate Finance and Taxation.
Shareholding	700

Listed Companies (other than Nahar Poly Films Limited) in which Sh. Dinesh Gogna holds Directorship, Chairmanship and Membership of Board Committees as on 31st March, 2018:

Directorship of Board :

Sr. No.	Name of the Company	Status
1.	Nahar Spinning Mills Ltd.	Director
2.	Nahar Capital & Financial Services Ltd.	Director
3.	Nahar Industrial Enterprises Ltd.	Director
4.	Monte Carlo Fashions Limited	Director

Chairmanship of Board Committees :

Sr. No.	Name of the Company	Committee	Status
1.	Nahar Industrial Enterprises Limited	Stakeholder's Relationship	Chairman
2.	Monte Carlo Fashions Limited	Stakeholder's Relationship	Chairman

Membership of Board Committees :

Sr. No.	Name of the Company	Committee	Status
1.	Nahar Industrial Enterprises Limited	Audit	Member
2.	Nahar Spinning Mills Ltd.	Audit	Member
3.	Monte Carlo Fashions Limited	Audit	Member
		Nomination & Remuneration	Member

Disclosure of relationship between Directors inter-se : NIL

BY ORDER OF THE BOARD

NIDHI KHANDE

DATED : 6TH AUGUST, 2018 (Company Secretary)

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

DIRECTORS REPORT

Dear Members,

Your directors have pleasure in presenting the **THIRTIETH ANNUAL REPORT** on the affairs of the Company for the year ended **31st March, 2018**.

FINANCIAL PERFORMANCE

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

(Rs. In crores)

PARTICULARS	STANDLONE		CONSOLIDATED	
	CURRENT YEAR	PREVIOUS YEAR	CURRENT YEAR	PREVIOUS YEAR
Total Income (Net of Excise)	**255.63**	257.94	**254.63**	256.94
Less: Total Expenses	**248.47**	249.69	**248.47**	249.68
Profit before Tax	**7.16**	8.25	**6.16**	7.26
Less Tax Expenses (including deferred tax)	**2.06**	(1.79)	**2.06**	(1.79)
Share of Profit from Associate	**–**	–	**11.07**	9.79
Net profit from continuing operations	**5.10**	10.04	**15.17**	18.84
Other Comprehensive Income	**(44.31)**	46.65	**(44.31)**	46.65
Profit/ Loss for the period	**(39.21)**	56.69	**(29.14)**	65.49

INDIAN ACCOUNTING STANDARD

The Ministry of Corporate Affairs (MCA) vide its notification dated February, 2015 notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. The Company has adopted Indian Accounting Standards (Ind AS) from 01 April 2017 (transition date being 01 April 2016) and accordingly, the financial statements have been prepared as per the Indian Accounting Standard Rules, 2015, as prescribed under section (133) of the Companies Act, 2013 read with relevant Rules issued thereunder and the other accounting principles generally accepted in India.

The Reconciliation and the effect of the transition as per GAAP vis a vis Ind AS has been provided in Note no 34 in the notes to the account in the Financial Statements.

OPERATIONAL REVIEW AND STATE OF AFFAIRS

We would further like to inform you that the disclosure requirements as per Indian Accounting Standard (Ind AS 108) issued by the Institute of Chartered Accountants of India, New Delhi are not applicable to the Company as the main business activities of Company falls under single segment i.e. :BOPP Films.

Further, pursuant to the requirement of section 129(3) of the Companies Act, 2013 the Company has Consolidated the Financial statements for the year ended 31st March, 2018 in respect of its Associate companies, We would brief you regarding the financial performance of the company on Standalone as well as Consolidated basis, which is as under:-

STANDALONE FINANCIAL PERFORMANCE

We are pleased to inform that during the year under review on standalone basis, Company achieved a Total Income of Rs. 255.63 Crores (Net of Excise) as against of Rs. 257.94 Crores in the previous year. Thus the Company has been able to maintain its Top line. However the Company's performance was severally impacted because of disruptions of trade in the domestic market due to the Goods & Services Tax implementation and Demonetization and Company could earn a Profit before tax of Rs. 7.16 Crores as against Rs. 8.25 Crores in the previous year. After providing Rs 2.06 Crores for taxation (including deferred tax) it earned a Net Profit of Rs 5.10 Crores during the year.

After taking into account "Other Comprehensive Income" (i.e.is fall of Rs (44.31) Cores in the Market Price of the Securities held by the Company and other Ind AS Adjustments) as per Accounting Standard, there is Loss of Rs (39.21) Crores during the year. The Company's General Reserves stand at Rs 101.60 Crores on 31st March, 2018..

CONSOLIDATED FINANCIAL PERFORMANCE

On consolidated basis, Company earned Total Income of Rs. 254.63 Crores (Net of Excise) as against Rs.256.94 Crores (Net of Excise) in the previous year. It earned a profit before tax of Rs. 6.16 Crores as against Rs. 7.26 Crores in the previous year. After providing Rs 2.06 Crores for taxation including deferred tax) and share of profit from Associates of Rs 11.07 Crores, it earned a Net Profit of Rs 15.17 Crores during the year. However after taking into accounts "Other Comprehensive Income" (i.e fall of Rs (44.31) Cores in the Market Price of the Securities held by the Company and other Ind AS Adjustments) as per Accounting Standard, there is Loss of Rs (29.14) Crores during the year.

In the Current year, the Company is performing well. Your Management is of the opinion it will be able to put up a reasonably good performance in the current year.

DIVIDEND

The Board in its meeting held on 30th May, 2018 has recommend a dividend @ 10% i.e. (Rs. 0.50/- per Equity Share of 5/- each) on the paid up equity share capital for the financial year ended 31st March, 2018 out of the reserves of the company. The proposal is subject to the approval of the Shareholders at the ensuing annual general meeting scheduled to be held on 28th September, 2018.The total dividend declared (excluding dividend distribution tax) for the current year is Rs. 1.23 crores.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid out of the reserve of the Company to all those shareholders whose name shall appear in the Register of Members on 11th September 2018 or Register of Beneficial Owners, maintained by the Depositories as at the close of 11th September 2018.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions section 124(5) of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all dividend remaing unpaid and unclaimed for a period unpaid and unclaimed for a period of seven consecutive years is required to be transferred to the Investor Education and Protection Fund

(IEPF) established by the Central Government. Accordingly, the company has transferred an amount of Rs. 2,98,742 (Rs. Two Lacs Ninety Eight Thousand Seven Hundred and Forty Two only) being the amount of unclaimed dividend for the year 2009-10 to the Investor Education and Protection Fund.

Further, unclaimed/unpaid dividend for the year 2010-11 shall be transferred to Investor Protection Fund pursuant to section 124(5) of the Companies Act, 2013 in November, 2018. The Company has already sent letter/notice to the shareholders informing them to claim the unclaimed dividend from the Company before such transfer to the Investor Education and Protection Fund.

Besides, as per the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares on which dividend has not been paid or claimed by the Shareholders for seven consecutive years or more is required to be transferred to the Demat account of the IEPF Authority. Accordingly in compliance of the said provision of the Act, 4,04,694 (Four Lakh Four Thousand Six Hundred and Ninety Four Only) equit shares of Rs 5/- each, were transferred to the DP/Client ID IN300708/10656671 opened in the name of the Investor Education and Protection Fund Authority. The details of the Shareholders whose shares have been transferred to the Demat account if IEPF Authority is also available on Company's website http://owmnahar.com/nahar_polyfilm/pdf/2008-09.pdf and the same can be accessed through the link : www.iepf.gov.in.

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

DECLARATION BY INDEPENDENT DIRECTORS

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

APPOINTMENT OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Dr. (Mrs.) H. K. Bal and Prof. K.S. Maini were relieved from the office of Directors on the expiry of their terms of office on 26th September, 2017. Dr. Inder Mohan Chhibba (DIN 07913491) and Dr. Manisha Gupta (DIN 06910242) were appointed as Independent Directors of the Company to hold office for Five (5) Consecutive years for a term upto 25th September, 2022 on 26th September, 2017. We would also like to inform you that pursuant to provisions of 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. Dinesh Gogna (DIN 00498670), will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offered themselves for re-appointment. The Board recommends their re-appointment to the members of the Company at the ensuing Annual General Meeting.

Further, Regulation 17 (1A) of SEBI (LODR) (Amendment) Regulations 2018, notified on 9th May, 2018 and which will be applicable w.e.f 1st April, 2019, prescribes that no listed entity shall appoint a person or continue directorship of any person as a non-executive director, who has attained the age of seventy five years unless a Special Resolution is passed to that effect. We would like to inform you that Mr. Jawahar Lal Oswal, who is a Non-Executive Chairman, is going to reaches the age of Seventy Five Years on 1st October, 2018. Accordingly in compliance of Regulation 17 (1A) of SEBI (LODR) (Amendment) Regulations 2018, Company has proposed the Special Resolution in the accompanying Notice of 30th Annual General Meeting, for shareholders approval so that he can continue to be Directors of the Company even after the age of seventy five years.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 Mr. Satish Kumar Sharma, Executive Director, Mr. Rakesh Kumar Jain, Chief Financial Officer and Mrs. Nidhi Khande, Company Secretary are the Key Managerial Personnel (hereinafter referred as KMP) of the Company. There has been no change in the KMP since the last fiscal year.

BOARD EVALUATION

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

The Board carried out a formal Annual performance evaluation as per the criteria/framework laid down by the Nomination and Remuneration Committee of the company and adopted by the Board. The evaluation was carried out through a structured evaluation process to evaluate the performance of individual directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The outcome of the Board Evaluation for the Fiscal 2018 was discussed by the Nomination and Remuneration Committee at the meeting held on 29th May, 2018 and the Board at the meeting held on 30th May, 2018.

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

CORPORATE POLICIES:

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

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

Name of the Policy	Brief Description
Appointment & Remuneration Policy	Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with SEBI (LODR) Regulations, 2015, the Board of Directors in their meeting held on 3rd February, 2015 approved the Policy for Appointment and Remuneration of Directors, Key Managerial Personnel and other employees as recommended by Nomination and Remuneration Committee. The Policy formulates the principle and criteria for determining qualification, competences, positive attributes, integrity and independence etc. for Directors, Senior Management Personnel including its Key Managerial Personnel (KMP) and employees of the Company. The Policy also laid down the criteria for determining the remuneration of directors, key manager personnel and other employees.
Corporate Social Responsibility Policy	Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with companies (Corporate Social Responsibility Policy Rules, 2014, the CSR Committee formulated the CSR Policy which was adopted by the Board. The CSR policy outlines the various programmes/ projects/ activities to be undertaken by the Company as laid down in Schedule VII of the Companies Act, 2013.
Whistle Blower Policy	Pursuant to the provisions of Section 177 of the Companies Act, 2013 company has formulated and adopted Vigil Mechanism/ whistle Blower policy for its directors and employees. The aim of the policy is to provide a channel to the directors and employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct.
Policy for determining the Material Related Party Transactions and dealing with the related party transactions	Pursuant to the requirements of regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved a policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions. The policy regulates the transactions between the company and its group companies and related parties. The Policy has been uploaded on the Company's website and can be accessed at http://www.owmnahar.com/nahar_polyfilm/pdf/RPT-NAHAR-POLY.pdf
Insider Trading Policy	To provide the framework for dealing in the Securities of the company by the Insiders, the Board has approved and adopted the following Codes in its Meeting held on 30.05.2016 under SEBI (Prohibition of Insider Trading) Regulations, 2015: I. Code of practices and procedures for fair disclosure of unpublished price sensitive information.. ii. Code of conduct to regulate, monitor and report trading by insiders. The Code helps to regulate trading in securities by the Directors and designated employees of the Company. The Code requires preclearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive

	information in relation to the Company and during the period when the Trading Window is closed.
Policy for preservation of Documents	Board of directors in their meeting held on 10th February, 2016 has approved and adopted the policy for Preservation of documents. The Policy segregates the documents to be preserved permanently and documents to be preserved at least for a period of eight years as per the requirements of applicable laws.
Archival Policy	Pursuant to the requirements of Regulations 30(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Board has approved and adopted the Archival Policy in its Meeting on 10th February 2016. The Policy ensures protection, maintenance and archival of Company's disclosures, documents and records that are placed on Company's website i .e. www.owmnahar .com
Board Diversity Policy	The Board of Directors in their Meeting held on 3rd February, 2015 has approved and adopted the Board diversity as per the recommendations of the Nomination and Remuneration Committee. The policy envisages of diversification of Company's Board in respect of age, knowledge and experience expertise.

APPOINTMENT AND REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for Appointment and Remuneration of Directors, Senior Management and other employees as provided under section 178(3) of the Companies Act, 2013. The Objective of the Policy is to have an appropriate mix of Non-Executive and Independent Directors to maintain the indpendence of the Board and separate its functions of governance and management. The present Board consists of twelve members. Sh. Jawahar Lal Oswal is Non Executive Chairman. Sh. Satish Kumar Sharma is an executive director. There are five Non Executive Directors and six are Independent Directors out of which one director namely; Dr Manisha Gupta as woman director on the Board.

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

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors held their meeting on 22nd December, 2017, 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 the flow of information between the company's Management and the Board which is necessary for the Board to effectively and reasonably perform their dulies.

FAMILIARISATION PROGRAMS FOR BOARD MEMBERS

All new Independent Directors inducted into the Board attend an orientation programme. Further, at the time of apoointing a Director, the Company issues a formal letter of appointment which inter alia, explains the role, functions, duties and responsibilities expected from him/her asa Director of the Company. All Independent Directors are provided with all policies/Guidelines as framed by the Company under various statutes and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 to familiarize with Company's procedure and practices. Further, to update them on the regular basis, the Company provides copies of all amendments in Corporate Laws, Corporate Governance Rules and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The details of Company's Policy on Familiarisation Programs for Independent Directors are posted on the website of the Company and can be assessed at http://www.owmnahar.com/nahar_polyfilm/pdf/Familiarizatio-Program-NPFL0001.pdf

We would like to inform you that the Securities Exchange Board of India vide its Notification dated 9th May, 2018 issued Regulations known as SEBI (Listing Obligation and Disclosure Requirement) (Amendment) Regulations, 2018. Likewise, the Ministry of Corporate Affairs, New Delhi also notified companies (Amendment) Act, 2018 on 7th May, 2018 whereby some provisions of Companies Act, 2013 were changed/amended. The Company provided copies of said Regulations as well as Companies (Amendment) Act, 2018 to all the Directors so that they can update their knowledge in Corporate/SEBI law. Besides, an interactive session was also conducted by Mr P.S. Bathla, a Practicing Company Secretary with all the Directors to apprise them with the silent

features of the SEBI Regulations and Companies (Amendment) Act, 2018.

NO OF BOARD MEETINGS

During the year under review, the Board of Directors met four times i.e. 30th May, 2017, 12th August, 2017, 14th November, 2017 and 10th February, 2018 with a predefined agenda circulated well in advance. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

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 and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc which may have potential conflict of interest with the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with the Rule 8 of the Companies (Accounts) Rules, 2014. However, the transactions entered into with the Group Companies during the year under review, has been given to Notes to the financial statements in accordance with the Accounting Standards

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

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY 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, 2018 is Rs. 1229.40 Lacs. During the year under review Company has neither issued shares with differential voting rights as to dividend, voting or otherwise nor granted stock options or sweat equity under any scheme.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

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

Details of Loans, and Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in the Annual Report. The company has not given any guarantee under section 186 of the Companies Act, 2013

CORPORATE SOCIAL RESPONSIBILITY

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

During the year under review, company could not spend an amount of Rs. 21.84 Lacs (being the 2% of the average net profits made during the three immediate preceding financial years on CSR activities) because of the deferment of the Eye Care project by the charitable medical institution. The Company also made efforts to identify projects in other areas. However, it was not able to identify meaningful projects, finalize implementation agencies and the target beneficiaries which would have created a visible impact on the society.

Due to the aforementioned reasons, the Company was not able to spend its CSR amount during the financial year 2017-18 till 31st March, 2018. The Company remains committed towards the noble cause of social development and has accordingly, decided to carry forward the unspent amount of Rs. 21.84 Lacs for the Financial Year 2017-18 to the next year. M/s Oswal Foundation has already begun helping to run the charitable hospital for the purposes of diagnosis & treatment besides other charitable activities under CSR already approved.

Accordingly the company has issued a cheque amounting to Rs 38.47 Lacs, which includes the amount of Rs 16.63 Lacs CSR liability for financial year 2016-17 and Rs 21.84 Lacs for the financial year 2017-18 in the month of July, in favour of M/s Oswal Foundation for the purposes of promotion of charitable hospital being run by Mohan Dai Oswal Cancer Treatment & Research Foundation. Thus, with the said transfer of amount CSR Expenditure Reserve created in the books of accounts stand fully utilized for the purpose of CSR activities.

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

AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013, the Board of Directors have already constituted Audit committee, consisting of Sh. Suresh Kumar Singla as Chairman, Dr Vijay Asdhir and Sh. Dinesh Gogna, Directors as members. Mrs. Nidhi Khande is the Secretary of the committee. The committee held four meetings during the year under review.

VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2013, the Company established a Vigil Mechanism process as an extension of Company's Code of Conduct whereby any employee, directors, customers, vendors etc., can report the genuine concerns or grievances to the members of the Committee about unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct so that appropriate action can be taken to

safeguard the interest of the Company. The Mechanism also provides for adequate safeguards against victimization of persons who uses such mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website. The Company has a dedicated e-mail address i.e. whistleblowernpfl@owmnahar.com for reporting the genuine concerns.

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

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATES COMPANY

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

CREDIT RATING

We are pleased to inform that the Credit Analysis and Research (CARE) vide their letter dated 12th March, 2018 has re-affirmed the credit rating "CARE A-" for long term debt instruments/ facilities and "CARE A2+" for the short term debt instruments/ facilities of the Company. The rating "A" indicates stable and rating "A2+" indicates strong degree of safety regarding timely payment of the financial obligations.

CONSOLIDATED FINANCIAL STATEMENTS

As per Companies Act, 2013, the Company has One Associate Company viz. M/s Nahar Capital and Financial Services Limited as defined under the Companies Act, 2013. Pursuant to the requirements of Section 129(3) of the Companies Act, 2013, the Company has consolidated the financial statements in respect of above said Associate Company for the financial year ended 31st March, 2018.

Further, a report on the performance and financial position of the Associate Company as per the Companies Act, 2013 in the Form AOC-1 is annexed to the Financial Statements for the year ended 31.03.2018.

GREEN INITIATIVE

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

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

LISTING OF SECURITIES

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

1. The B.S.E. Ltd., 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
2. The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No.C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400051

The company has paid listing fee to both the Stock Exchanges for the financial year 2018-2019.

DEMATERIALISATION OF SECURITIES.

As the members must be aware that Companies securities are tradable compulsorily in electronic form w.e.f. 21st March, 2000. Your company has already established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) to facilitate the holding and trading of securities in electronic form. As on 31st March, 2018, 94.87% of the total Equity Share Capital has been de-materialized. 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.

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

M/s. Alankit Assignments Ltd.

(Unit : Nahar Poly Films Ltd.)

Alankit House,2E/21, Jhandelwalan Extension NEW DELHI-110055

Telephone No.:(011)23541234

Fax No. :(011)41540064

E-mail Address:rta@alankit.com

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

The said amendment shall come into force on the one hundred and eightieth day from the publication of Official Gazette.

In view of the above, members are hereby informed that effective 5th December, 2018 requets for effecting transfer of securities in physical form shall not be processed unless the securities are held in the dematerialized form with a Depository. Hence all members who are holding equity shares in physical form are requested to go in for dematerialization of securities at the earliest.

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

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 Companies Act, 2013.

The Directors confirm:

I) that in preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanations relating to material departures.

ii) that they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

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

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

v) that the Directors 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 the directors 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

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

AUDIT REPORT

The Statutory Auditors have submitted the Audit Report on the Standalone as well as Consolidated Accounts of the Company for the Accounting year ended on 31st March, 2018. The observations and comments given by Auditors in their Report read together with the Notes to the Financial Statements are self explanatory and require no comments.

COST AUDITORS

We would like to inform you that the Ministry of Corporate Affairs vide 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 company is maintaning Accounts and Costing reports. Further the Board of Directors on the recommendation of Audit Committee has also appointed M/S. Khushwinder Kumar & Associates, Cost Accountant, as Cost Auditors of the Company for financial year 2018-19 and has fixed a remuneration of Rs. 45000/- (Rupees Forty Five Thousand only) plus applicable taxes and reimbursement of out of pocket expenses incurred subject to the ratification of the members as per the provision of Section 148(3) of the Companies Act, 2013 and Rules 14 of the Companies (Audit and Auditors) Rules, 2014, A resolution for the ratification of the remuneration of the Cost Auditor by the shareholders at the ensuing Annual General Meeting is being proposed for your approval.

SECRETARIAL AUDITOR

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 Certificate of Practice No. 2585 to conduct Secretarial Audit of the Company for the financial year 2018-19

M/s. P.S. Bathla & Associates, Practising Company Secretaries have carried out the secretarial Audit for the financial year ended March 31, 2018 and submitted their Secretarial Audit Report in Form No. MR-3 is annexed herewith this report as Annexure II and forms part of this report.

The Report is self explanatory and requires no comments.

BUSINESS RISK MANAGEMENT

The Company has laid down Risk Management Policy. The Policy aims to identify, evaluate manage and monitor all types of risks which are associated with the business of the Company. The Board as well as Audit Committee regularly overseas the risk management process in the Company, as required under 134(3)(n) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

INTERNAL FINANCIAL CONTROL AND SYSTEMS

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

Further, pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the company has also appointed Mr. Sandeep Gupta, a Chartered Accountant, having Membership no 540217 as Internal Auditor for a period of three years. The Company is having Internal Audit Department to test the adequacy and effectiveness of Internal Control Systems

lay down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board. During the year, Company's Internal Controls were tested and no reportable weakness in the system was observed.

Apart from the above, an Audit Committee consisting of three Non Executive Directors has been constituted. All the significant audit observations and follow up Actions thereon are taken care of by the Audit Committee. The Audit Committee also oversees and reviews the adequacy and effectiveness of Internal Control in the company. 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 under review, 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.

The Company has complied with the provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2017-18, the Company has not received any complaints on sexual harassment and hence no compliant remains pending as of 31 March, 2018.

ANNUAL RETURN

The Extract of Annual Return of the Company, pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2017-18 in the Form MGT-9 has been uploaded on Company's website at

http://owmnahar.com/nahar_polyfilm/pdf/Extract-of-Annual-Return-17-18.pdf as the requirement of attaching the extract of Annual Return with Board's Report has been done away by Section 36 of Companies (Amendment) Act, 2017 notified by Ministry of Corporate Affairs, New Delhi, vide its Notification dated 31st July, 2018.

PARTICULARS OF EMPLOYEES

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

In terms of section 197(14) of the Companies Act, 2013, the Company does not have any Holding Company. However, the details regarding remuneration received by Executive Director is also given in point 5 of the ANNEXURE III annexed hereto and form part of this report.

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

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

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

REPORT ON THE CORPORATE GOVERNANCE

Your Company continues to follow the principles of good Corporate Governance. The company has already constituted several committees of directors to assist the Board in good Corporate Governance. The Corporate Governance Report along with the Auditors Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in Part C of Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached herewith as Annexure-V and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENT

The Board of Directors of the company wish to place on record their gratitude and appreciation to all workers, staff members and executives for their contribution to the operations of the company. The Directors are thankful to the Bankers, Financial Institutions for their continued support to the company. The Directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the Company.

FOR AND ON BEHALF OF THE BOARD

JAWAHAR LAL OSWAL
(CHAIRMAN)
DIN:00463866

PLACE : LUDHIANA
DATED : 6TH AUGUST, 2018

ANNEXURE- I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**. Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee framed the Corporate Social Responsibility Policy (CSR Policy) and the same was adopted by the Board of Directors on 11th August, 2014. As per policy, Company is undertaking CSR activities in collaboration with group companies under one umbrella i.e. through Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields. The CSR policy is also available on the Company's website at the link: http://www.owmnahar.com/nelc/.
2. **Composition of the CSR Committee:** Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has also constituted Corporate Social Responsibility Committee comprising of three Directors namely:

   Sh. Dinesh Oswal, Chairman (Director)

   Sh. S.K. Singla, Member (Independent Director)

   Sh. Dinesh Gogna, Member (Director)
3. **Average net profit of the Company for last three financial years: Rs. 1092.13 Lacs**
4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 21.84 Lacs**
5. **Details of CSR spend for the financial year:**
   - **(a) Total amount spent for the financial year:** Nil
   - **(b) Amount unspent, if any:** *21.84 Lacs
   - **(c) Manner in which the amount spent during the financial year :** *The Company for its Corporate Social Responsibility Obligation (herein after referred to as "CSR") tied up with M/s Oswal Foundation for undertaking its CSR Obligations. The said organization has done various activities under CSR. Based on the discussions with the foundation, the Company identified the project for setting up the Eye Care Center in a charitable hospital for which estimate amount of expenditure to be incurred was Rs. 8-10 Crores (app). However, the project had to be deferred by the said charitable medical institution. The company also made efforts to identify projects in other areas. However, it was not able to identify meaningful projects, finalize implementation agencies and the target beneficiaries which would have created a visible impact on the society.

     Due to the aforementioned reasons, the Company was not able to spend its CSR amount during the financial year 2017-18 till 31st March, 2018. The company remains committed towards the noble cause of social development and has accordingly, decided to carry forward the unspent amount of Rs 21.84 Lacs for the financial year 2017-18 to the next year. M.s Oswal Foundation has already begun helping to run the charitable hospital for the purposes of diagnosis & treatment besides other charitable activities under CSR already approved. Accordingly the company has now issued a cheque amounting to Rs 38.47 Lacs, (which includes the amount of Rs 16.63 Lacs CSR liability for financial year 2016-17 and Rs 21.84 Lacs for the financial year 2017-18) in the month of july, in favour of M/s Oswal Foundation for the purposes of promotion of charitable hospital being run by Mohan Dai Oswal Cancer Treatment & Research Foundation. Thus, with the said transfer of amount CSR Expenditure Reserve created in\ the books of accounts stand fully utilized for the purpose of CSR activities.

     Besides, we would also like to update the information is as under:

(1) S. No.	(2) CSR Project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs 1. Local area or other 2. Specify the State and District where project or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Subheads: 1. Direct expenditure on projects or programs. 2.Overhead	(7) Cumulative expenditure upto the reporting period	(8) Amount spent Direct or through implem -enting agency
1.	--	--	--	--	--	--	--

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

   The Company joined hands with the other group companies for undertaking CSR activities under one umbrella through a Special Purpose Vehicle (SPV), a recognized charitable Organization, M/s Oswal Foundation. The project of Eye Care Center in a charitable hospital at an estimated amount of expenditure to the tune of Rs. 8-10 crores, had to be deferred by the said charitable medical institution. The Company also made efforts to identify projects in other areas. However, it was not able to identify meaningful projects, finalize implementation agencies and the target beneficiaries which would have created a visible impact on the society.

   Due to the aforementioned reasons, the Company was not able to spend its CSR amount during the Financial Year 2017-18 i.e. till 31st March 2018. However, in July, 2018, company has issued a cheque amounting to Rs. 38.47 Lakhs (which includes the amount of Rs. 16.63 lakhs CSR liability for Financial Year 2016-17 and Rs. 21.84 Lakhs for the financial year 2017-18), favoring M/s Oswal Foundation, for undertaking CSR Activities including the promotion of charitable hospital, being run by Mohan Dai Oswal Cancer Treatment & Research Foundation, for and on behalf of the Company along with the other Group Companies.
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: 6TH AUGUST, 2018

ANNEXURE-II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2018

[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 **M/s Nahar Poly Films Ltd** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year1st April, 2017 to 31st March, 2018 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Nahar Poly Films Limited** ("the Company") for the financial year ended on **31st March, 2018** 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, 2015;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable as the Company has not issued further capital during the financial year under review)**
   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable as the Company has not made any such scheme during the Audit Period under review)**
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued Debt Securities during the Audit Period under review)**
   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial Year under review)**
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review)**
   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review)**

VI. The Company has informed that there are no Sector Specific laws which are applicable to the Company.

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

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

I Report that during the period under review the Company has complied with the provisions of the

Acts,Rules,Regulations, Guidelines, Standards, etc. mentioned above.

2. I further report that

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

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

PLACE: LUDHIANA
DATE: 6TH AUGUST, 2018

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

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

'Annexure A'

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

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

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

PLACE: LUDHIANA
DATE: 6TH AUGUST, 2018

For P S Bathla & Associates

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

Annexure-III

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

(I) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 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 2017-18	% increase in Remuneration in the Financial Year 2017-18	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	40000	0	0.18	--
2	Sh. Dinesh Oswal Non Executive Director	30000	-25.00	0.13	--
3.	Sh. Kamal Oswal Non-Executive Director	40000	0	0.18	--
4.	Sh. Dinesh Gogna Non-Executive Director	40000	0	0.18	--
5.	*Sh. S.K. Sharma Executive Director	2190616	0.98	9.75	PBT declined by 13.28% & PAT declined by 49.28% in F.Y. 2017-18
6.	Mr. Komal Jain Non-Executive Director	40000	0	0.18	–
7.	Dr. S.K. Singla Independent Director	40000	0	0.18	–
8.	Dr. Y.P. Sachdeva Independent Director	10000	-50.00	0.04	–
9.	Dr. A.S. Sohi Independent Director	20000	-33.33	0.09	–
10.	#Dr. Manisha Gupta Independent Director	20000	–	0.09	
11.	#Dr. Inder Mohan Chhibbaa Independent Director	20000	–	0.09	
12.	Dr. Vijay Asdhir Independent Director	40000	0	0.18	–
13.	#Dr. (Mrs.) H.K.Bal Independent Director	20000	-33.33	0.09	–
14.	#Prof. K.S.Maini Independent Director	10000	-50.00	0.04	–
15.	Mr. Rakesh Kumar Jain Chief Financial Officer	891834	7.08	--	PBT declined by 13.28% & PAT declined by 49.28% in F.Y. 2017-18
16.	Mrs. Nidhi Khande Company Secretary	315437.00	88.28	--	

**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.*

#On the expiry of term of office, Dr Mrs. H.K.Bal and Prof K S Maini, ceased to be the directors of the Company w.e.f. 26th September, 2017.

Dr Inder Mohan Chhibba and Dr Manisha Gupta, were appointed as Independent Directors of the Company w.e.f 26th September, 2017.

ii) The median remuneration of employees of the company during the financial year was Rs. 224712/-

iii) In the financial year, there was an increase of 11.16% in the median remuneration of employees;

iv) There were 179 permanent employees on the roles of company as on March 31, 2018;

v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 5.62% whereas average percentage increase in the managerial remuneration in the last financial year i.e.2017-18 was 3.00%

vi) It is hereby affirmed that the remuneration paid is as per the Appointment and Remuneration Policy of the Company for Directors, Key Managerial Personnel and other Employees.

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

Sr. No.	Name & Designation	Remuneration received (Rs. in Lakhs)	Nature of employment (contractual or otherwise)	Qualification & Experience	Date of commencement of employment	Age	Last employment held	% age of equity shares held	Whether relative of any director or manager
1.	Sh. Sanjay M Karandikar Chief Executive	49.22	Regular	B.E 33 Years	04.03.2008	55	Uflex Ltd. U.P.	Nil	No
2.	Sh. Satish Kumar Sharma Executive Director	21.91	Regular	MBA 44 Years	01.06.1974	66	Rallis India Ltd.	Nil	No
3.	Sh. S Chandrakanth Rao President Marketing	21.81	Regular	B-Tech 31 Years	01.05.2012	51	Uflex Ltd. U.P.	Nil	No
4.	Surinder Singh V.P.Comm & Admin	19.50	Regular	B.Com C.A.Inter 35 Years	16.03.2011	62	Oswal FM Hammerel Textiles Ltd.	Nil	No
5.	Sh. Ashok Gupta Sr. Mgr Mechnical	16.32	Regular	B.E.Mech 28 Years	07.04.2011	55	Jindal Poly Films Ltd.	Nil	No
6.	Sh. Amit Kumar Verma Managar Marketing	12.57	Regular	MBA 13 Years	01.03.2005	38	Reliance Communication	Nil	No
7.	Sh. Shailesh Singh Sr. Mgr Q.A.	12.39	Regular	MSC. 30 Years	04.02.2010	54	Uflex Ltd. U.P.	Nil	No
8.	Sh. Imran Ahmed Khan Manager Electrical	11.99	Regular	M.Tech 10 Years	15.09.2016	35	Uflex Ltd. U.P.	Nil	No
9.	Kaushal Aggarwal Mgr. Metilizer	10.01	Regular	MBA Dip in Mech. 20 Years	12.01.2010	42	M.G.M Metalizer Ltd.	Nil	No
10.	Sh. Mujeeb R Khan Dy Manager Electrical	9.88	Regular	Bsc, Dip in Elect 19 Years	15.09.2009	48	Voltas Ltd.	Nil	No

FOR AND ON BEHALF OF THE BOARD

PLACE: LUDHIANA
DATED: 6TH AUGUST, 2018

JAWAHAR LAL OSWAL
(Chairman)
DIN: 00463866

ANNEXURE-IV

PARTICULARS OF CONSERVATION OF ENERGY,TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

(i) Measures taken for conservation of energy:

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

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

ITEM	QTY.	Amount
CHAR COAL - PET COKE	650.90	13018.00
LIME POWDER - HYDRAUTED,80%	14000.00	93901.52
LIME STONE -25 TO 40MM	8500.00	23968.61
PET COKE	1341.48	13199382.49
ULTRA LOW SULPHUR DIESEL	1038.00	65417.94

(ii) Steps taken by the Company for utilising alternate source of energy.

The Company has installed close loop cooling tower (CLCT EQUIPMENT) for saving of power energy.

iii) The Capital Investment on energy conservation equitments

Capital Investment made in energy conservation equipment is Rs. 86,57,709 during the year 2017-18.

B. TECHNOLOGY ABSORPTION

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

- **Efforts made towards Technology Absorption**

The company has imported the latest ultra modern machinery from Bruckner, Germany. It is expected that with the latest technology, company will be able to produce quality products at lowest cost of production.

- **Benefits derived as result of above efforts:**

With the above measures, company enjoying the benefit of improved quality, productivity & saving in manufacturing cost.

- **Information regarding Technology imported during the last three years:**

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

- **Expenditure on R & D**

Capital(Rs.)	:	NIL
Recurring (Rs.)	:	NIL
Total(Rs.)	:	NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(I) Activities relating to Exports, initiative taken to increase ex ports, Development of New Export Market for products and export plans. During the financial year 2015-2016 the Company was able to retain its old customers. At present the Company is exporting its products to Nigeria, United Kingdom, United Arab Emirates, Bangladesh, Turkey, Oman, Tanzania, Nepal, Slovak Republic etc.

		Current Year 2017-18	Previous Year 2016-17
(II)	**Total Foreign Exchange used and earned :-**		
a)	Foreign Exchange outgo (Rs.)	119678408.00	56891503
b)	Foreign Exchange earned (Rs.)	21019801.00	106852012

FOR AND ON BEHALF OF THE BOARD

PLACE : LUDHIANA
DATED : 6TH AUGUST,2018

JAWAHAR LAL OSWAL
(Chairman)
DIN: 00463866

ANNEXURE-V

CORPORATE GOVERNANCE REPORT

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

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

II. BOARD OF DIRECTORS

a. Board Composition :

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

(i) We are pleased to inform that Company's Board is an optimal mix of Executive, Non Executive and Independent Directors so as to maintain its independence in Governance and Management of the Company. The present strength of the Board as on 31st March, 2018 is Twelve Directors. Mr. Satish Kumar Sharma is Executive Director of the Company and Sh. Jwahar Lal Oswal is Non-Executive Chairman. Mr Jawahar Lal Oswal, is also one of the promoter of the Company, accordingly in compliance with Regulation 17(1)(b) of SEBI (LODR) Regulations, 2015, the Company's Board consist of half of the Board as Independent Directors Dr Inder Mohan Chhibba, Dr. Suresh Kumar Singla, Dr. Amrik Singh Sohi, Dr. Yash Paul Sachdeva, Dr Vijay Asdhir and Dr. (Mrs.) Manisha Gupta, a women director are Independent Non-Executive Directors. Sh Dinesh Oswal, Sh. Kamal Oswal, Sh. Dinesh Gogna and Sh. Komal Jain are other Non-executive Directors of the Company. Thus the Company has already complied the Regulation 17(b) of SEBI LODR Regulations, 2015.

Further, as per Regulation 17 (1A) of SEBI (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2018, notified on 9th May, 2018 and which will be applicable w.e.f. 1st April, 2019, prescribes that no listed entity shall appoint a person or continue directorship of any person as a non executive director, who has attained the age of seventy five years unless a Special Resolution is passed to that effect. We would like to inform you that Mr Jawahar Lal Oswal, who is a Non executive Chairman, is going to attain the age of Seventy Five years on 1st October, 2018. Accordingly in compliance of Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2018, Company has proposed the Special Resolution, in the accompanying Notice of Annual General Meeting for shareholders approval so that he can continue to be Director of the Company even after the age of Seventy Five years.

The new Regulation also provides that a Women Director who is on the Board of Directors should be Independent. We would like to inform you that Dr (Mrs) Manisha Gupta who is a Women Director on the Board is an Independent Director and thus, Company has already complied the Regulation17 of SEBI (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2018

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

As per the provisions of Section 173 of the Companies Act, 2013 and the rules made thereunder, read with SEBI LODR Regulation, 2015, every company is required to hold a minimum four number of Board meetings every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive Board Meetings. We are pleased to report that the Company held Four Board Meeting during the year i.e. on 30th May, 2017, 12th August, 2017, 14th November, 2017, and 10th February, 2018 with a clearly defined agenda and has thus, complied with the said provisions of the Act. The agenda alongwith the explanatory notes are circulated to the directors well in advance. Every Board member can suggest the inclusion of additional items in the agenda. All the Directors strive to be present at the Board Meetings.

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

The participation of Non-Executive Directors and Independent Directors has been active in the Board Meetings. The Attendance record of directors in the Board Meeting held during the year 2017-18 and the last Annual General Meetings held on Tuesday 26th day of September, 2017 is given here under:

Name of Directors	Category of Directors	No. of other Directoership (excluding private company)	No. of Committe membership		No. of Board Meeting attended	AGM Attendance (held on 30.09.2017)	No. of Shares held
			Member	Chairman			
Mr.Jawahar Lal Oswal	Non Executive Promoter	9	--	--	4	No	Nil
Mr. Dinesh Oswal	Non Executive Promoter	9	--	--	3	Yes	105273
Mr. Kamal Oswal	Non Executive Promoter	9	1	--	4	Yes	31500
Mr. Dinesh Gogna	Non Executive	9	4	2	4	Yes	700
*Dr.(Mrs.) H.K. Bal	Independent	2	2	1	2	No	Nil
Mr. S.K. Sharma	Executive Director	2	3	--	4	Yes	Nil
*Prof. K.S. Maini	Independent	2	-	2	1	No	Nil
Dr. Suresh Kumar Singla	Independent	5	4	3	4	Yes	Nil
Dr. Yash Paul Sachdeva	Independent	3	2	1	1	No	Nil
Mr. Komal Jain	Non Executive	8	--	--	4	Yes	Nil
Dr. Amrik Singh Sohi	Independent	4	2	1	2	No	Nil
Dr. Vijay Asdhir	Independent	3	1	2	2	Yes	Nil
**Dr. Manisha Gupta	Independent	4	2	0	2	No	Nil
**Dr. Inder Mohan Chhibba	Independent	–	–	–	2	No	Nil

**On the expiry of term of office, Dr Mrs. H.K.Bal and Prof K S Maini, ceased to be the directors of the Company w.e.f. 26th September, 2017.*

***Dr Inder Mohan Chhibba and Dr Manisha Gupta, were appointed as Independent Directors of the Company w.e.f 26th September, 2017.*

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

The information regarding the other Board of Directors or Committees in which Directors are member or chairperson as on 31st March, 2018 is already given in the table given in Para C above. None of the Director holds Directorship in more than twenty Companies and is Director of more than ten public limited companies as prescribed under the Companies Act, 2013. Independent Directors are holding Directorship as per the limit specified in Regulation 26(1) of SEBI (LODR) Regulations, 2015. None of the director is a member of more than Ten Board level Committees or is Chairperson of more than five such Board level Committees as on 31st March, 2018, as required under Regulation 26(1) of SEBI (LODR) Regulations, 2015.

e. Disclosure of relationships between directors inter-se:

Sh. Jawahar Lal Oswal is the father of Sh. Kamal Oswal and Sh. Dinesh Oswal. Sh. Kamal Oswal and Sh. Dinesh Oswal are brothers. None of the other director is related to any other Director of the Company within the meaning of Section 2(77) of the Companies Act, 2013.

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

Sh. Dinesh Oswal and Kamal Oswal Non-Executive Promoter Directors are holding 105273 and 31500 equity shares of Rs. 5 each of the company respectively. Likewise Sh. Dinesh Gogna Non- Executive Directors are holding 700 equity shares of Rs. 5 each of the company. None of the other Non-Executive Director is holding any share and convertible instruments issued by the Company.

g. Web link of Familiarization Programs:

The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be accessed at http://www.owmnahar.com/nahar_polyfilm/pdf/Familiarizatio-Program-NPFL0001.pdf

h. Separate Meeting of Independent Directors:

As per the provisions of the Companies Act. 2013 and the rules made thereunder. The Independent Directors are required to hold atleast one meeting in a year without the attendance of Non Independent Directors and members of Management. We are pleased to report that the Company's Independent Directors met on 22nd December, 2017, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. At the Meeting, they –

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

III. BOARD COMMITTEES

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

1. AUDIT COMMITTEE

a. Brief Description of Terms of Reference:

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

b. Composition:

The Audit Committee is comprised of three Non Executive Directors under the chairmanship of Dr. S. K. Singla, who is an Independent Director. Sh. Dinesh Gogna a Non-Executive Director and Dr Vijay Asdhir an Independent Director are the two other members of the Audit Committee. Dr. S.K. Singla is a retired Prof.-cum-Head of Department of Business Management, Punjab Agricultural University, Ludhiana. He is having 33 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 39 years of experience in Corporate Finance, taxation, Financial and Accounting matters. Likewise Dr Vijay Asdhir who is Post Graduate in Commerce, and having 37 years of experience in Teaching and Administration and at present he is working as Director in the Khalsa Institute of Management, Ludhiana. Mrs. Nidhi Khande,is the Secretary of the Committee. Mr. Rakesh Kumar Jain who is Chief Financial Officer is a permanent invitee of the Committee. The statutory Auditors, internal auditors and Cost Auditors are also invited to attend the meetings, as and when felt necessary and as per relevant provisions of the applicable laws/rules.

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

c. Meetings and Attendance

During the financial year 2017-18, the committee met four times i.e. on 30th May, 2017, 12th August, 2017, 14th November, 2017 and 10th February, 2018, for reviewing and adopting the quarterly un-audited financial results as well as the financial statement for the relevant financial year ended 31st March, 2018 before recommending the same to the Board of Directors for their perusal and adoption.

The attendance record of the Audit Committee members at the meetings during the year 2017-18 is as under:-

Name of the Member	No. of meetings held	No. of meetings attended
Sh. S.K. Singla	4	4
Sh. Dinesh Gogna	4	4
*Prof. K.S. Maini	2	1
*Dr. Vijay Asdhir	2	2

**On the expiry of term of office, Prof K.S.Maini, ceased to be the director as well as member of the committee w.e.f. 26th September, 2017 and Dr Vijay Asdhir as Independent Director, was appointed as member of the committee w.e.f 26th September, 2017*

2. NOMINATION & REMUNERATION COMMITTEE

a. Brief Description of Terms of Reference:

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

b. Composition:

The Present committee consists of three Independent directors namely, Sh S.K. Singla as the chairman, and Sh. Komal Jain and Dr. (Mrs.) Manisha Gupta as members of the committee.

c. Meetings and Attendance:

The Nomination and Remuneration Committee met thrice during the year i.e. on 29th May, 2017, 12th August, 2017 and 10th February 2018 during the year under review. The attendance record of the Members at the meetings held during the year 2017-18 is as follow:-

Name of the Member	No. of meetings held Upto 31.03.2017	No. of meetings attended
Sh. S.K. Singla	3	3
Sh. Komal Jain	3	3
*Dr. (Mrs. H.K. Bal)	3	2
*Dr (Mrs) Manisha Gupta	3	1

**On the expiry of term of office, Dr (Mrs) H.K.Bal, ceased to be the director as well as member of the committee w.e.f. 26th September, 2017 and Dr Manisha Gupta as Independent Director, was appointed as member of the committee w.e.f 26th September, 2017*

d. Performance Evaluation Criteria for Independent Directors:

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

e. REMUNERATION OF DIRECTORS

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

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

b. Criteria of making payment to non-executive directors:

The Non-Executive Directors are paid remuneration in the form of sitting fee of Rs. 10,000/- per meeting for attending the Board Meeting of the Company. The details of sitting fee paid to Non executive Directors are during the year 2017-18 is as follows:

Name of Director	Sitting Fee (Rs.)
Sh. Jawahar Lal Oswal	40,000.00
Sh. Dinesh Oswal	30,000.00
Sh. Kamal Oswal	40,000.00
Sh. Dinesh Gogna	40,000.00
Sh. Komal Jain	40,000.00
*Dr. (Mrs.) H.K. Bal	20,000.00
*Prof. K.S, Maini	10,000.00
Dr. S.K. Singla	40,000.00
Dr. Yash Paul Sachdeva	10,000.00
Dr. Amrik Singh Sohi	20,000.00
Dr. Vijay Asdhir	40,000.00
**Dr. Manisha Gupta	20,000.00
**Dr. Inder Mohan Chhibba	20,000.00
Total	**3,70,000.00**

*Note: *On the expiry of term of office, Dr Mrs. H.K.Bal and Prof K S Maini, ceased to be the directors of the Company w.e.f. 26th September, 2017.*

***Dr Inder Mohan Chhibba and Dr Manisha Gupta, were appointed as Independent Directors of the Company w.e.f 26th September, 2017.*

c. Disclosures with respect to remuneration:

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

i. Elements of remuneration package

The elements of remuneration package paid to Mr. Satish Kumar Sharma, Executive Director of the Company during the year 2017-18 is as follows:

Name of the Directors	Salary	Benefits	Bonuses	Stock Options	Pension	Total
Satish Kumar Sharma	2091799	98817	–	–	–	2190616

Pursuant to Section 197 & 198 read with Schedule V of the Companies Act, 2013, Rs. 2190616/- only has been paid as total remuneration for the year 2017-18 to Sh. Satish Kumar Sharma, Executive Director of the Company.

ii. Details of fixed components and performance linked incentives, along with performance criteria

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

iii. Service contracts, notice period, severance fees

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

iv. Stock option details

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

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

a. Brief Description of Terms of Reference:

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

b. Composition:

The committee consists of three non executive directors under the Chairmanship of Dr Manisha Gupta. Sh. Komal Jain, Non Executive Director and Dr A S Sohi an Independent Director are the other two members of the Committee.

c. Meetings and Attendance

The Committee met four times from 1st April, 2017 to 31st March, 2018 i.e. on 29th May, 2017, 12th August,2017, 14th November, 2017 and 10th February, 2018. The attendance record of members at the meetings held during the year 2017-18 is as follow:-

Name of the Member	No. of meetings held Upto 31.03.2018	No. of meetings attended
*Dr. (Mrs.) H.K. Bal	2	2
*Dr. Manisha Gupta	2	2
Sh. Komal Jain	4	4
Sh. A S Sohi	4	2

**On the expiry of term of office, Dr (Mrs) H.K.Bal, ceased to be the director as well as member of the committee w.e.f. 26th September, 2017 and Dr Manisha Gupta as Independent Director, was appointed as member of the committee w.e.f 26th September, 2017*

d. Name and Designation of Compliance Officer

Mrs. Nidhi Khande, Company Secretary is the Compliance Officer of the Company.

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

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

No. of complaints received during the year : 03
No. of complaints resolved during the year : 03
No. not solved to the satisfaction of shareholder : NIL
No. of complaints pending as on 31st March, 2018 : NIL

f. Dedicated e-mail for Investor Grievance

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

IV. OTHER COMMITTEES

1. SHARE TRANSFER COMMITTEE

The company has also constituted a share transfer committee comprising of 4 members under the Chairmanship of Sh. Dinesh Oswal, Director of the Company. Sh. Dnesh Gogna and Sh Komal Jain, Directors of the Company and Mrs Nidhi Khande, Company Secretary of the Company are the members of the committee. The committee is responsible for approving the transfer and transmission of securities, dematerialization of shares, issuance of duplicate share certificates and other shareholders related issues. The committee met twenty three times during the period April, 2017 to 31st March, 2018 i.e. 15th April, 2017, 29th April, 2017, 15th May, 2017, 30th May, 2017, 15th June, 2017, 30th June, 2017, 15th July, 2017, 31st July, 2017, 16th August, 2017, 01st September, 2017, 28th September, 2017, 16th October, 2017, 31st October, 2017, 15th November, 2017, 30th November, 2017,15th December, 2017, 30th December, 2017, 15th January, 2018, 31st January, 2018, 15th February, 2018, 28th February, 2018,16th March, 2018 and 31st March, 2018. The attendance of the members is as follows:-

Name of the Member	No. of meetings held Upto 31.03.2017	No. of meetings attended
Sh. Dinesh Oswal	23	23
Sh. Dinesh Gogna	23	20
Sh. Komal Jain	23	23
Mrs Nidhi Khande	23	23

Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the Shares (in respect of which dividend remain unpaid / unclaimed for a period of seven consecutive years) to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the Company's website and can be accessed through the link: http://owmnahar.com/nahar_polyfilm/pdf/2008-09.pdf. The said details have also been uploaded on the websites of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in/ IEPFA/refund.html.

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

As per SEBI circular no. D&CC/FITTC/CIR-

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

2 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

COMPOSITION

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

Meetings and Attendance

During the year under review, the Committee met twice i.e. on 12th August, 2017 and 31st March, 2018. The attendance record of members at the meeting held during the year 2017-18 is as follow:-

Name of the Member	No. of meetings held Upto 31.03.2018	No. of meetings attended
Sh. Dinesh Oswal	2	2
Dr. S.K.Singla	2	2
Sh. Dinesh Gogna	2	2

The CSR report, as required under the companies act. (Corporate Social Responsibility Policy) rules 2014 for the year ended 31st March 2018 is attached as per Annexure I to the Board report.

3 RISK MANAGEMENT COMMITTEE:

As per the provisions of Regulation 21 of SEBI LODR Regulations, 2015, Top 100 listed entities, determined on the basis of market capitalization as at the end of immediate previous financial year shall constitute a Risk Management Committee. We would like to inform you that the Company does not fall under the said category accordingly the Regulation 21 is not applicable to the company. However, no business is free from Normal Business Risks i.e. financial risk, Exchange risk, Policy risk, Global risk etc. The Audit Committee takes care of the company' risk policies and reviews the same in meeting so that the company could face the challenges and risk associated with the Business successfully and become a Global competitive company.

V. GENERAL BODY MEETINGS

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

Financial year	Location	Date	Time
2014-2015	Premises Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana	30.09.2015	2.00 A.M.
2015-2016	Premises Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana	30.09.2016	2.00 P.M.
2016-2017	Premises Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana	26.09.2017	12.30 P.M.

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

2014-15

No Special Resolution was passed.

2015-16

1. To Re-appointment of Mr. Satish Kumar Sharma, as Executive Director of the Company for a period of three years w.e.f. 1st August 2017 to 31st July 2020.

2016-17

1. To Re-appointment of Dr Amrik Singh Sohi , as an Independent Director of the Company to hold office for 5 consecutive years.
2. To Re-appointment of Dr Suresh Kumar Singla , as an Independent Director of the Company to hold office for 5 consecutive years
3. To Re-appointment of Dr Yash Paul Sachdeva , as an Independent Director of the Company to hold office for 5 consecutive years
4. To Re-appointment of Dr Vijay Asdhir , as an Independent Director of the Company to hold office for 5 consecutive years

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

No special resolution was passed during the financial year ended 31.03.2018 through postal ballot.

iv) Person who conducted the postal ballot exercise:

Not applicable as no special resolution was passed during the financial year ended

31.03.2018 through postal ballot.

v) **Whether any special resolution is proposed to be conducted through postal ballot.**
Presently, no Special Resolution is proposed to be conducted through postal ballot.

vi) **Procedure for postal ballot.**
Whenever any special resolution will be conducted through postal ballot, the procedure for postal ballot shall be as per the applicable provisions of Companies Act, 2013 read with SEBI LODR Regulation, 2015.

VI. MEANS OF COMMUNICATION

a. Quarterly Results:
The Company's quarterly results in the format prescribed by the SEBI LODR Regulations, 2015, are approved and taken on record by the Board within the prescribed period under the Regulations and sent immediately to all Stock Exchanges on which the Company's shares are listed.

b. Newspapers wherein results normally published:
The financial results of the Company are published in leading News Paper i.e. Business Standard/ Financial Express in English and Dainik Jagran in vernacular.

c. Any website, where displayed:
The Company's Quarterly, Half yearly and Annual Results are also displayed on the website of the Company i.e.www.owmnahar.com.
The Quarterly and Annual Financial Statement along with the Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report, Cash Flow Statement, Corporate Governance Report, Report on Management Discussion and Analysis and Shareholding Pattern etc. can also be retrieved by the investors from the website of the Company, BSE Limited and National Stock Exchange of India Limited.

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

e. Presentations made to institutional investors or to the analysts:
Whenever any presentation about Company's working is made to the Financial Institutional Investors or to the Analyst, the same is displayed on the Company's Website i.e. www.owmnahar .com.

VII. GENERAL SHAREHOLDERS INFORMATION

1. Annual General Meeting

Date	:	September 28, 2018
Day	:	Friday
Time	:	12:30 P.M.
Venue	:	Permises of Nahar Industrial Enterprises Limited, Focal Point Ludhiana.

2. Financial Year : The Financial year of the company covers 1st April,2017 to 31st March, 2018

3. Dividend Payment : On or Before 8th October,2018

4. Date of Book Closure : 12th September, 2018 to 14th September, 2018 (Both days inclusive)

5. Name and address of the Stock Exchanges at which the securities of the Company are listed:
The National Stock Exchange of India Ltd (NSE) "Exchange Plaza", 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (East) Mumbai-400051
The B.S.E Limited, 25th Floor, P.J. Towers, Dalal Street, Mumbai - 400001. The listing fees payable to BSE and NSE for 2016-17 have been paid in full by the Company

6. Stock Code :
For trading at NSE: NAHARPOLY
For trading at BSE: 523391

7. Demat ISIN Number in NSDL andCDSL for Equity Shares: ISIN Number INE308A01027
The Annual Custodian Fees for the Financial Year 2017-18 have been paid to National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

VIII MARKET PRICE DATA-HIGH LOW DURING EACH MONTH IN LAST FINANCIAL YEAR

The Company's equity shares are listed at BSE and NSE. Accordingly the month wise High, Low stock prices during the financial year April,2017 to March, 2018 is as under are as follows:

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April, 2017	68.20	60.00	69.00	60.10
May, 2017	68.00	56.50	68.00	56.65
June, 2017	61.75	51.55	61.90	52.00
July, 2017	62.00	53.70	62.15	53.65
August, 2017	58.00	49.00	58.20	49.10
September, 2017	59.95	50.15	59.75	51.00
October, 2017	59.90	51.50	58.80	51.55
November, 2017	65.30	55.00	68.90	55.05
December, 2017	77.00	58.00	77.00	57.20
January, 2018	86.30	67.15	86.30	68.10
February, 2018	75.90	62.65	76.00	60.75
March, 2018	65.95	49.90	66.90	50.40

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.

IX. PERFORMANCE IN COMPARISION TO BROAD BASED INDICES SUCH AS BSE SENSEX:

The Company's equity shares are listed at BSE and NSE. Accordingly, Comparison between Nahar Poly Films Limited closing price variation and BSE Sensex in percentage from April, 2017 to March, 2018 is as under:

Financial Year	Share Prices of the Company				BSE Sensex			
2017-18	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, 2017	68.20	60.00	62.40	2.72	30184.22	29241.48	29918.40	1.01
May, 2017	68.00	56.50	58.60	-6.09	31255.28	29804.12	31145.80	4.10
June, 2017	61.75	51.55	54.20	-7.51	31522.87	30680.66	30921.61	-0.72
July, 2017	62.00	53.70	58.15	7.29	32672.66	31017.11	32514.94	5.15
August, 2017	58.00	49.00	53.25	-8.43	32686.48	31128.02	31730.49	-2.41
Sept, 2017	59.95	50.15	52.55	-1.31	32524.11	31081.83	31283.72	-1.71
Oct, 2017	59.90	51.50	55.70	6.00	33340.17	31440.48	33213.13	6.17
Nov, 2017	65.30	55.00	61.65	10.68	33865.95	32683.59	33149.35	-0.19
Dec, 2017	77.00	58.00	72.05	16.87	34137.97	32565.16	34056.83	2.74
January, 2018	86.30	67.15	74.30	3.12	36443.98	33703.37	35965.02	5.60
February, 2018	75.90	62.65	64.45	-13.26	36256.83	33482.81	34184.04	-4.95
March, 2018	65.95	49.90	53.25	-17.38	34278.84	32483.84	32968.68	-3.56

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

X. IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, REASON THEREOF

The Company's securities have not been suspended from trading during the year under review.

XI. REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENTS

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

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

Members may kindly note that the Registrar & Transfer Agent and/or the Company will not entertain request for noting of change of address/bank details/ECS mandate in case of accounts with demat holding. For this purpose, shareholders should approach their Depository Participant.

XII. SHARE TRANSFER SYSTEM

The company has constituted share transfer committee consisting of four members, namely Sh. Dinesh Oswal, Sh. Dinesh Gogna and Sh. Komal Jain, Directors of the Company and Mrs Nidhi Khande, Company Secretary of the Company. Normally Share transfer committee meets twice in a month to approve the transfer/transmission/transposition, issue of duplicate share certificates & dematerialization of shares and duly transferred shares are generally dispatched within the prescribed period under the Companies Act, 2013/SEBI LODR Regulations, 2015.

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

XIII. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2017

As on March 31, 2017 your Company had 25243 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	18465	89.67	2646401	10.7630
501-1000	1411	6.85	940090	3.8234
1001-2000	376	1.83	555871	2.2607
2001-3000	112	0.54	283547	1.1532
3001-4000	49	0.24	174529	0.7098
4001-5000	37	0.18	173646	0.7062
5001-10000	80	0.39	599456	2.4380
10000 and above	62	0.30	19214451	78.1457
TOTAL	20592	100	24587991	100.00

XIV. THE SHAREHOLDING PATTERN AS ON MARCH 31, 2018 AS FOLLOWS:

Shares held by	No. of Shares	% of holding
Banks and Mutual Funds	9862	0.04
Foreign holdings (FIIs, NRIs)	155684	0.63
Bodies Corporate	490022	1.99
Directors/Relatives of Directors	2200	0.01
Shares Transferred to IEPF	404694	1.65
General Public	6268184	25.49
Promoters	17257345	70.19
TOTAL	**24587991**	**100.00**

XV. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Securities and Exchange Board of India (SEBI) has included Company's scrip in compulsory demat settlement for all type of investors. Thus, the dealing in company's equity shares can be in demat form only. To facilitate holding and trading of securities in electronic form, your Company has established connectivity with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository

Services Ltd. (CDSL). The investors have an option to dematerialize their equity shares with either of the Depositories. As on 31st March, 2018, 2,33,25,963 equity shares comprising 94.87% of the total Equity Capital of the Company has been dematerialized. Shares of the Company are actively traded on the BSE Limited and the National Stock Exchange of India Limited.

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

In view of the above, members are hereby informed that effective 5th December, 2018 request for effecting transfer of securities in physical form shall not be processed unless the securities are held in the dematerialized form with a Depository. Hence all members who are holding equity shares in physical form are requested to go in for dematerialization of securities at the earliest.

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

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any Convertible Instruments, which is likely to have any impact on the equity of the Company.

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

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

XVIII.	**PLANT LOCATION**	:	VILLAGE SARAKIAN/ ITAYAKALAN DISTT. RAISEN (M.P.)
XIX.	**Address for Correspondence**	:	NAHAR TOWER 376, Industrial Area-A, Ludhiana - 141 003 (Pb.)
	Phone No.	:	0161-2600701 to 2600705
	Fax No.	:	0161-2661180, 2222942
	E-mail address	:	secnel@owmnahar.com
	Website	:	www.owmnahar.com

XX. OTHER DISCLOSURES

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

During the year, there are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. During the year, the Company had not entered into any contract / arrangement/ transaction with related parties which could be considered material in accordance with the provisions of Regulation 23 of SEBI LODR Regulations, 2015. However, the details of transactions with the Group Companies are disclosed in Notes to the Financial Statements as per applicable provisions

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

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

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

The Board, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2013, has established a Whistle Blower Policy/Vigil Mechanism for its Directors and employees to report genuine concerns or grievances about the unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or Policy. The Policy provide adequate safeguards against victimisation of persons who use such mechanism. The Audit Committee regularly reviews the working of the Mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at http://www.owmnahar.com/nahar_polyfilm/pdf/VIGIL_MECHANISM0001.pdf

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

The company has complied with all the mandatory requirements of Corporate Governance as prescribed in SEBI LODR Regulations, 2015.

Besides, the Company has also complied with the non mandatory requirements in respect of Corporate Governance as specified Part E of Schedule II of SEBI LODR Regulations, 2015 as detailed below:

i. **Un-modified opinion(s) in audit report:** The Company is already in a regime of financial statements with un-modified audit opinion.

ii. **Separate posts of Chairman and CEO:** Mr. Jawahar Lal Oswal is the Chairman of the Company and Mr. Satish Kumar Sharma is Executive Director of the Company. Thus the post of Chairman and Executive Director are held by different persons.

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

The Company is yet to comply with other non mandatory requirements of the Corporate Governance as specified in Part E of Schedule II of the SEBI LODR Regulations, 2015.

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

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

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

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

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

The Company is engaged in the Business of BOPP Films and the primary raw material for the manufacturing of BOPP Films is PP Resin which is a byproduct of petroleum with the share of around 90-95% of total raw material cost. The Price of Petroleum depends upon on price of crude oil in the international market which keeps on fluctuating from time to time because of which the price of raw material varies. During the year, the company has not dealt in any commodity market, thus there is no commodity price risk. Further, the Company is not involved in any hedging activities.

h. Prevention of Insider Trading:

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

I. Reconciliation of Share Capital Audit

The Securities and Exchange Board of India has directed vide Circular No. D&CC/FITTC/CIR-16/2002 dated 31st December, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/paid up capital. The said certificate duly certified by a Practicing Company Secretary is submitted to the Stock Exchanges within 30 days of the end of each quarter.

j. CEO and CFO Certification

As required under Regulation 17(8) of SEBI LODR Regulations, 2015, a Certificate duly signed by the Executive Director and Chief Financial Officer was placed at the meeting of Board of Directors held on 30.05.2018.

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

The Company has complied with all the requirements of Corporate Governance Report from sub-paras (2) to (10) of Part C of Schedule V of SEBI LODR Regulations, 2015.

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

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

XXIII. CODE OF CONDUCT

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standard of transparency. Accordingly, the Company has laid down a Code of conduct for all its Board members and Senior Managerial Personnel so that conflict of interest could be avoided. The Code of Conduct suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. The code of conduct is also available on Company's website i .e. www.owmnahar.com. The Board members and senior management personnel affirm the compliance of this Code annually. A declaration by the Executive Director/CEO in terms of SEBI LODR Regulations, 2015 to the effect that members of the Board and senior management personnel have affirmed compliance with this Code of Conduct is attached with this Report.

XXIV. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT /UNCLAIMED SUSPENSE ACCOUNT

a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil

b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil

c. Number of shareholders to whom shares were transferred from suspense account during the year: Nil

d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil

e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

All the shares of the Company has already been allotted to the eligible allottees, hence there is no demat suspense account/unclaimed suspense account.

FOR AND ON BEHALF OF THE BOARD

PLACE : LUDHIANA
DATED : 6TH AUGUST,2018

JAWAHAR LAL OSWAL
(Chairman)
DIN: 00463866

ANNEXURE- VI

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economic Scenario

India has emerged as the faster growing major economy in the World. It is witnessing a decent growth on the strength of growing domestic demand and push to the Public Infrastructure spending by the Government of India. The initial challenges posed by the implementation of G.S.T. and Demonetization have been tackled successfully. The economic reforms initiated by the Government have started yielding positive results for the economy. The Government has also eased norms for E-way bill generation by simplifying procedure for the movement of goods under G.S.T. and has thus smoothen the Inter-state movement of goods throughout the Country. The economy is on the growth path and has grown 6.6% in the year 2017-18 and it is expected to grow 7.3% in the year 2018-19.

Industry Structure and Developments

BOPP Films (Biaxially) Oriented polypropylene), 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, extending and improving hygiene quotient and shelf life of the end products ranging from biscuits, drugs, medicines, snack foods, processed and semi-processed foods, vegetables, edible oils and textile packaging etc. BOPP Films have become a preferred choice over various other substitutes available in the market like plastics, waxed papers and aluminum foils because of its characteristics of better shrinkage, stiffness, transparency, salability, recycleability etc. Further, BOPP Film also finds application in over wrapping of cigarettes, perfume cartoons, ready- made garment bags, adhesive tapes and print lamination.

The growing sale of packed food and rapid growth of retail market has enabled the BOPP film industry to register a reasonable growth. It has become a mature sector for various associates involved such as processors, packaging manufacturers, raw material suppliers and end-user industries which include personal/domestic care products, manufactures of food & beverages and pharmaceuticals etc. The BOPP Films Industry Market is set for Rapid Growth, and it is projected to register a 6.3% CAGR in terms of volume between 2016 and 2024. (Source Market Research Store).

Your Company is having an ultra modern BOPP Film Project with a capacity of 30000 tpa, in the state of Madhya Pradesh and is selling its products in domestic as well as export markets and has established its brand in the markets.

Opportunities and Threats

The growth of the BOPP films market is primarily attributed to the evolving life-style of consumers. The consumer are continuously changing their purchasing and eating behavior and to store foods for months in and even out of the refrigerator are the major factors which are going to increase the demand of BOPP films industry. This will definitely give a push to industry.

The Plastic ban for thinner films will also open up new growth opportunities for the BOPP Films Industry.

Further these days demand for innovative and novel packaging options has opened a plethora of growth prospects for the BOPP Films industry. The revival of Global economies is going to further push the demand for BOPP films industry. The increased consumption in food packaging and large growth in textile packaging also offers a huge opportunity to BOPP film industry.

The BOPP films are highly cost effective, functionally efficient and therefore have rapidly penetrated into high barrier sensitive packaging segment across the world. The improvement in the Indian economy increasing health consciousness, rapid urbanization, growing population, habits of people, who prefer packed foods, will give a further push to the demand for BOPP Films in domestic as well as overseas market. Apart from conventional Tape/Textile and food packaging market, the new applications of BOPP films are emerging which full further improve the prospects of the industry. The enormous untapped market for BOPP Films in emerging economies is also expected to offer a growth opportunity to BOPP film Industry.

Though the BOPP Films industry continues to witness a reasonable growth on account of favorable factors but it is not immune from normal business threats and challenges. We would like to inform you that company's product demand is sensitive to changes in industry capacity, output level and changes in consumer demand. Because of the competitive plastic films business, Industry faces a stiff competition both from international as well as domestic manufactures.

The Government Policy of Waste Management may impact the operation of the BOPP films Industry in the coming periods.

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. The volatility of raw material would impact the selling price and thus may impact the overall performance.

Segment wise or product wise performance

The disclosure requirements of Ind AS- 108, issued by the Institute of Chartered Accountants of India are not applicable 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 push to the demand for BOPP Films. The phenomenal growth of retail segment coupled with economic growth of the Country is expected to influence flexible packaging industry favorably. With the coming of new segment of liquid

packing which includes flexible pouches, tetra packs, coated products etc, the company finds new business opportunities to grow.

BOPP film market in India is increasing owing to increased consumption in food packaging and large growth in textile packaging. Almost two third s of the world's production of BOPP is consumed in food packaging. In India the consumption for food packaging is only one third of production. This gap is rapidly being bridged as the customers are increasing displaying a strong preference for hygienically packed foods products.

In addition to the above, the applications of the BOPP Films in other No-food packaging is also gaining strength which will further boost the demand for BOPP Films Numerous grades of BOPP films are under development for various applications in different parts of the world which should give good volumes to the Industry. Thus it is evident that BOPP films in going to be one of the high-growth segments in the global plastic films and sheet industry.

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 major component of cost involved in the making of flexible packaging is raw material "Polypropylene" Any changes in the raw material prices and decrease in finished good product prices may affect the performance of the company. Though the Company has endeavored to monitor and mitigate these risks.

The company's main source of income will be from selling of BOPP film, a substrate in packaging material in plain and metalized from to further converters. Any adverse impact on the operations of the packaging converters may impact the company's revenues and its profitability.

The increase in new advanced rigid packaging demand is also affecting the growth of BOPP films industry. The low quality sealing also affects its growth prospectus in BOPP films market.

Your Management is quiet hopeful that it will be able to meet the challenges ahead and emerge as a winner.

Internal Control Systems and their adequacy

The Company is maintaining an efficient and effective system of Internal Financial Control for facilitating accurate compilation of financial statements. The company's Internal Control system is designed to ensure operational efficiency, protection and conservation of resourses, accuracy and promptness in financial reporting and compliance with procedures, laws and regulations.

The Company's Internal Control system commensurate with the nature of its business and the size of its operations. In order to further strengthen the Internal Control system and to automate the various processes of the business, company is making use of Enterprises Resource Planning (ERP).

Pursuant to the provisions of section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has also appointed Internal Auditor who is a qualified Chartered Accountant. 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 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.

Financial/operation performance

The Company is operating in single segment only i.e. BOPP Films. The company achieved an operating income of Rs. 259.67crores out of which Rs. 2.16 crores is export turnover. The Company earned a profit before tax of Rs. 7.16 crores. After providing Rs 2.06 Crores for taxation (including deferred tax) the Company earned a net profit of Rs. 5.10 crores. After taking into account "Other Comprehensive Income" (i.e.is fall of Rs 44.31 Cores in the Market Price of the Securities held by the Company and other Ind AS Adjustments) as per Accounting Standard, there is Loss of Rs 39.21 Crores during the year..The detailed performance (Standalone as well as Consolidated) has already been discussed in the Directors report under Standalone and Consolidated Financial Performance.

Human Resources/Industrial Relations

Beyond Balance Sheet lies company's singly biggest Asset Human Resources. The company is of firm belief that the Human Resources are the driving force that propels a company towards progress and success. The company has a team of able and experienced professionals to look after the affairs of the company. The company offers attractive compensation package to retain and motivate its professionals so that they can give their best. The total permanent employee's strength of the company was 179 as on 31st March, 2018.

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
DATED: 6TH AUGUST, 2018

JAWAHAR LAL OSWAL
(CHAIRMAN)
DIN: 00463866

EXECUTIVE DIRECTOR'S DECLARATION

Pursuant to the requirement of Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all Board Members and Senior Management personnel of the company have affirmed compliance with Code of Conduct for Board & Senior Management Personnel' for the year ended 31st March, 2018.

PLACE : LUDHIANA
DATED : 6th AUGUST, 2018

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

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Nahar Poly Films Limited

We have examined the compliance of conditions of corporate governance by NAHAR POLY FILMS LIMITED for the year ended 31st March, 2018 as stipulated Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

For YAPL & Co.,
Chartered Accountants
Firm Reg. No. 001393N

PRIYANKA SHOREE
(Partner)
M.No. 538274

PLACE:LUDHIANA
DATED: 6TH AUGUST, 2018

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 Ind AS Financial Statements of Nahar Poly Films Ltd. ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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 Ind AS 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 Ind AS Financial Statements based on our audit.

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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order
2. As required by section 143(3) of the Act, we report that:
   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
   d. in our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereunder;
   e. on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
   f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
   g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      I. the Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements;
      ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Place : Ludhiana
Dated : 30.05.2018

CA Priyanka Shoree
(Partner)
M.No.538274

ANNEXURE-A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

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

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

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

ii) The physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on the physical verification.

(iii) The Company has not granted any loans to one bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

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

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

(vi) We have broadly reviewed the cost records maintained by the company pursuant to the sub section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that prima facie, the prescribed records have been maintained. We have, however no made a detailed examination of cost records with a view to determine whether they are accurate or complete.

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

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

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

viii) The Company has not defaulted in repayment of any loans or borrowings from any financial institution, banks, government or debenture holders during the year.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

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

Place : Ludhiana **(CA Priyanka Shoree)**
Dated : 30.05.2018 **(Partner)**
M.No.538274

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Nahar Poly Films Ltd("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the

orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place : Ludhiana
Dated : 30.05.2018

CA Priyanka Shoree
(Partner)
M.No.538274

BALANCE SHEET AS AT 31st MARCH, 2018 (Rs. in Lakhs)

Particulars	Note No.	As at 31 March, 2018	As at 31 March, 2017	As at 1 April,2016
ASSETS				
Non-current assets				
a) Property, plant and equipment	1	3,196.08	4,535.56	6,705.98
b) Financial assets				
i) Investments	2.1	12,333.19	16,516.36	11,650.34
ii) Loans	2.2	211.12	188.74	187.77
c) Non-current tax assets (net)		64.76	68.36	68.36
d) Deferred tax assets (net)	3	412.38	144.93	-
		16,217.53	**21,453.95**	**18,612.45**
Current assets				
a) Inventories	4	1,552.04	1,476.47	791.48
b) Financial assets				
i) Trade receivables	5.1	3,320.30	3,250.94	2,780.56
ii) Cash and Cash equivalents	5.2	42.28	28.55	7.28
iii) Other bank balances	5.3	22.46	19.75	17.47
iv) Loans	5.4	3.13	2.78	7.10
v) Other financial asset	5.5	678.68	667.72	940.46
c) Other current assets	6	407.27	306.90	511.78
		6,026.16	**5,753.11**	**5,056.13**
TotalAssets		**22,243.69**	**27,207.06**	**23,668.58**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital	7	1,257.77	1,257.77	1,257.77
b) Other equity	8	18,022.09	22,091.41	16,570.24
		19,279.86	**23,349.18**	**17,828.01**
LIABILITIES				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings	9	-	857.51	2,597.39
b) Deferred tax liabilities (net)	3	-	-	345.98
		-	**857.51**	**2,943.37**
Current liabilities				
a) Financial liabilities				
i) Borrowings	10.1	1,352.27	358.26	181.40
ii) Trade and other payables	10.2	538.05	591.95	566.17
iii) Other financial liabilities	10.3	957.05	1,807.86	1,806.94
b) Other current liabilities	11	111.26	219.40	242.68
c) Provisions	12	5.20	-	-
d) Current tax liabilities (Net)		-	22.90	100.01
		2,963.83	**3,000.37**	**2,897.20**
Total Equity and liabilities		**22,243.69**	**27,207.06**	**23,668.58**

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

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

For **YAPL & Company**
Chartered Accountants
FRN:017800N

For Nahar Poly Films Limited

PRIYANKA SHOREE	**NIDHI KHANDE**	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
PARTNER	Company Secretary	Chief Financial Officer	(Director)	Executive Director
(M. NO. 538274)			DIN: 00607290	DIN: 00402712

Place : Ludhiana
Date : 30.05.2018

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31st MARCH, 2018 (Rs. in Lakhs)

Particulars	Note No.	Current Year	Previous Year
		₹	₹
I INCOME			
Revenue from operations	13	25,966.70	28,698.02
Other Income	14	365.92	307.24
Total Income		**26,332.62**	**29,005.26**
II EXPENSES			
Cost of materials consumed	15	19,183.78	18,465.68
Change in inventories of finished goods, stock in trade and work -in-progress	16	(244.00)	(288.81)
Excise Duty Expense		770.10	3,211.72
Employee benefit expense	17	731.65	681.74
Finance costs	18	261.97	451.99
Depreciation and amortisation expense	1	1,435.39	2,175.04
Other expenses	19	3,478.02	3,482.61
Total Expenses		**25,616.91**	**28,179.97**
III Profit/(loss) before Tax Expenses		**715.71**	**825.29**
IV Tax expense:	20		
- Current tax		473.34	313.72
- Deferred tax (credit)/Charge		(267.15)	(492.94)
V Profit for the year		**509.52**	**1,004.51**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
-Re-measurement gains/(losses) on defined benefit plans		16.77	(1.06)
-Equity investments through other comprehensive income		(4,445.13)	4,650.15
-Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss			
-Equity investments through other comprehensive income		(2.81)	17.57
-Income tax relating to items that will be reclassified to profit or loss		0.30	(2.03)
Other Comprehensive Income for the year		**(4,430.87)**	**4,664.63**
VI Total Comprehensive Income for the year		**(3,921.35)**	**5,669.14**
VII Earnings per equity share of ₹ 5 each			
Basic and Diluted	23	2.07	4.09

The accompanying notes are an integral part of these standalone financial statements
This is the Profit & Loss statement referred to in our report of even date

For **YAPL & Company**
Chartered Accountants
FRN:017800N

For Nahar Poly Films Limited

PRIYANKA SHOREE
PARTNER
(M. NO. 538274)
Place : Ludhiana
Date : 30.05.2018

NIDHI KHANDE
Company Secretary

RAKESH JAIN
Chief Financial Officer

DINESH OSWAL
(Director)
DIN: 00607290

S.K. SHARMA
Executive Director
DIN: 00402712

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

			(Rs. in Lakhs)
A.	**CASH FLOW FROM THE OPERATING ACTIVITIES**		
	Profit/(loss) before Tax Expenses	715.71	825.29
	Add: Adjustment for Non-Cash & Non-operating items		
	Depreciation and amortisation expense	1,435.39	2,175.04
	Finance Costs	261.97	451.99
	Interest Income	(41.99)	(31.28)
	Dividend Income	(229.80)	(229.81)
	(Profit)/loss on sale of investments (net)	(25.05)	(6.09)
	(Profit)/loss on sale of fixed assets (net)	-	0.54
	Provision for Employee Benefits	5.20	-
	Operating profit before working capital changes	**2,121.43**	**3,185.68**
	Adjustments for movement in:		
	Changes in Trade Receivables and other receivables	(69.36)	(470.38)
	Changes in Inventories	(75.57)	(684.99)
	Changes in Loans (long term)	(22.38)	(0.97)
	Changes in Loans (Short term)	(0.35)	4.32
	Changes in other current assets	(100.37)	204.88
	Changes in other financial assets	(10.96)	272.74
	Changes in Trade and other payables	(53.90)	25.78
	Changes in other financial liabilities	32.56	0.92
	Changes in other current liabilities	(108.14)	(23.28)
	Changes in Current borrowings	994.01	176.86
	Cash flow from operating activities before taxes	**585.54**	**(494.12)**
	Direct taxes paid (net of refunds & demands)	(490.65)	(391.34)
	Net cash flow from operating activities (A)	**94.89**	**(885.46)**
B.	**CASH FLOW FROM THE INVESTING ACTIVITIES**		
	Purchase of fixed assets (including capital advances and creditors for capital goods)	(95.90)	(11.05)
	Proceeds from sale of fixed assets	-	5.87
	Purchase of Investments	(450.00)	(200.00)
	Proceeds from sale of of Investments	225.05	7.26
	Interest Income	41.99	31.28
	Dividend Income	229.80	229.81
	Net cash flow (used) in investing activities (B)	**(49.06)**	**63.17**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	(261.97)	(451.99)
	Repayment of long term borrowings	(1,740.88)	(1,739.88)
	Dividend Paid	(122.94)	(122.94)
	Corporate Dividend Tax Paid	(25.03)	(25.03)
	Net cash flow (used) in financing activities	**(2,150.82)**	**(2,339.84)**
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	16.44	23.55
	Cash and cash equivalents at the beginning of the year	48.30	24.75
	Closing cash and cash equivalents	**64.74**	**48.30**
	Cash and cash equivalents include:		
	Cash in hand (including stamps)	42.28	28.55
	Balance with banks	22.46	19.75
	Cash and bank balances	**64.74**	**48.30**

Notes to Cash flow Statement

a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statements of Cash flows".

'b) Negative figures have been shown in brackets.

c) Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year.

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

This is the cash flow statement referred to in our report of even date

For **YAPL & Company**
Chartered Accountants
FRN:017800N

For Nahar Poly Films Limited

PRIYANKA SHOREE	**NIDHI KHANDE**	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
PARTNER	Company Secretary	Chief Financial Officer	(Director)	Executive Director
(M. NO. 538274)			DIN: 00607290	DIN: 00402712

Place : Ludhiana
Date : 30.05.2018

Notes forming part of Standalone financial statements for the year ended 31st March 2018

Note:- 1 Property, plant and equipments

Particulars	Freehold land	Building	Plant and machinery	Vehicle	Office equipment	Furniture and fixtures	Total
Gross Carrying Value							
Balance as at 1 April,2016	176.53	2,459.42	13,864.78	33.32	54.32	13.90	16602.27
Additions	-	-	-	6.67	3.69	0.69	11.05
Disposals	-	-	-	6.67	-	-	6.67
Balance as at 31 March, 2017	**176.53**	**2459.42**	**13864.78**	**33.32**	**58.01**	**14.59**	**16606.65**
Additions	-	-	86.58	6.59	2.73	-	95.90
Disposals	-	-	-	-	-	-	-
Balance as at March, 2018	**176.53**	**2459.42**	**13951.36**	**39.91**	**60.74**	**14.59**	**16702.55**
Accumulated Depreciation							
Balance as at 1 April, 2016	**-**	**532.47**	**9310.40**	**8.35**	**36.97**	**8.10**	**9896.29**
Additions	-	107.79	2058.99	4.38	2.76	1.14	2175.06
Disposals	-	-	-	0.26	-	-	0.26
Balance as at March, 2017	**-**	**640.26**	**11369.39**	**12.47**	**39.73**	**9.24**	**12071.09**
Additions	-	71.42	1355.51	4.30	2.99	1.16	1435.38
Disposals	-	-	-	-	-	-	-
Balance as at March, 2018	**-**	**711.68**	**12724.90**	**16.77**	**42.72**	**10.40**	**13506.47**
Net carrying amount							
Balance as at 1 April, 2016	**176.53**	**1926.95**	**4554.38**	**24.97**	**17.35**	**5.80**	**6705.98**
Balance as at 31 March, 2017	**176.53**	**1819.16**	**2495.39**	**20.85**	**18.28**	**5.35**	**4535.56**
Balance as at 31 March, 2018	**176.53**	**1747.74**	**1226.46**	**23.14**	**18.02**	**4.19**	**3196.08**

Note :

a) Finance leases

Company does not have any finance / operating lease.

(b) Contractual obligations

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

c) The Company has availed the deemed cost exemption under Ind AS 101- First time adoption of Indian Accounting Standards in relation to the property, plant and equipment on the date of transition. Consequently, the net block carrying amount as on 1 April 2016 has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on 1 April 2016 under the previous GAAP.

Deemed cost at 1 April, 2016

	Freehold land	Building	Plant and machinery	Vehicle	Office equipment	Furniture and fixtures	Total
Gross Block	176.53	2459.42	13864.78	33.32	54.32	13.90	**16602.27**
Less:- Accumulated Depreciation	-	532.47	9310.40	8.35	36.97	8.10	**9896.29**
Net Block	176.53	1926.95	4554.38	24.97	17.35	5.80	**6705.98**

Note:- 2.1 Non-Current Investment	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Units	Amount	No. of Units	Amount	No.of Units	Amounts
Investments in Associates						
At Cost						
Quoted						
Nahar Capital & Financial Services Limited (Equity Shares of 5 each fully paid-up)	6611632	3673.16	6611632	3673.16	6611632	3673.16
Sub Total (a)	6611632	3673.16	6611632	3673.16	6611632	3673.16
Investments in Equity Instruments						
At fair value through profit and loss						
Quoted						
IDFC Limited	-	-	-	-	5000	2.02
IDFC Bank Ltd.	-	-	-	-	5000	2.41
Sub Total (b)	-	-	-	-	10000	4.43
Investments in Equity Instruments						
At fair value through other comprehensive income						
Quoted						
Nahar Industrial Enterprises Limited	2708800	1955.75	2708800	3063.65	2708800	1416.70
Nahar Spinning Mills Limited	6902244	6001.50	6902244	9338.73	6902244	6332.81
Sub Total (c)	9611044	7957.25	9611044	12402.38	9611044	7749.51
Investments in Debentures & Bonds						
At fair value through other comprehensive income						
Quoted						
IRFC Tax Free Bond	11757	129.84	11757	130.77	11757	119.21
Nabard Tax Free Bonds	10020	108.17	10020	109.83	10020	104.03
ECL Finance Limited (Series-C9E601D)	-	-	100	100.11	-	-
ECL Finance Limited (Series-L7E602C)	-	-	100	100.11	-	-
Sub Total (d)	21777	238.01	21977	440.82	21777	223.24
Investments in Mutual Funds						
At fair value through Profit and loss						
Quoted						
Reliance Banking & PSU Debt fund	2035996	256.73	-	-	-	-
Birla Sun life Balanced Advantage Fund-Growth Direct Adviser (Growth)	196696	102.11	-	-	-	-
ICICI Prudential Balanced Advantage-Fund DP Growth	301023	105.93	-	-	-	-
Sub Total (e)	2533715	464.77	-	-	-	-
Grand Total (a+b+c+d+e)		**12333.19**		**16516.36**		**11650.34**
Aggregate amount of quoted investment		12333.19		16516.36		11650.34
Aggregate amount of impairment in value of investments		-		-		-

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Note :- 2.2 Loans (Non-Current)			
(Unsecured considered good, unless otherwise stated)			
Security deposits (Unsecured, considered good)	211.12	188.74	187.77
	211.12	**188.74**	**187.77**
Note:- 3 Deferred Tax Liability (Net)			
On account of Depreciation differences, Change in rate of tax & Ind AS adjustments etc.	399.14	132.72	(357.15)
On Account of allowance u/s 43B	13.24	12.21	11.17
	412.38	**144.93**	**(345.98)**
Note:- 4 Inventories			
(Valued at Cost or Net Realisable Value Whichever is Lower)			
Raw Materials	422.43	635.35	283.80
Work in Process	845.00	542.20	284.10
Finished Goods	11.99	71.01	39.05
Waste & Rejections	3.36	3.14	2.15
Stores & Spares	269.26	224.77	182.38
	1552.04	**1476.47**	**791.48**
Note:- 5.1 Trade receivables			
(Unsecured, considered good unless otherwise stated)			
Considered good	3303.87	3250.94	2780.56
Considered Doubtful	16.43	-	-
	3320.30	3250.94	2780.56
Note:- 5.2 Cash and Bank balances			
Balance with banks	38.96	26.46	1.90
Cash in hand including stamps	3.32	2.09	5.38
	42.28	**28.55**	**7.28**
Note:- 5.3 Other Bank Balances			
Unpaid Dividend Account	20.14	17.58	14.84
Deposits with original maturity more than three months but less than twelve months	2.32	2.17	2.63
	22.46	**19.75**	**17.47**

Notes:

(i) Other bank balances include ₹ 20.14 lakhs (as at 31st March,2017 ₹ 17.58 lakhs and as at 1st April, 2016 ₹ 14.84) held in dividend accounts which is not available for use by the company.

(ii) Deposits with maturity more than three months but less than twelve months are given as security given to Sales Tax Department are now available for withdrawal after the introduction of GST

Note:- 5.4 Loans (Current)			
(Unsecured considered good, unless otherwise stated)			
Loan to Employees	3.13	2.78	7.10
	3.13	**2.78**	**7.10**
Note:- 5.5 Other Financial Assets			
Interest accrued but not due on fixed deposits	4.14	4.16	0.42
Sale tax incentive receivable	674.54	663.56	940.04
	678.68	**667.72**	**940.46**
Note:- 6 Other Current assets			
Advances to suppliers	244.73	190.75	28.52
Prepaid expenses	30.68	36.12	370.08
Balances with statutory and government authorities	16.88	60.20	10.47
License in hands	18.11	1.96	63.50
Others recoverable	96.87	17.87	39.21
	407.27	**306.90**	**511.78**

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Note :- 7 Equity Share Capital			
Authorised capital			
900 Lakh Equity Shares of ₹ 5 each (31 March, 2017:-900 Lakh Equity Shares and 1April, 2016:-900 Lakh Equity Shares)	4500.00	4500.00	4500.00
	4500.00	**4500.00**	**4500.00**
Issued, subscribed and Fully paid up.			
24,587,991 Equity Shares of ₹ 5- each (31 March, 2017:-24,587,991 and as at 1 April,2016:- 24,587,991)	1229.40	1229.40	1229.40
Add:- Amount paid up on forfeited Shares	28.37	28.37	28.37
Total	**1257.77**	**1257.77**	**1257.77**

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

	31 March 2018		31 March 2017	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	24587991	1229.40	24587991	1229.40
Issued during the year	-	-	-	-
Equity Shares at the end of the year	**24587991**	**1229.40**	**24587991**	**1229.40**

b) Rights, Preferences and restrictions attached to shares

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

C) Details of Shareholders holding more than 5% shares in the company

	31 March 2018		31 March 2017	
	No. of Shares	% holding	No. of Shares	% holding
Nahar Capital & Financial Services Limited	12087671	49.16%	12087671	49.16%
Nahar Industrial Enterprises Limited	1264720	5.14%	1264720	5.14%
Nahar Spinning Mills Limited	1247063	5.07%	1247063	5.07%

d) Shares Forfeited

3,49,336 Shares are forfeited in financial year 2006-07 upon non payment of calls amounting ₹ 28,36,688 (31 March, 2017:- ₹ 28,36,688 and as at 1 April,2016:- ₹ 28,36,688).

Note:- 8 Other Equity			
a) Securities premium account			
Opening Balance as per last balance sheet	4478.00	4478.00	4478.00
Add: Additions during the year	-	-	-
Balance as at the year end	**4478.00**	**4478.00**	**4478.00**
b) Corporate Social Responsibility Reserve			
Opening Balance as per last balance sheet	16.63	-	-
Add: Additions during the year	21.49	16.63	-
Balance as at the year end	**38.12**	**16.63**	**-**
c) General Reserve			
Opening Balance as per last balance sheet	10160.18	10160.18	-
Add: Additions during the year	-	-	-
Balance as at the year end	**10160.18**	**10160.18**	**10.160.18**
d) Retained Earnings			
Opening Balance as per last Balance Sheet	7436.60	1932.06	-
Profit for the year	509.52	1004.51	-
Other Comprehensive Income for the year (net of tax)	(4430.87)	4664.63	-
Dividends	(122.94)	(122.94)	-
Dividend distribution tax	(25.03)	(25.03)	-
Transfer to corporate social responsibility reserve	(21.49)	(16.63)	-
Balance as the year end	**3345.79**	**7436.60**	**1932.06**
Total Other Equity (a+b+c+d)	**18022.09**	**22091.41**	**16570.24**

Nature and purpose of reserves

Securities premium account

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

General reserve

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

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
General reserve will not be reclassified subsequently to the statement of profit and loss.			
Retained Earnings			
Retained earnings refer to net earnings not paid out as dividends, but retained by the company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.			
Note:- 9 Non Current Borrowings			
Secured			
Term Loan form Banks			
-Oriental Bank of Commerce	-	573.96	1722.28
-Punjab National Bank	-	283.55	875.11
	-	**857.51**	**2597.39**

"Both the term loans are 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 guaranteed by a Director of the Company and corporate guarantee of Rs. 25.00 crores (Oriental Bank of Commerce) and Rs.15.00 Crores (Punjab National Bank previous year Bank of Maharashtra) given by M/s. Nahar Spinning Mills Ltd.The above Term Loans are repayable in 32 equal quarterly instalments starting from 31.12.2010."

Rate of Interest: -	OBC	PNB
31.03.2018	8.85%	8.65%
31.03.2017	10.45%	9.65%
31.03.2016	11.00%	10.90%

Note:- 10 .1 Current Borrowings			
Secured			
Working Capital Loans repayable on demand from Banks	1352.27	358.26	181.40
	1352.27	**358.26**	**181.40**

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 of the company and is personally guaranteed by a director of the company.

Note:- 10.2 Trade Payables			
Due to micro, small and medium enterprises (refer note 26)	-	-	-
Due to others	538.05	591.95	566.17
	538.05	**591.95**	**566.17**
Note:- 10.3 Other financial liabilities			
Current maturities of long term debts	858.83	1,742.20	1,742.20
Employee related payables	76.52	46.63	41.78
Unpaid Dividend (refer note (a) below)	20.14	17.58	14.84
Retention Money	1.56	1.45	8.12
	957.05	**1,807.86**	**1,806.94**

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

Note:- 11 Other current liabilities			
Advances from customers	73.47	177.52	202.59
Security deposits	2.46	2.46	1.23
Dues to director	0.92	0.42	0.64
Statutory Dues	34.41	38.89	38.22
Others	-	0.11	-
	111.26	**219.40**	**242.68**
Note:- 12 Provisions			
Provision for gratuity (refer note 24)	5.20	-	-
	5.20	-	-
Movement in provisions: Provision for gratuity			
Opening Balance	-	-	
Add : Provision recognised during the year	5.20	-	
Less : Provision utilised during the year	-	-	
Closing Balance	5.20	-	-

Particulars	As at 31 March, 2018	As at 1 April, 2017
Note:- 13 Revenue from operations		
Sale of products*		
Export	215.78	575.11
Domestic	25,548.34	27,569.59
	25,764.12	**28,144.70**
Other operating revenue		
Bopp Waste	81.13	67.29
Export incentives	11.25	11.91
Claims received	5.58	23.88
Sale tax incentive	104.62	450.24
	25,966.70	**28,698.02**
***Details of product Sold**		
Export Sales		
Direct Export of BOPP Film	215.78	575
Domestic Sales		
Deemed Export of BOPP Film	-	112.82
BOPP Film	25,473.98	27,307.46
BOPP Other (Incl.Waste)	74.36	149.31
Other (Misc. Scrap)	81.13	67.29
	25,845.25	**28,211.88**
Note:- 14 Other Income		
Interest income	41.99	31.28
Dividend Income	229.80	229.81
Profit on sale of investments (net)	25.05	6.09
Exchange fluctuation gain (net)	0.47	0.16
Fair valuation of investments through profit and loss	14.77	-
Miscellaneous income	53.84	39.90
	365.92	**307.24**
Note:- 15 Cost of materials consumed		
Opening stock of raw materials	635.35	283.80
Add : Purchases of raw materials during the year	18,970.86	18,817.23
	19,606.21	19,101.03
Less : Closing stock of raw materials	422.43	635.35
	19,183.78	**18,465.68**
Details of raw material consumed		
PP Resins and Additives	**19,183.78**	**18,465.68**
	19,183.78	**18,465.68**
Note:- 16 Changes in inventories of finished goods, work-in-process and traded goods		
Opening stock		
-Finished Goods / Stock in Trade	74.15	41.19
-Work-in-Progress	542.20	284.10
	616.35	325.29
Closing Stock		
-Finished Goods / Stock in Trade	15.35	74.15
-Work-in-Progress	845.00	542.20
	860.35	616.35
Impact of excise duty on opening/closing stock	-	2.25
	(244.00)	**(288.81)**
Note:- 17 Employee benefit expense		
Salary, Wages and other Allowances	608.24	573.57
Contribution to Provident and other funds	79.55	62.74
Staff Welfare Expenses	43.86	45.43
	731.65	**681.74**
Note:- 18 Finance cost		
Interest Expense		
- On working capital loans	69.89	54.39

Particulars	As at 31 March, 2018	As at 1 April, 2017
- On term loans	185.44	392.40
- Others	0.07	0.08
Other Borrowings Cost	6.57	5.12
	261.97	**451.99**
Note:- 19 Other expenses		
Power & Fuel Consumed	1,656.10	1,566.03
Packing Expenses	539.48	488.82
Consumption of stores & spares	3.54	4.05
Rent	2.07	1.94
Repair and Maintenance		
-Building Repair	6.57	6.69
-Plant & machinery	250.59	257.43
-General Repair	13.73	15.49
Insurance	60.01	50.50
Legal & Professional expenses	22.13	24.25
Rates & Taxes	11.61	6.38
Travelling and Conveyance	25.41	29.55
Brokerage and Commission	40.46	52.05
Freight & Forwarding	726.34	707.52
Other manufacturing expenses	58.21	224.86
Payments to auditors*	2.08	2.85
Communication Expenses	8.67	9.21
Corporate social responsibility expenses	0.35	-
Miscellaneous Expenses	50.67	34.99
	3,478.02	**3,482.61**
***Payment to Auditors**		
As Auditor:		
-Audit Fee	2.05	2.36
-Tax Audit	-	0.45
-Certification charges	0.01	0.04
-Out of Pocket Expenses	0.02	-
	2.08	**2.85**
Note:- 20 Income Tax Expenses		
Tax expense recognized in the Statement of Profit and Loss		
Current tax		
Current Tax on taxable income for the year	475.00	314.50
Total current tax expense	**475.00**	**314.50**
Deferred Tax		
Deferred tax charge/(credit)	(267.15)	(492.94)
Total Deferred Income tax expense/(benefits)	**(267.15)**	**(492.94)**
Income Tax for Current Period	207.85	(178.44)
Tax in respect of earlier years	(1.66)	(0.78)
Total income tax expense	**206.19**	**(179.22)**
(A) Reconciliation of tax liability on book profit vis-à-vis actual tax liability		
Accounting profit before income tax	715.71	825.29
Statutory income tax rate	34.944%	34.608%
Current tax expenses on profit before tax at the statutory income tax rate in India	250.10	285.62
Permanent differences and income chargeable at different rates	(44.99)	(72.07)
Income taxed on different tax rate	2.75	-
Charge/(credit) in respect of earlier years	(1.66)	(0.78)
Unrecognised tax assets (net)	-	(391.99)
Income tax expense reported in the statement of profit and loss	**206.19**	**(179.22)**

Particulars	As at 31 March, 2018	As at 1 April, 2017

(B) The movement in deferred tax assets and liabilities during the year ended 31 March 2018, 31 March 2017, 1 April,2016.

	Balance Sheet			Statement of Profit & loss		Other Comprehensive Income	
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Accelerated depreciation for tax purposes and other Ind As Adjustments	399.14	132.72	(357.15)	(266.12)	(491.90)	0.30	(2.03)
Expenditure incurred u/s 43B	13.24	12.21	11.17	(1.03)	(1.04)		
	412.38	**144.93**	**(345.98)**	**(267.15)**	**(492.94)**	**0.30**	**(2.03)**
Net Deferred tax assets/(liabilities)							
Reflected in balance sheet as follows							
Deferred tax assets	412.38	144.93	-				
Deferred tax liabilities	-	-	(345.98)				
Deferred tax assets/(liabilities) (net)	**412.38**	**144.93**	**(345.98)**				

Reconciliation of deferred tax (assets)/liabilities, net	31 March 2018	31 March 2017
Opening Balance as at 1 April	144.93	(345.98)
Tax (Income)/expense during the year recognised in profit or loss	(267.15)	(492.94)
Tax (Income)/expense during the year recognised in Other comprehensive income	(0.30)	2.03
Closing Balance as at 31 March	**412.38**	**144.93**

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

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

(c) Tax Assets and Liabilities.

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Income tax assets (net)	64.76	68.36	68.36
Income tax liabilities (net)	-	22.90	100.01

21.1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I) Company Overview

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

The financial statements are approved for issue by the company's Board of Directors on May 30, 2018.

ii) SIGNIFICANT ACCOUNTING POLICIES:

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

a) Basis of Presentation:

I) Compliance with IndAS

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

The financial statements up to year ended 31stMarch 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the company under Ind AS. Refer note 41 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

The Financial statements of the company for the year ended 31st March, 2018 have been approved by the Board of Directors at their meetings held on 30 May, 2018.

(ii) Accounting Convention

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

(iii) Rounding of amounts

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

(iv) Current/Non-current classification

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

b) Foreign currency translation

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

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

c) Revenue recognition

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

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

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

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

d) Government Grants:

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

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

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

e) Income Tax:

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

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

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

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

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

f) Trade Receivables:

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

g) Cash and cash Equivalents:

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

h) Inventories

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

1. a) For Raw Material on weighted average method plus direct expenses.
   b) For Stores and Spares on weighted average method plus direct expenses.
   c) For Work–in–Process, cost of Raw Material plus appropriate share of manufacturing expenses / relevant Overheads

conversion cost depending upon the stage of completion.

2. "For Finished goods, cost of raw material plus conversion costs, packing cost and other overheads incurred to bring the inventories to their present condition and location.."
3. Further Wastage and Rejections are valued at net realizable value only.
4. Goods in Transit are valued at cost.

i) INVESTMENT AND OTHER FINANCIAL ASSETS

I) Classification

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

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

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

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

ii) Measurement

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

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss.

iii) Impairment of financial assets

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

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

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

iv) De-recognition of Financial Assets:

Financial asset is derecognised only when

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

v) Income Recognition:

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

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

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

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

j) Impairment of Non-Financial assets

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

k) Non- Current Assets Held for Sale:

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

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

l) Derivatives that are not designated as hedges

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

m) Property, plant and equipment

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

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

n) Intangible assets

Computer software

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

Amortisation methods and periods

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

o) Trade and other payables

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

p) Borrowings

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

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

q) Borrowing costs

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

r) Provisions and contingent liabilities

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

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

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

s) Employee benefits

(I) Short term obligations

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

(ii) Other long term employee benefit obligations

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

(iii) Post-employment obligations

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

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

(iv) Defined contribution plans

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

t) Estimates and judgements

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

reported amounts of assets, liabilities, income and expenses.
The areas involving critical estimates or judgements are:
- Estimation of current tax expense and payable.
- Designation of financial assets /liabilities through FVTPL.
- Estimation of defined benefit obligation.
- Recognition of deferred tax assets for carried forward tax losses.

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

21.2 Significants accounting judgements, estimates & assumptions

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

Judgements

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

Estimates and assumptions

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

Defined benefit plans (gratuity benefits)

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

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

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

Fair value measurement of financial instruments

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

Impairment of non-financial assets

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

22. Capital Commitments and other commitments

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
a) Capital Commitments			
Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	6.61	-	21.3
b) Other Commitments			
Bank Guarantee	-	-	6.04
Letter of credits outstanding in favour of suppliers (net of advances)	41.29	152.82	71.90
	47.90	152.82	99.24

23 Earnings per share (EPS) (Ind AS 33)

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

	As at 31 March, 2018	As at 31 March, 2017
Earnings Per Share has been computed as under:		
Profit for the year attributable to the Equity holders of the Company	509.52	1,004.51
Weighted-average number of equity shares for basic EPS	245.88	245.88
Earnings Per Share (Rs.) - Basic (Face value of Rs. 10 per share)	2.07	4.09

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

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

24 Post Retirement Benefits Plans (Ind AS 19)

Defined Benefit Plan

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

Particulars	As at 31 March, 2018	As at 31 March, 2017
(i) Changes in Defined Benefit Obligation		
Present value obligation as at the start of the year	102.50	87.35
Interest cost	8.13	6.99
Current service cost	13.47	11.80
Past Service Cost Plan Amendment	10.58	-
Actuarial loss/(Gains) - Experience Changes	(22.25)	1.06
Actuarial loss / (Gains) Financial Assumption	4.03	-
Benefits paid	(1.74)	(4.70)
Present value obligation as at the end of the year	**114.72**	**102.50**
(ii) Change in fair value of plan assets		
Fair value of plan assets as at the start of the year	102.50	88.19
Interest income on plan assets	8.21	7.03
Employer Contributions	2.00	11.98
Return on plan assets greater/(lesser) then discount Rates	(1.45)	-
Benefits paid	(1.74)	(4.70)
Fair value of plan assets as at the end of the year	**109.52**	**102.50**
(iii) Breakup of Actuarial gain/loss:		
Actuarial (gain)/loss on arising from change in financial assumption	4.03	-
Actuarial (gain)/loss on arising from experience adjustment	(22.25)	1.06
Return on plan assets (greater)/less than discount rate	1.45	-
	(16.77)	**1.06**
(iv) Net Asset / (Liability) recognised in the Balance Sheet		
Present value obligation as at the end of the year	(114.72)	(102.50)
Fair value of plan assets as at the end of the year	109.52	102.50
Net Asset / (Liability) in the Balance Sheet	**(5.20)**	**-**
(v) Amount recognized in the statement of profit and loss		
Current service cost	13.47	11.80
Interest cost	8.13	6.99
Interest income on plan assets	(8.21)	(7.03)
(Income)/Expense recognised in the statement of profit and loss	**13.39**	**11.76**
(vi) Remeasurements recognised in the statement of Other Comprehensive Income (OCI)		
Changes in Financial Assumptions	4.03	-
Experience Adjustments	(22.25)	1.06
Return on plan assets (greater)/less than discount rate	1.45	-
Amount recognised in Other Comprehensive Income	**16.77**	**(1.06)**

(vii) Actuarial assumptions

Discount Rate (p.a)	7.70%	8.00%
Salary Escalation Rate (p.a)	7.00%	7.00%
Employee Turnover rate	1% to 3%	1% to 3%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult

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

(viii) Sensitivity analysis for gratuity liability

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

Present value of obligation at the end of the year		
Impact of the change in Discount rate (p.a)		
Impact due to decrease of 0.50%	7.59	6.66
Impact due to increase of 0.50%	(6.84)	(6.01)
Impact of change in Salary Escalation rate (p.a)		
Impact due to increase of 0.50%	7.34	6.45
Impact due to decrease of 0.50%	(6.66)	(5.85)

(viii) Expected future cash flows

The expected future cash flows in respect of gratuity as at 31st March, 2018 were as follows

Weighted average duration of defined plan obligation (based on discounted cash flows)		
Gratuity	14 years	14 years
The followings are the expected future benefit payments for the defined benefit plan :		
March 31, 2018	-	2.40
March 31, 2019	2.73	6.13
March 31, 2020	6.98	3.18
March 31, 2021	3.62	4.20
March 31, 2022	4.78	19.90
March 31, 2023	22.66	-
March 31, 2022 to March 31, 2026	-	66.69
March 31, 2023 to March 31, 2027	75.95	-

25 Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, the Company is required to spend a sum of ₹ 38.47 lakhs (as at 31st March,2017 ₹ 16.63 lakhs and as at 1st April, 2016 ₹ Nil) towards CSR activities. The details of amount actually spent by the Company are:

	Year Ended 31 March, 2018	Year Ended 31 March, 2017
(a) Gross amount required to be spent by the company as per section 135 of the Act.	21.84	16.63
(b) Amount spent during the year on:		
- paid in cash/ cash equivalents *	0.35	-
- yet to be paid	21.49	16.63
	21.84	**16.63**

Last year, the company and other group companies have joined hands to undertake the future CSR activities under one umbrella organisation i.e. Oswal Foundation. Oswal Foundation, a special purpose vehicle has been considering new projects in the field of healthcare which are likely to be finalised soon. Whenever it will mature and approved by all the companies under umbrella, the amount of CSR liability will be contributed to Oswal foundation to implement the CSR Project during the year 2017-18. Accordingly the amount of balance CSR obligation of Rs 21.49 Lakhs has been set apart in reserves as at 31st March, 2018.

26 Dues to micro and small suppliers

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

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Principal amount remaining unpaid	-	-	-
Interest due thereon	-	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-
Interest accrued and remaining unpaid as at end of the year	-	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.			

27. Government Grants

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
At the beginning of the year	663.56	940.04	
Provided during the year	104.37	451.11	
Received during the year	93.39	727.60	
At the end of the year	674.54	663.56	940.04
Current	674.54	663.56	940.04
Non-current	-	-	-

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

Note 28. Fair value measurement
(a) Financial instruments by category

	31st March 2018			31st March 2017			1st April 2016		
Particulars	**FVTPL**	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**
Financial assets									
Investments									
-Equity Instruments*	-	7,957.25	-	-	12,402.38	-	4.43	7,749.51	-
-Debentures and Bonds	-	238.01	-	-	440.82	-		223.24	-
-Mutual funds	464.77	-	-	-	-	-	-	-	-
Security Deposits	-	-	211.12	-	-	188.74	-	-	187.77
Trade receivables	-	-	3,320.30	-	-	3,250.94	-	-	2,780.56
Cash and cash equivalents	-	-	42.28	-	-	28.55	-	-	7.28
Other Bank Balances	-	-	22.46	-	-	19.75	-	-	17.47
Loan to employees	-	-	3.13	-	-	2.78	-	-	7.10
Other financial assets	-	-	678.68	-	-	667.72	-	-	940.46
Total	**464.77**	**8,195.26**	**4,277.97**	**-**	**12,843.20**	**4,158.48**	**4.43**	**7,972.75**	**3,940.64**
Financial Liabilities									
Non-current Borrowings	-	-	-	-	-	857.51	-	-	2,597.39
Current Borrowings	-	-	1,352.27	-	-	358.26	-	-	181.40
Trade payable	-	-	538.05	-	-	591.95	-	-	566.17
"Other financial liabilities (Current)"	-	-	957.05	-	-	1,807.86	-	-	1,806.94
Total	**-**	**-**	**2,847.37**	**-**	**-**	**3,615.58**	**-**	**-**	**5,151.90**

*** Investment in subsidiaries, joint ventures and associates are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.**

(b) Fair value measurement hierarchy

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

Financial assets and liabilities measured at fair value-recurring fair value measurements	**31st March 2018**			31st March 2017			1st April 2016		
Particulars	**Level 1**	**Level 2**	**Level 3**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investments at FVTPL									
-Mutual funds	464.77	-	-	-	-	-	-	-	-
-Equity Instruments	-	-	-	-	-	-	4.43	-	-
Investments at FVOCI									
-Equity Instruments	7,957.25	-	-	12,402.38	-	-	7,749.51	-	-
-Debentures and Bonds	238.01	-	-	440.82	-	-	223.24	-	-
Total financial assets	**8,660.03**	**-**	**-**	**12,843.20**	**-**	**-**	**7,977.18**	**-**	**-**

Valuation process and technique used to determine fair value

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

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

Financial assets and liabilities measured at amortised cost	**31st March 2018**			31st March 2017			1st April 2016		
Particulars	**Level 1**	**Level 2**	**Level 3**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Security Deposits	-	-	211.12	-	-	188.74	-	-	187.77
Trade receivables	-	-	3,320.30	-	-	3,250.94	-	-	2,780.56
Cash and cash equivalents	-	-	42.28	-	-	28.55	-	-	7.28
Other Bank Balances	-	-	22.46	-	-	19.75	-	-	17.47
Loan to employees	-	-	3.13	-	-	2.78	-	-	7.10
Other financial assets			678.68			667.72			940.46
Total financial assets	**-**	**-**	**4,277.97**	**-**	**-**	**4,158.48**	**-**	**-**	**3,940.64**
Financial liabilities									
Non-current Borrowings			-	-	-	857.51	-	-	2,597.39
Current Borrowings	-	-	1,352.27	-	-	358.26	-	-	181.40
Trade payable	-	-	538.05	-	-	591.95	-	-	566.17
"Other financial liabilities(Current)"	-	-	957.05	-	-	1,807.86	-	-	1,806.94
Total financial liabilities	**-**	**-**	**2,847.37**	**-**	**-**	**3,615.58**	**-**	**-**	**5,151.90**

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.
Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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

Particulars	31st March 2018		31st March 2017		1st April 2016	
	Carrying amount	**Fair value**	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Non-current assets						
Security Deposits	211.12	211.12	188.74	188.74	187.77	187.77
Total financial assets	**211.12**	**211.12**	**188.74**	**188.74**	**187.77**	**187.77**
Financial liabilities						
Non-current liabilities						
Security deposit	-	-	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**

d) Measurement of fair values

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

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

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

Note:- 29. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(A) Market risk

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

a) Market risk- Interest rate risk

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

	As at **31 March, 2018**	As at **31 March, 2017**	**As at 1 April, 2016**
Variable rate borrowings	2,211.10	2,957.97	4,520.99
Fixed rate borrowings	-	-	-
Total Borrowings	**2,211.10**	**2,957.97**	**4,520.99**

Interest rate sensitivity

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

50 bps decrease would Increase the profit before tax by	11.06	14.79	22.60
50 bps increase would decrease the profit before tax by	(11.06)	(14.79)	(22.60)

b) Market risk- Foreign currency risks

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

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
Trade receivables						
-USD	-	-	-	-	-	-
Trade payables						
-USD	64,698	42.58	14,167	9.20	-	-
Total Exposure (net)						
-USD	(64,698)	(42.58)	(14,167)	(9.20)	-	-

Foreign currency sensitivity

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

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
USD Sensitivity			
5% decrease would Increase the profit before tax by	(2.13)	(0.46)	-
5% increase would decrease the profit before tax by	2.13	0.46	-

c) Market risk- Price risks

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

Price sensitivity

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

- Impact on total comprehensive income			
500 bps in BSE Sensex 30 increase would Increase the profit before tax by	397.86	620.12	387.48
500 bps in BSE Sensex 30 decrease would decrease the profit before tax by	(397.86)	(620.12)	(387.48)

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(a) Credit risk management

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

(I) Low credit risk on financial reporting date

(ii) Moderate credit risk

(iii)High credit risk

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

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

Financial assets that expose the entity to credit risk	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Low credit risk on reporting date			
Trade receivables	3,320.30	3,250.94	2,780.56
Cash and cash equivalents	42.28	28.55	7.28
Other bank balances	22.46	19.75	17.47
Loans(current)	3.13	2.78	7.10
Loans(non-current)	211.12	188.74	187.77
Other financial asset (current)	678.68	667.72	940.46

Cash & cash equivalents and bank deposits

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

Trade receivables

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

Gross carrying amount of trade receivables	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Not due nor impaired	3,197.50	3,216.09	2,757.86
0-90 days past due	1.29	-	-
90-180 days past due	0.60	-	-
180-365 days past due	104.48	11.21	6.27
More than one year	16.43	23.64	16.43

Loans and Other financial assets measured at amortised cost

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

(c) Liquidity risk

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

(a) Financing arrangements

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

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Floating rate			
(I) Expiring within one year (Cash Credit and other facilities)			
Secured			
-Working Capital Facilities	2,847.73	3,841.74	4,018.60

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

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 Years	Total
Year ended 31 March 2018					
Contractual maturities of borrowings	2,412.48	-	-	-	2,412.48
Contractual maturities of Trade payables and other payables	538.05	-	-	-	538.05
Contractual maturities of other financial liabilities	98.22	-	-	-	98.22
Total	**3,048.75**	**-**	**-**	**-**	**3,048.75**
Particulars	**0-1 Years**	**1 to 2 years**	**2 to 5 years**	**More than 5 Years**	**Total**
Year ended 31 March 2017					
Contractual maturities of borrowings	2,362.43	886.85	-	-	3,249.28
Contractual maturities of Trade payables and other payables	591.95	-	-	-	591.95
Contractual maturities of other financial liabilities	65.66	-	-	-	65.66
Total	**3,020.04**	**886.85**	**-**	**-**	**3,906.89**

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 Years	Total
Year ended 01 April 2016					
Contractual maturities of borrowings	2,375.59	1,927.64	914.87	-	5,218.10
Contractual maturities of Trade payables and other payables	566.17	-	-	-	566.17
Contractual maturities of other financial liabilities	64.74				64.74
Total	**3,006.50**	**1,927.64**	**914.87**	**-**	**5,849.01**

Note:- 30 Dividend distribution made

Dividend during the year ended March 31, 2018: Rs. 0.50 per share (March 31, 2017: Rs. 0.50 per share)	122.94	122.94
Dividend distribution tax on dividend	25.03	25.03
	147.97	**147.97**

Under Previous GAAP and under Ind AS, dividends and related dividend distribution tax are recognised as a liability in the year in which it is approved by the shareholders in the Annual General Meeting of the Company.

Note:- 31 Reconciliation of changes in financial liabilities

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

Particulars	2017-2018		2016-2017	
	Borrowings (Non-current) (including current maturities)	Borrowings (Current)	Borrowings (Non-Current) (including current maturities)	Borrowings (Current)
A. Borrowings from Banks				
Balance at the beginning of the period	2,599.71	358.26	4,339.59	181.40
Add:/Less Changes during the period				
(a) Changes from financing cash flows	(1,740.88)	994.01	(1,739.88)	176.86
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-	-	-
(c) the effect of changes in foreign exchange rates	-	-	-	-
(d) changes in fair values	-	-	-	-
(e) other Changes	-	-	-	-
Balance at the end of the period	858.83	1,352.27	2,599.71	358.26
B. Deposits from body corporates				
Balance at the begning of the period	Nil	Nil	Nil	Nil
Add:/Less Changes during the period	-	-	-	-
(a) Changes from financing cash flows	-	-	-	-
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-	-	-
(c) the effect of changes in foreign exchange rates	-	-	-	-
(d) changes in fair values	-	-	-	-
(e) other Changes	-	-	-	-
Balance at the end of the period	Nil	Nil	Nil	Nil

Note:- 32 Capital Management

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

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

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Borrowings	2,211.10	2,957.97	4,520.99
Trade payables	538.05	591.95	566.17
Less: Cash and cash equivalents	42.28	28.55	7.28
Less: Other bank balances	22.46	19.75	17.47
Net debt	**2,684.41**	**3,501.62**	**5,062.41**
Equity	19,279.86	23,349.18	17,828.01
Capital and net debt	**21,964.27**	**26,850.80**	**22,890.42**
Gearing ratio	12.22%	13.04%	22.12%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.
Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

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

a) **Disclosure of related parties and relationship between the parties**
Nature of relationship

(i) Associates
M/s Nahar Capital & Financial Services Limited

(ii) Key Management Personnel
Mr. S. K. Sharma (Executive Director)

(iii) Relatives of Key Management Personnel
Mrs. Sunita Sharma

(iv) Other Group companies over which key Management Personnel and their relatives are able to exercise significant Influence
Nahar Spinning Mills Ltd., Nahar Industrial Enterprises Ltd., Oswal Woollen Mills Ltd., Vanaik Spinning Mills Ltd., Abhilash Growth Fund (P) Ltd., Atam Vallabh Financers Ltd., Bermuda Insurance Brokers Pvt. Ltd., Kovalam Investments & Trading Co. Ltd., Ludhiana Holdings Ltd., Monica Growth Fund (P) Ltd., Nagdevi Trading & Investment Co. Ltd., Nahar Growth Fund (P) Ltd., Neha Credit & Investment (P) Ltd., Ogden Trading & Investment Co. (P) Ltd., Ruchika Growth Fund (P) Ltd., Sankeshwar Holding Co. Ltd., Vanaik Investors Ltd., Vardhman Investments Ltd., J.L. Growth Fund Ltd., Jawahar Lal & Sons, Monte Carlo Fashions Ltd., Hug foods (P) Ltd., Simran & Shanaya Co. Ltd., Sidhant & Mannat Co. Ltd., Palm Motels Ltd., Suvrat Trading Co. Ltd., Amloh Industries Ltd., Oswal Foundation, Nahar Industrial Infrastructure Corp. Ltd..

*Other related parties includes the Companies in which the Key Management Personnel or their relatives have significant influence, also includes enterprises with whom no transaction has taken place during the period.

Detail of Related party Transactions

Sr. No.	Particulars	Associates		Enterprises over which KMP is able to exercise significant influence		Key Management personnel & their relatives	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Intercorporate Deposits Given	500.00	-	-	-	-	-
2	Intercorporate Deposits Received Back	500.00	-	-	-	-	-
3	Interest Received	0.63	-	-			
4	Director's Sitting Fees	-	-	-	-	-	-
5	Director's Remuneration	-	-	-	-	23.54	23.47
6	Rent Paid	-	-	2.07	1.94	-	-
7	DEPB Purchased	-	-	60.95	70.32	-	-
8	Reimbursements Received	-	-	0.10	0.21	-	-
9	Reimbursements Paid	-	-	0.34	3.83	-	-
10	Year end Balance						
	- Crs./Payable	-	-	0.10	1.03	-	-
	- Due to directors	-	-	-	-	0.92	0.42

Note:- 34 First Time Adoption as per Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Ind AS Optional exemptions availed.

(a) Deemed Cost

Under Ind AS paragraph D7AA of Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property,

plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and for Investment properties covered by Ind AS 40 Investment Properties.
Accordingly, the Company has elected to measures all of its properties, plant and equipment, Investment property and intangible assets at their previous GAAP carrying values.

B. Ind AS Mandatory exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.
"Ind AS estimates as at 1st April, 2016 and 31st March, 2017 are consistent with the estimates as at the same date made in the conformity with previous GAAP .The Company has made estimates for following items in accordance with Ind ASat the date of transition as these were not required under IGAAP"
(I) Investments in mutual funds carried at FVTPL

(b) Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:
1.) Reconciliation of Balance sheet as at 1st April, 2016 (Transition Date)
2.) (a). Reconciliation of Balance sheet as at 31st March, 2017
(b). Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017
3.) Reconciliation of Equity as at 1st April, 2016 and as at 31st March, 2017
4.) Reconciliation of Income statement as at 31st March, 2017

Note:- 34 First Time Adoption as per Ind AS (Contd…)

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

1) Reconciliation of Balance sheet as at 1 April, 2016

Particulars	Notes	Indian GAAP	Indian AS Adjustments	Ind AS
ASSETS				
Non-current assets				
a) Property, plant and equipment		6,717.14	(11.16)	6,705.98
b) Financial assets				
I) Investments		9,856.80	1,793.55	11,650.35
ii) Loans		187.77	-	187.77
c) Non-current tax assets (net)		68.36	-	68.36
Current assets				
a) Inventories		791.48	-	791.48
b) Financial assets				
I) Trade receivables		2,780.56	-	2,780.56
ii) Cash and Cash equivalents		7.27	-	7.27
iii) Other bank balances		17.47	-	17.47
iv) Loans		7.10	-	7.10
v) Other financial asset		940.46	-	940.46
c) Other current assets		509.28	2.50	511.78
Total Assets		**21,883.69**	**1,784.89**	**23,668.58**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital		1,257.77	-	1,257.77
b) Other equity		14,639.20	1,931.04	16,570.24
LIABILITIES				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings		2,601.04	(3.65)	2,597.39
b) Deferred tax liabilities (net)		347.95	(1.97)	345.98
Current liabilities				
a) Financial liabilities				
i) Borrowings		181.40	-	181.40
ii) Trade and other payables		558.74	7.44	566.18
iii) Other financial liabilities		1,806.94	-	1,806.94

b) Current Tax Liabilities (Net)	100.01	-	100.01
c) Provisions	147.97	(147.97)	-
d) Other current liabilities	242.67	-	242.67
	21,883.69	**1,784.89**	**23,668.58**
Note:- 34 First Time Adoption as per Ind AS (contd…)			
2 (a). Reconciliation of Balance sheet as at 31 March, 2017			
ASSETS			
Non-current assets			
a) Property, plant and equipment	4,542.52	(6.96)	4,535.56
b) Financial assets			
I) Investments	10,055.10	6,461.27	16,516.37
ii) Loans	188.74	-	188.74
c) Non-current tax assets (net)	68.36	-	68.36
d) Deferred tax assets (net)	145.67	(0.73)	144.94
Current assets			
a) Inventories	1,476.47	-	1,476.47
b) Financial assets			
i) Trade receivables	3,250.94	-	3,250.94
ii) Cash and Cash equivalents	28.55	-	28.55
iii) Other bank balances	19.75	-	19.75
iv) Loans	2.78	-	2.78
v) Other financial asset	667.72	-	667.72
c) Other current assets	306.89	-	306.89
Total Assets	**20,753.49**	**6,453.58**	**27,207.07**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	1,257.77	-	1,257.77
b) Other equity	15,636.45	6,454.97	22,091.42
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
I) Borrowings	858.90	(1.39)	857.51
Current liabilities			
a) Financial liabilities			
I) Borrowings	358.26	-	358.26
ii) Trade and other payables	591.95	-	591.95
iii) Other financial liabilities	1,807.86	-	1,807.86
b) Other current liabilities	219.40	-	219.40
c) Income tax liabilities (Net)	22.90		22.90
	20,753.49	**6,453.58**	**27,207.07**
2. (b). Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017			
INCOME			
Revenue from operations	28,859.15	(161.13)	28,698.02
Other Income	309.71	(2.46)	307.25
	29,168.86	**(163.59)**	**29,005.27**
EXPENSES			
Cost of materials consumed	18,465.69	-	18,465.69
Change in inventories of finished goods, stock in trade and work -in-progress	(288.81)	-	(288.81)
Excise duty expense	3,211.72	-	3,211.72
Employee benefit expense	682.76	(1.02)	681.74
Finance costs	449.73	2.26	451.99
Depreciation and amortisation expense	2,179.25	(4.20)	2,175.05
Other expenses	3,651.17	(168.57)	3,482.60
Total	**28,351.51**	**(171.53)**	**28,179.98**
Profit/(loss) before Tax Expenses	817.35	7.94	825.29
Tax expense:			
Current tax	313.72	-	313.72
Deferred tax	(493.61)	0.67	(492.94)
Profit/(loss) for the year	**997.24**	**7.27**	**1,004.51**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
-Re-measurement gains/(losses) on defined benefit plans (ii)	-	(1.06)	(1.06)
-Equity investments through other comprehensive income	-	4,650.15	4,650.15
-Income tax relating to items that will not be reclassified to profit or loss	-	-	-

Items that will be reclassified to profit or loss			
-Equity investments through other comprehensive income		17.57	17.57
-Income tax relating to items that will be reclassified to profit or loss		2.03	2.03
Other Comprehensive Income for the year	**-**	**4,664.63**	**4,664.63**
Total Comprehensive Income for the year	**997.24**	**4,671.89**	**5,669.14**

3.) Reconciliation of Equity as at 1st April, 2016 and as at 31st March, 2017.

Particulars	**Notes**	**As at 31 March, 2017**	**As at 1st April, 2016**
Total equity under Previous GAAP		16,894.23	15,896.97
Adjustments impact: Gain/ (Loss)			
a) Gain/(loss) on Fair valuation of investments classified as FVOCI	(I)	6,461.25	1,793.55
b) Financial assets and liabilities at amortised cost	(iv)	(5.58)	(12.45)
c) Reversal of Proposed dividend including DDT thereon	(v)	-	147.97
d) Deferred tax on above Ind AS adjustments	(vi)	(0.72)	1.97
Total Ind AS Adjustments		**6,454.95**	**1,931.04**
Total Equity as per Ind AS		**23,349.18**	**17,828.01**

4.) Reconciliation of Income statement as at March 31, 2017

Profit after tax as reported under Previous GAAP	996.45	
a) Gain/(loss) on Fair valuation of investments classified as FVOCI	(I)	4,667.72	
b) Financial assets and liabilities at amortised cost	(iv)	1.95	
c) Restatement of Prior Period Items	(ix)	4.93	
d) Deferred tax on above Ind AS adjustments	(vi)	(2.70)	
e) Provision for Current Tax for earlier years previously shown as appropriation		0.79	
Total Comprehensive income for the year as per Ind AS		**5,669.14**	

The following explains the material adjustments made while transition from previous accounting standards to Ind AS

(I) Fair valuation of Investments

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments.

Under Ind AS all investments to be measured at fair value at the reporting date and all changes in the fair value have been recognised in retained earnings as at the date of transition and subsequent to the transition date to be recognised in the profit and loss.

(ii) Remeasurements of post employment benefit obligation

Under the previous GAAP, these re-measurement were forming part of the profit or loss for the year.

Under Ind AS, re-measurement i.e. actuarial gain/loss on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss.

Under Previous GAAP, the interest cost on defined benefit liability and expected return on plan assets was recognised as employee benefit expenses in the Statement of Profit and Loss.

(iii) Non Current-Borrowings

Under the previous GAAP, these transaction costs were charged to the profit and loss as and when incurred.

As required under the Ind AS 109 transactions costs incurred towards origination of borrowings have been deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowing as interest expense, computed using the effective interest rate method corresponding effect being in Long term borrowings.

(iv) Financial assets and liabilities at amortised cost"

Under previous GAAP, financial assets and liabilities were initially recognised at transaction price. Subsequently, any finance income and finance costs were recognised based on contractual terms. Under Ind AS, such financial instruments are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value affects profit and loss unless it quantifies for recognition as some other type of asset or liability.

(v) Proposed dividend

"Under the previous GAAP, dividend payable is recognised as a liability in the period to which it relates. Under Ind AS, dividend to holdersof equity instruments is recognised as a liability in the period in which the obligation to pay is established. Under the previous GAAP, dividends proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting."

(vi) Deferred taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period.

Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for

such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(vii) Other comprehensive income

"Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income and expense that are not recognised in profit or loss but are shown in the Statement of profit and loss as "other comprehensive income" includes fair value gain / loss on FVOCI equity instruments and re-measurement of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP."

(viii) Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Classification & Presentation

(ix) Prior period Items

Under previous GAAP, prior period items are included in determination of net profits in which error pertaining to prior period is discovered. Under Ind AS, prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening balance sheet.

Note:-35 Regrouping and restatement

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

For **YAPL & Company**
Chartered Accountants
FRN:017800N

For Nahar Poly Films Limited

PRIYANKA SHOREE	**NIDHI KHANDE**	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
PARTNER	Company Secretary	Chief Financial Officer	(Director)	Executive Director
(M. NO. 538274)			DIN: 00607290	DIN: 00402712

Place : Ludhiana
Date : 30.05.2018

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF
M/s. NAHAR POLY FILMS LIMITED
LUDHIANA

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind AS Financial Statements of Nahar Poly Films Ltd. ('the Holding Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding 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 consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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 Ind AS 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 consolidated Ind AS Financial Statements based on our audit.

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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, is not applicable in case of Consolidated Financial Statements.
2. As required by section 143(3) of the Act, we report that:
   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) the consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this Report are in agreement with the books of account;
   (d) in our opinion, the aforesaid consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereunder;
   (e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2018 taken on record by the Board of Directors of the holding company and the associate company, none of the directors of the companies is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure-A and
   g with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      (I) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the holding company and associate company
      (ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
      (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund, by the holding Company and associate company.

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

Place : Ludhiana
Dated : 30.05.2018

CA Priyanka Shoree
(Partner)
M.No.538274

ANNEXURE-A TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Nahar Poly Films Ltd**("the Company") as of 31 March 2018 in conjunction with our audit of the consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its associate company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Place : Ludhiana
Dated : 30.05.2018

CA Priyanka Shoree
(Partner)
M.No.538274

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2018 (Rs. in Lakhs)

Particulars	Note No.	As at 31 March, 2018	As at 31 March, 2017	As at 1 April,2016
ASSETS				
Non-current assets				
a) Property, plant and equipment	1	3,196.08	4,535.56	6,705.97
b) Investments accounted for using equity method	2.1A	21,984.81	20,976.92	20,097.39
c) Financial assets				
i) Investments	2.1B	8,660.03	12,843.21	7,977.18
ii) Loans	2.2	211.12	188.74	187.77
d) Non-current tax assets (net)		64.76	68.36	68.36
e) Deferred tax assets (net)	3	412.38	144.93	-
		34,529.18	**38,757.72**	**35,036.67**
Current assets				
a) Inventories	4	1,552.04	1,476.47	791.48
b) Financial assets				
i) Trade receivables	5.1	3,320.30	3,250.94	2,780.56
ii) Cash and Cash equivalents	5.2	42.28	28.55	7.28
iii) Other bank balances	5.3	22.46	19.75	17.47
iv) Loans	5.4	3.13	2.78	7.10
v) Other financial asset	5.5	678.68	667.72	940.46
c) Other current assets	6	407.27	306.90	511.78
		6,026.16	**5,753.11**	**5,056.13**
Total Assets		**40,555.34**	**44,510.83**	**40,092.80**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital	7	1,257.77	1,257.77	1,257.77
b) Other equity	8	36,333.74	39,395.18	32,994.47
		37,591.51	**40,652.95**	**34,252.24**
LIABILITIES				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings	9	-	857.51	2,597.39
b) Deferred tax liabilities (net)	3	-	-	345.98
		-	**857.51**	**2,943.37**
Current liabilities				
a) Financial liabilities				
i) Borrowings	10.1	1,352.27	358.26	181.40
ii) Trade and other payables	10.2	538.05	591.95	566.17
iii) Other financial liabilities	10.3	957.05	1,807.86	1,806.94
b) Other current liabilities	11	111.26	219.40	242.67
c) Provisions	12	5.20	-	-
d) Current tax liabilities (net)		-	22.90	100.01
		2,963.83	**3,000.37**	**2,897.19**
Total Equity and liabilities		**40,555.34**	**44,510.83**	**40,092.80**

The accompanying notes are an integral part of these consolidated financial statements
This is the balance sheet statement referred to in our report of even date

For **YAPL & Company**
Chartered Accountants
FRN:017800N

For Nahar Poly Films Limited

PRIYANKA SHOREE	**NIDHI KHANDE**	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
PARTNER	Company Secretary	Chief Financial Officer	(Director)	Executive Director
(M. NO. 538274)			DIN: 00607290	DIN: 00402712
Place : Ludhiana				
Date : 30.05.2018				

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31st MARCH, 2018 (Rs. in Lakhs)

	Particulars	Note No.	Current Year	Previous Year
			₹	₹
I	**INCOME**			
	Revenue from operations	13	25,966.70	28,698.02
	Other Income	14	266.75	208.07
	Total Income		**26,233.45**	**28,906.09**
II	**EXPENSES**			
	Cost of materials consumed	15	19,183.78	18,465.68
	Change in inventories of finished goods, stock in trade and work -in-progress	16	(244.00)	(288.81)
	Excise Duty Expense		770.10	3,211.72
	Employee benefit expense	17	731.65	681.74
	Finance costs	18	261.97	451.99
	Depreciation and amortisation expense	1	1,435.39	2,175.04
	Other expenses	19	3,478.02	3,482.61
	Total Expenses		**25,616.91**	**28,179.97**
III	**Profit/(loss) before tax expenses**		**616.54**	**726.12**
IV	**Tax expense:**			
	- Current tax	20	473.34	313.72
	- Deferred tax (credit)/Charge		(267.15)	(492.94)
V	**Profit for the year after Tax**		**410.35**	**905.34**
VI	**Share of net profit/(loss) of Associates accounted for using equity method**		**1,107.05**	**978.72**
VII	**Profit for the year after share of profit of Associates**		**1,517.39**	**1,884.05**
	Other comprehensive income (OCI)			
	Items that will not be reclassified to profit or loss			
	-Re-measurement gains/(losses) on defined benefit plans		16.77	(1.06)
	-Equity investments through other comprehensive income		(4,445.13)	4,650.15
	-Income tax relating to items that will not be reclassified to profit or loss		-	-
	Items that will be reclassified to profit or loss			
	-Equity investments through other comprehensive income		(2.81)	17.57
	-Income tax relating to items that will be reclassified to profit or loss		0.30	(2.03)
	Other Comprehensive Income for the year		**(4,430.87)**	**4,664.63**
	Total Comprehensive Income for the year		**(2,913.48)**	**6,548.68**
	Earnings per equity share of ₹ 5 each			
	Basic and Diluted	23	7.66	9.51

The accompanying notes are an integral part of these consolidated financial statements
This is the profit & loss statement referred to in our report of even date

For **YAPL & Company**
Chartered Accountants
FRN:017800N

For Nahar Poly Films Limited

PRIYANKA SHOREE	**NIDHI KHANDE**	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
PARTNER	Company Secretary	Chief Financial Officer	(Director)	Executive Director
(M. NO. 538274)			DIN: 00607290	DIN: 00402712

Place : Ludhiana
Date : 30.05.2018

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2018 (Rs. in Lakhs)

		Current Year	Previous Year
A.	**CASH FLOW FROM THE OPERATING ACTIVITIES**		
	Profit/(loss) before Tax Expenses	1,723.58	1,704.83
	Add: Adjustment for Non-Cash & Non-operating items		
	Depreciation and amortisation expense	1,435.39	2,175.04
	(Income) Loss from Associates	(1,007.88)	(879.55)
	Finance Costs	261.97	451.99
	Interest Income	(41.99)	(31.28)
	Dividend Income	(130.63)	(130.64)
	(Profit)/loss on sale of investments (net)	(25.04)	(6.08)
	(Profit)/loss on sale of fixed assets (net)	-	0.54
	Provision for Employee Benefits	5.20	-
	Operating profit before working capital changes	**2,220.60**	**3,284.85**
	Adjustments for movement in:		
	Changes in Trade Receivables and other receivables	(69.36)	(470.38)
	Changes in Inventories	(75.57)	(684.99)
	Changes in Loans (long term)	(22.38)	(0.97)
	Changes in Loans (Short term)	(0.35)	4.32
	Changes in other current assets	(100.37)	204.88
	Changes in other financial assets	(10.96)	272.74
	Changes in Trade and other payables	(53.90)	25.78
	Changes in other financial liabilities	32.56	0.92
	Changes in other current liabilities	(108.14)	(23.28)
	Changes in Current borrowings	994.01	176.86
	Cash flow from operating activities before taxes	**585.54**	**(494.12)**
	Direct taxes paid (net of refunds & demands)	(490.65)	(391.34)
	Net cash flow from operating activities (A)	**94.89**	**(885.46)**
B.	**Cash flow from investing activities:**		
	Purchase of fixed assets (including capital advances and creditors for capital goods)	(95.90)	(11.05)
	Proceeds from sale of fixed assets	-	5.87
	Purchase of Investments	(450.00)	(200.00)
	Proceeds from sale of of Investments	225.05	7.26
	Interest Received	41.99	31.28
	Dividend Received	130.63	130.64
	Net cash flow (used) in investing activities (B)	**(148.23)**	**(36.00)**
C.	**Cash flow from financing activities:**		
	Proceeds from issue of redeemable non-cumulative preference shares		
	Interest paid	(261.97)	(451.99)
	Repayment of long term borrowings	(1,740.88)	(1,739.88)
	Dividend Paid	(122.94)	(122.94)
	Corporate Dividend Tax Paid	(25.03)	(25.03)
	Net cash flow (used) in financing activities (C)	**(2,150.82)**	**(2,339.84)**
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	16.44	23.55
	Cash and cash equivalents at the beginning of the year	48.30	24.75
	Closing cash and cash equivalents	**64.74**	**48.30**
	Cash and cash equivalents include:		
	Cash in hand (including stamps)	42.28	28.55
	Cheques in hand		
	Balance with banks	22.46	19.75
	Cash and bank balances	**64.74**	**48.30**

Notes to Cash flow Statement

a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statements of Cash flows".

b) Negative figures have been shown in brackets.

c) Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year.

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

This is the cash flow statement referred to in our report of even date

For **YAPL & Company**
Chartered Accountants
FRN:017800N

For Nahar Poly Films Limited

PRIYANKA SHOREE	**NIDHI KHANDE**	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
PARTNER	Company Secretary	Chief Financial Officer	(Director)	Executive Director
(M. NO. 538274)			DIN: 00607290	DIN: 00402712
Place : Ludhiana				
Date : 30.05.2018				

Consolidated Notes to Financial Statements for the year ended 31st March 2018 **(Rs. in Lakhs)**

Note:- 1 Property, plant and equipments

Particulars	Freehold land	Building	Plant and machinery	Vehicle	Office equipment	Furniture and fixtures	Total
Gross Carrying Value							
Balance as at 1 April,2016	176.53	2,459.42	13,864.78	33.32	54.32	13.90	16602.27
Additions	-	-	-	6.67	3.69	0.69	11.05
Disposals	-	-	-	6.67	-	-	6.67
Balance as at 31 March, 2017	**176.53**	**2459.42**	**13864.78**	**33.32**	**58.01**	**14.59**	**16606.65**
Additions	-	-	86.58	6.59	2.73	-	95.90
Disposals	-	-	-	-	-	-	-
Balance as at 31 March, 2018	**176.53**	**2459.42**	**13951.36**	**39.91**	**60.74**	**14.59**	**16702.55**
Accumulated Depreciation							
Balance as at 1 April, 2016	**-**	**532.47**	**9310.40**	**8.35**	**36.97**	**8.10**	**9896.29**
Additions	-	107.79	2058.99	4.38	2.76	1.14	2175.06
Disposals	-	-	-	0.26	-	-	0.26
Balance as at 31 March, 2017	**-**	**640.26**	**11369.39**	**12.47**	**39.73**	**9.24**	**12071.09**
Additions	-	71.42	1355.51	4.30	2.99	1.16	1435.38
Disposals	-	-	-	-	-	-	-
Balance as at 31 March, 2018	**-**	**711.68**	**12724.90**	**16.77**	**42.72**	**10.40**	**13506.47**
Net carrying amount							
Balance as at 1 April, 2016	**176.53**	**1926.95**	**4554.38**	**24.97**	**17.35**	**5.80**	**6705.98**
Balance as at 31 March, 2017	**176.53**	**1819.16**	**2495.39**	**20.85**	**18.28**	**5.35**	**4535.56**
Balance as at 31 March, 2018	**176.53**	**1747.74**	**1226.46**	**23.14**	**18.02**	**4.19**	**3196.08**

Note :

a) Finance leases

Company does not have any finance / operating lease.

(b) Contractual obligations

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

c) The Company has availed the deemed cost exemption under Ind AS 101- First time adoption of Indian Accounting Standards in relation to the property, plant and equipment on the date of transition. Consequently, the net block carrying amount as on 1 April 2016 has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on 1 April 2016 under the previous GAAP.

Deemed cost at 1 April, 2016

	Freehold land	Building	Plant and machinery	Vehicle	Office equipment	Furniture and fixtures	Total
Gross Block	176.53	2459.42	13864.78	33.32	54.32	13.90	**16602.27**
Less:- Accumulated Depreciation	-	532.47	9310.40	8.35	36.97	8.10	**9896.29**
Net Block	176.53	1926.95	4554.38	24.97	17.35	5.80	**6705.98**

Consolidated Notes to Financial Statements for the year ended 31 March 2018

Note:- 2.1 (A) Investment accounted for using equity method

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Units	Amount	No. of Units	Amount	No.of Units	Amounts
Investments in Associates						
Quoted						
Nahar Capital & Financial Services Limited	6,611,632	21,984.81	6,611,632	20,976.92	6,611,632	20,097.39
Sub total (a)		21,984.81		20,976.92		20,097.39
Note:-2.1 (B) Non-current Investments						
Investments in Equity Instruments						
At fair value through profit and loss						
Quoted						
IDFC Limited	-	-	-	-	5,000	2.02
IDFC Bank Ltd.	-	-	-	-	5,000	2.41
Sub total (b)	-	-	-	-	10,000	4.43
Investments in Equity Instruments						
At fair value through other comprehensive income						
Quoted						
Nahar Industrial Enterprises Limited	2,708,800	1,955.75	2,708,800	3,063.65	2,708,800	1,416.70
Nahar Spinning Mills Limited	6,902,244	6,001.50	6,902,244	9,338.74	6,902,244	6,332.81
Sub total (c)	9,611,044	7,957.25	9,611,044	12,402.39	9,611,044	7,749.51
Investments in Debentures & Bonds						
At fair value through other comprehensive income						
Quoted						
IRFC Tax Free Bond	11,757	129.84	11,757	130.77	11,757	119.21
Nabard Tax Free Bonds	10,020	108.17	10,020	109.83	10,020	104.03
ECL Finance Limited(Series-C9E601D)	-	-	100	100.11	-	-
ECL Finance Limited(Series-L7E602C)	-	-	100	100.11	-	-
Sub total (d)	21,777	238.01	21,977	440.82	21,777	223.24
Investments in Mutual Funds						
At fair value through profit and loss						
Quoted						
Reliance Banking & PSU Debt Fund	2,035,996	256.73	-	-	-	-
Birla Sun life Balanced Advantage Fund - Growth Direct Adviser (Growth)	196,696	102.11	-	-	-	-
ICICI Prudential Balanced Advantage Fund DP Growth	301,023	105.93	-	-	-	-
Sub total (e)	2,533,715	464.77	-	-	-	-
Grand Total (b+c+d+e)		**8,660.03**		**12,843.21**		**7,977.18**
Aggregate amount of quoted investments		8,660.03		12,843.21		7,977.18
Aggregate amount of impairment in value of investments		-		-		-

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Note :- 2.2 Loans (Non-Current)			
(Unsecured considered good, unless otherwise stated)			
Security deposits (Unsecured, considered good)	211.12	188.74	187.77
	211.12	**188.74**	**187.77**
Note:- 3 Deferred Tax Liability (Net)			
On account of Depreciation differences, Change in rate of tax & Ind AS adjustments etc.	399.14	132.72	(357.15)
On Account of allowance u/s 43B	13.24	12.21	11.17
	412.38	**144.93**	**(345.98)**
Note:- 4 Inventories			
(Valued at Cost or Net Realisable Value Whichever is Lower)			
Raw Materials	422.43	635.35	283.80
Work in Process	845.00	542.20	284.10
Finished Goods	11.99	71.01	39.05
Waste & Rejections	3.36	3.14	2.15
Stores & Spares	269.26	224.77	182.38
	1552.04	**1476.47**	**791.48**
Note:- 5.1 Trade receivables			
(Unsecured, considered good unless otherwise stated)			
Considered good	3303.87	3250.94	2780.56
Considered Doubtful	16.43	-	-
	3320.30	**3250.94**	**2780.56**
Note:- 5.2 Cash and Bank balances			
Balance with banks	38.96	26.46	1.90
Cash in hand including stamps	3.32	2.09	5.38
	42.28	**28.55**	**7.28**
Note:- 5.3 Other Bank Balances			
Unpaid Dividend Account	20.14	17.58	14.84
Deposits with original maturity more than three months but less than twelve months	2.32	2.17	2.63
	22.46	**19.75**	**17.47**

Notes:

(i) Other bank balances include ₹ 20.14 lakhs (as at 31st March,2017 ₹ 17.58 lakhs and as at 1st April, 2016 ₹ 14.84) held in dividend accounts which is not available for use by the company.

(ii) Deposits with maturity more than three months but less than twelve months are given as security given to Sales Tax Department are now available for withdrawal after the introduction of GST

Note:- 5.4 Loans (Current)			
(Unsecured considered good, unless otherwise stated)			
Loan to Employees	3.13	2.78	7.10
	3.13	**2.78**	**7.10**
Note:- 5.5 Other Financial Assets			
Interest accrued but not due on fixed deposits	4.14	4.16	0.42
Sale tax incentive receivable	674.54	663.56	940.04
	678.68	**667.72**	**940.46**
Note:- 6 Other Current assets			
Advances to suppliers	244.73	190.75	28.52
Prepaid expenses	30.68	36.12	370.08
Balances with statutory and government authorities	16.88	60.20	10.47
License in hands	18.11	1.96	63.50
Others recoverable	96.87	17.87	39.21
	407.27	**306.90**	**511.78**

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Note :- 7 Equity Share Capital			
Authorised capital			
900 Lakh Equity Shares of ₹ 5 each (31 March, 2017:-900 Lakh Equity Shares and 1April, 2016:-900 Lakh Equity Shares)	4500.00	4500.00	4500.00
	4500.00	**4500.00**	**4500.00**
Issued, subscribed and Fully paid up.			
24,587,991 Equity Shares of ₹ 5- each (31 March, 2017:-24,587,991 and as at 1 April,2016:- 24,587,991)	1229.40	1229.40	1229.40
Add:- Amount paid up on forfeited Shares	28.37	28.37	28.37
Total	**1257.77**	**1257.77**	**1257.77**

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

	31 March 2018		31 March 2017	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	24587991	1229.40	24587991	1229.40
Issued during the year	-	-	-	-
Equity Shares at the end of the year	**24587991**	**1229.40**	**24587991**	**1229.40**

b) Rights, Preferences and restrictions attached to shares

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

C) Details of Shareholders holding more than 5% shares in the company

	31 March 2018		31 March 2017	
	No. of Shares	% holding	No. of Shares	% holding
Nahar Capital & Financial Services Limited	12087671	49.16%	12087671	49.16%
Nahar Industrial Enterprises Limited	1264720	5.14%	1264720	5.14%
Nahar Spinning Mills Limited	1247063	5.07%	1247063	5.07%

d) Shares Forfeited

3,49,336 Shares are forfeited in financial year 2006-07 upon non payment of calls amounting ₹ 28,36,688 (31 March, 2017:- ₹ 28,36,688 and as at 1 April,2016:- ₹ 28,36,688).

Note:- 8 Other Equity

a) Capital Reserve on acquisition of shares of associates			
Opening Balance as per last Balance Sheet	10,078.26	10,078.26	
Add : Additions during the year	-	-	
Balance as at the year end	**10,078.26**	**10,078.26**	**10,078.26**
(b) Securities premium account			
Opening Balance as per last Balance Sheet	4,478.00	4,478.00	
Add : Additions during the year		-	
Balance as at the year end	**4,478.00**	**4,478.00**	**4,478.00**
(c) Corporate Social Responsibility Reserve			
Opening Balance as per last Balance Sheet	16.63	-	
Add : Additions during the year	21.49	16.63	
Balance as at the year end	**38.12**	**16.63**	**-**
(d) General Reserve			
Opening Balance as per last Balance Sheet	10,160.18	10,160.18	
Add : Additions during the year	-	-	
Balance as at the year end	**10,160.18**	**10,160.18**	**10,160.18**
(e) Retained Earnings			
Opening Balance as per last Balance Sheet	14,662.11	8,278.03	
Profit for the year	1,517.39	1,884.05	
Other Comprehensive Income for the year (net of tax)	(4,430.87)	4,664.63	
Dividends	(122.94)	(122.94)	
Dividend distribution tax	(25.02)	(25.03)	
Transfer to Corporate social responsibility reserve	(21.49)	(16.63)	
Balance as at the year end	**11,579.18**	**14,662.11**	**8,278.03**
Total Other Equity (a+b+c+d+e)	**36,333.74**	**39,395.18**	**32,994.47**

Nature and purpose of reserves

Securities premium account

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

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
General reserve			
The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.			
Retained Earnings			
Retained earnings refer to net earnings not paid out as dividends, but retained by the company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.			
Note:- 9 Non Current Borrowings			
Secured			
Term Loan form Banks			
-Oriental Bank of Commerce	-	573.96	1722.28
-Punjab National Bank	-	283.55	875.11
	-	**857.51**	**2597.39**

"Both the term loans are 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 guaranteed by a Director of the Company and corporate guarantee of Rs. 25.00 crores (Oriental Bank of Commerce) and Rs.15.00 Crores (Punjab National Bank previous year Bank of Maharashtra) given by M/s. Nahar Spinning Mills Ltd.The above Term Loans are repayable in 32 equal quarterly instalments starting from 31.12.2010."

Rate of Interest: -	OBC	PNB
31.03.2018	8.85%	8.65%
31.03.2017	10.45%	9.65%
31.03.2016	11.00%	10.90%

Note:- 10 .1 Current Borrowings			
Secured			
Working Capital Loans repayable on demand from Banks	1352.27	358.26	181.40
	1352.27	**358.26**	**181.40**

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 of the company and is personally guaranteed by a director of the company.

Note:- 10.2 Trade Payables			
Due to micro, small and medium enterprises (refer note 26)	-	-	-
Due to others	538.05	591.95	566.17
	538.05	**591.95**	**566.17**
Note:- 10.3 Other financial liabilities			
Current maturities of long term debts	858.83	1,742.20	1,742.20
Employee related payables	76.52	46.63	41.78
Unpaid Dividend (refer note (a) below)	20.14	17.58	14.84
Retention Money	1.56	1.45	8.12
	957.05	**1,807.86**	**1,806.94**

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

Note:- 11 Other current liabilities			
Advances from customers	73.47	177.52	202.59
Security deposits	2.46	2.46	1.23
Dues to director	0.92	0.42	0.64
Statutory Dues	34.41	38.89	38.22
Others	-	0.11	-
	111.26	**219.40**	**242.68**
Note:- 12 Provisions			
Provision for gratuity (refer note 24)	5.20	-	-
	5.20	-	-
Movement in provisions: Provision for gratuity			
Opening Balance	-	-	
Add : Provision recognised during the year	5.20	-	
Less : Provision utilised during the year	-	-	
Closing Balance	5.20	-	-

	As at 31 March, 2018	As at 1 April, 2017
Note:- 13 Revenue from operations		
Sale of products*		
Export	215.78	575.11
Domestic	25,548.34	27,569.59
	25,764.12	**28,144.70**
Other operating revenue		
Bopp Waste	81.13	67.29
Export incentives	11.25	11.91
Claims received	5.58	23.88
Sale tax incentive	104.62	450.24
	25,966.70	**28,698.02**
***Details of product Sold**		
Export Sales		
Direct Export of BOPP Film	215.78	575
Domestic Sales		
Deemed Export of BOPP Film	-	112.82
BOPP Film	25,473.98	27,307.46
BOPP Other (Incl.Waste)	74.36	149.31
Other (Misc. Scrap)	81.13	67.29
	25,845.25	**28,211.99**
Note:- 14 Other Income		
Interest income	41.99	31.28
Dividend Income	130.63	130.64
Profit on sale of investments (net)	25.05	6.09
Exchange fluctuation gain (net)	0.47	0.16
Fair valuation of investments through profit and loss	14.77	-
Miscellaneous income	53.84	39.90
	266.75	**208.07**
Note:- 15 Cost of materials consumed		
Opening stock of raw materials	635.35	283.80
Add : Purchases of raw materials during the year	18,970.86	18,817.23
	19,606.21	19,101.03
Less : Closing stock of raw materials	422.43	635.35
	19,183.78	**18,465.68**
Details of raw material consumed		
PP Resins and Additives	**19,183.78**	**18,465.68**
	19,183.78	**18,465.68**
Note:- 16 Changes in inventories of finished goods, work-in-process and traded goods		
Opening stock		
-Finished Goods / Stock in Trade	74.15	41.19
-Work-in-Progress	542.20	284.10
	616.35	325.29
Closing Stock		
-Finished Goods / Stock in Trade	15.35	74.15
-Work-in-Progress	845.00	542.20
	860.35	616.35
Impact of excise duty on opening/closing stock	-	2.25
	(244.00)	**(288.81)**
Note:- 17 Employee benefit expense		
Salary, Wages and other Allowances	608.24	573.57
Contribution to Provident and other funds	79.55	62.74
Staff Welfare Expenses	43.86	45.43
	731.65	**681.74**
Note:- 18 Finance cost		
Interest Expense		
- On working capital loans	69.89	54.39

Particulars	As at 31 March, 2018	As at 1 April, 2017
- On term loans	185.44	392.40
- Others	0.07	0.08
Other Borrowings Cost	6.57	5.12
	261.97	**451.99**
Note:- 19 Other expenses		
Power & Fuel Consumed	1,656.10	1,566.03
Packing Expenses	539.48	488.82
Consumption of stores & spares	3.54	4.05
Rent	2.07	1.94
Repair and Maintenance		
-Building Repair	6.57	6.69
-Plant & machinery	250.59	257.43
-General Repair	13.73	15.49
Insurance	60.01	50.50
Legal & Professional expenses	22.13	24.25
Rates & Taxes	11.61	6.38
Travelling and Conveyance	25.41	29.55
Brokerage and Commission	40.46	52.05
Freight & Forwarding	726.34	707.52
Other manufacturing expenses	58.21	224.86
Payments to auditors*	2.08	2.85
Communication Expenses	8.67	9.21
Corporate social responsibility expenses	0.35	-
Miscellaneous Expenses	50.67	34.99
	3,478.02	**3,482.61**
***Payment to Auditors**		
As Auditor:		
-Audit Fee	2.05	2.36
-Tax Audit	-	0.45
-Certification charges	0.01	0.04
-Out of Pocket Expenses	0.02	-
	2.08	**2.85**
Note:- 20 Income Tax Expenses		
Tax expense recognized in the Statement of Profit and Loss		
Current tax		
Current Tax on taxable income for the year	475.00	314.50
Total current tax expense	**475.00**	**314.50**
Deferred Tax		
Deferred tax charge/(credit)	(267.15)	(492.94)
Total Deferred Income tax expense/(benefits)	**(267.15)**	**(492.94)**
Income Tax for Current Period	207.85	(178.44)
Tax in respect of earlier years	(1.66)	(0.78)
Total income tax expense	**206.19**	**(179.22)**
(A) Reconciliation of tax liability on book profit vis-à-vis actual tax liability		
Accounting profit before income tax	616.54	726.12
Statutory income tax rate	34.944%	34.608%
Current tax expenses on profit before tax at the statutory income tax rate in India	215.44	251.30
Permanent differences and income chargeable at different rates	(10.34)	(37.75)
Income taxed on different tax rate	2.75	-
Charge/(credit) in respect of earlier years	(1.66)	(0.78)
Unrecognised tax assets (net)	-	(391.99)
Income tax expense reported in the statement of profit and loss	**206.19**	**(179.22)**

Particulars	As at 31 March, 2018	As at 1 April, 2017

(B) The movement in deferred tax assets and liabilities during the year ended 31 March 2018, 31 March 2017, 1 April,2016.

	Balance Sheet			Statement of Profit & loss		Other Comprehensive Income	
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Accelerated depreciation for tax purposes and other Ind As Adjustments	399.14	132.72	(357.15)	(266.12)	(491.90)	0.30	(2.03)
Expenditure incurred u/s 43B	13.24	12.21	11.17	(1.03)	(1.04)		
	412.38	**144.93**	**(345.98)**	**(267.15)**	**(492.94)**	**0.30**	**(2.03)**
Net Deferred tax assets/(liabilities)							
Reflected in balance sheet as follows							
Deferred tax assets	412.38	144.93	-				
Deferred tax liabilities	-	-	(345.98)				
Deferred tax assets/(liabilities) (net)	**412.38**	**144.93**	**(345.98)**				

Reconciliation of deferred tax (assets)/liabilities, net	31 March 2018	31 March 2017
Opening Balance as at 1 April	144.93	(345.98)
Tax (Income)/expense during the year recognised in profit or loss	(267.15)	(492.94)
Tax (Income)/expense during the year recognised in Other comprehensive income	(0.30)	2.03
Closing Balance as at 31 March	**412.38**	**144.93**

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

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

(c) Tax Assets and Liabilities.

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Income tax assets (net)	64.76	68.36	68.36
Income tax liabilities (net)	-	22.90	100.01

Note 21.1STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I) Company Overview

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

The consolidated financial statements are approved for issue by the company's Board of Directors on May 30, 2018.

ii) SIGNIFICANT ACCOUNTING POLICIES:

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

a) Basis of Presentation:

I) Compliance with Ind AS

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

The consolidated financial statements up to year ended 31st March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These consolidated financial statements are the first consolidated financial statements of the company under Ind AS. Refer note 41 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

The consolidated financial statements of the company for the year ended 31st March, 2018 have been approved by the Board of Directors at their meetings held on 30 May, 2018.

(ii) Accounting Convention

The accounts of the Company have been prepared on going concern basis and historical cost basis except certain financial

assets and liabilities measured at fair value and defined benefit plans-assets measured at fair value.

(iii) Rounding of amounts

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

(iv) Current/Non-current classification

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

b) Foreign currency translation

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

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

c) Revenue recognition

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

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

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

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

d) Government Grants:

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

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

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

e) Income Tax:

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

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

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

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

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

f) Trade Receivables:

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

g) Cash and cash Equivalents:

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

h) Inventories

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

1. a) For Raw Material on weighted average method plus direct expenses.

b) For Stores and Spares on weighted average method plus direct expenses.
c) For Work–in–Process, cost of Raw Material plus appropriate share of manufacturing expenses / relevant Overheads/ conversion cost depending upon the stage of completion.

2. "For Finished goods, cost of raw material plus conversion costs, packing cost and other over heads incurred to bring the inventories to their present condition and location.."
3. Further Wastage and Rejections are valued at net realizable value only.
4. Goods in Transit are valued at cost.

I) INVESTMENT AND OTHER FINANCIAL ASSETS

I) Classification

The company classifies its financial assets in the following measurement categories –
- Those to be measured subsequently at fair value (either through other comprehensive income or through Statement of profit and loss), and
- Those measured at amortised cost

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

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

ii) Measurement

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

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss.

iii) Impairment of financial assets

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

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

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

iv) De-recognition of Financial Assets:

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

v) Income Recognition:

Interest income – Interest income from debt instruments is recognised using the effective interest rate method.
Dividend income - Dividends are recognised in profit or loss only when the right to receive payment is established.
Rental Income - Rental income is accounted for on accrual basis.
Scrap (i.e. empties, wastage etc. Other than production) is accounted for on sale basis.

j) Impairment of Non-Financial assets

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

k) Non- Current Assets Held for Sale:

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

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

l) Derivatives that are not designated as hedges

The company enters into certain derivatives/forward contracts to hedge foreign currency risks which are not designated as hedges.

Such contracts are accounted for at fair value through profit or loss.

m) Property, plant and equipment

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

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

n) Intangible assets

Computer software

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

Amortisation methods and periods

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

o) Trade and other payables

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

p) Borrowings

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

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

q) Borrowing costs

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

r) Provisions and contingent liabilities

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

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

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

s) Employee benefits

(I) Short term obligations

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

(ii) Other long term employee benefit obligations

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

(iii) Post-employment obligations

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

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

(iv) Defined contribution plans

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

t) Estimates and judgements

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

reported amounts of assets, liabilities, income and expenses."
The areas involving critical estimates or judgements are:
- Estimation of current tax expense and payable.
- Designation of financial assets /liabilities through FVTPL.
- Estimation of defined benefit obligation.
- Recognition of deferred tax assets for carried forward tax losses.

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

21.2 Significant accounting judgements, estimates and assumptions

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

Judgements

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

Estimates and assumptions

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

Defined benefit plans (gratuity benefits)

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

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

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

Fair value measurement of financial instruments

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

Impairment of non-financial assets

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

Note22. Capital Commitments and other commitments

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
a) Capital Commitments			
Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	6.61	-	21.3
b) Other Commitments			
Bank Guarantee	-	-	6.04
Letter of credits outstanding in favour of suppliers (net of advances)	41.29	152.82	71.90
	47.90	**152.82**	**99.24**

Note 23. Earnings per share (EPS) (Ind AS 33)

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

Particulars	As at 31 March, 2018	As at 31 March, 2017
Earnings Per Share has been computed as under:		
Profit for the year attributable to the Equity holders of the Company	1,517.39	1,884.05
Weighted-average number of equity shares for basic EPS	198.16	198.16
(After Elimination reciprocally held shares in capital)		
Earnings Per Share (Rs.) - Basic (Face value of Rs. 10 per share)	7.66	9.51
(Diluted earning per share is same as basic earning per share.)		

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

Note 24. Post Retirement Benefits Plans (Ind AS 19)

Defined Benefit Plan

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

Particulars	As at 31 March, 2018	As at 31 March, 2017
(i) Changes in Defined Benefit Obligation		
Present value obligation as at the start of the year	102.50	87.35
Interest cost	8.13	6.99
Current service cost	13.47	11.80
Past Service Cost Plan Amendment	10.58	-
Actuarial loss/(Gains) - Experience Changes	(22.25)	1.06
Actuarial loss / (Gains) Financial Assumption	4.03	-
Benefits paid	(1.74)	(4.70)
Present value obligation as at the end of the year	**114.72**	**102.50**
(ii) Change in fair value of plan assets		
Fair value of plan assets as at the start of the year	102.50	88.19
Interest income on plan assets	8.21	7.03
Employer Contributions	2.00	11.98
Return on plan assets greater/(lesser) then discount Rates	(1.45)	-
Benefits paid	(1.74)	(4.70)
Fair value of plan assets as at the end of the year	**109.52**	**102.50**
(iii) Breakup of Actuarial gain/loss:		
Actuarial (gain)/loss on arising from change in financial assumption	4.03	-
Actuarial (gain)/loss on arising from experience adjustment	(22.25)	1.06
Return on plan assets (greater)/less than discount rate	1.45	-
	(16.77)	**1.06**
(iv) Net Asset / (Liability) recognised in the Balance Sheet		
Present value obligation as at the end of the year	(114.72)	(102.50)
Fair value of plan assets as at the end of the year	109.52	102.50
Net Asset / (Liability) in the Balance Sheet	**(5.20)**	**-**
(v) Amount recognized in the statement of profit and loss		
Current service cost	13.47	11.80
Interest cost	8.13	6.99
Interest income on plan assets	(8.21)	(7.03)
(Income)/Expense recognised in the statement of profit and loss	**13.39**	**11.76**
(vi) Remeasurements recognised in the statement of Other Comprehensive Income (OCI)		
Changes in Financial Assumptions	4.03	-
Experience Adjustments	(22.25)	1.06
Return on plan assets (greater)/less than discount rate	1.45	-

Amount recognised in Other Comprehensive Income	**(16.77)**	**(1.06)**
(vii) Actuarial assumptions		
Discount Rate (p.a)	7.70%	8.00%
Salary Escalation Rate (p.a)	7.00%	7.00%
Employee Turnover rate	1% to 3%	1% to 3%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult

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

(viii) Sensitivity analysis for gratuity liability

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

Present value of obligation at the end of the year		
Impact of the change in Discount rate (p.a)		
Impact due to decrease of 0.50%	7.59	6.66
Impact due to increase of 0.50%	(6.84)	(6.01)
Impact of change in Salary Escalation rate (p.a)		
Impact due to increase of 0.50%	7.34	6.45
Impact due to decrease of 0.50%	(6.66)	(5.85)

(viii) Expected future cash flows

The expected future cash flows in respect of gratuity as at 31st March, 2018 were as follows

Weighted average duration of defined plan obligation (based on discounted cash flows)		
Gratuity	**14 years**	**14 years**
The followings are the expected future benefit payments for the defined benefit plan :		
March 31, 2018	-	2.40
March 31, 2019	2.73	6.13
March 31, 2020	6.98	3.18
March 31, 2021	3.62	4.20
March 31, 2022	4.78	19.90
March 31, 2023	22.66	-
March 31, 2022 to March 31, 2026	-	66.69
March 31, 2023 to March 31, 2027	75.95	-

Note 25. Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, the Company is required to spend a sum of ₹ 38.47 lakhs (as at 31st March,2017 ₹ 16.63 lakhs and as at 1st April, 2016 ₹ Nil) towards CSR activities. The details of amount actually spent by the Company are:

	Year ended 31 March, 2018	**Year ended 31March, 2017**
(a) Gross amount required to be spent by the company as per section 135 of the Act.	21.84	16.63
(b) Amount spent during the year on:		
- paid in cash/ cash equivalents *	0.35	-
- yet to be paid	21.49	16.63
	21.84	**16.63**

Last year, the company and other group companies have joined hands to undertake the future CSR activities under one umbrella organisation i.e. Oswal Foundation. Oswal Foundation, a special purpose vehicle has been considering new projects in the field of healthcare which are likely to be finalised soon. Whenever it will mature and approved by all the companies under umbrella, the amount of CSR liability will be contributed to Oswal foundation to implement the CSR Project during the year 2017-18.Accordingly the amount of balance CSR obligation of Rs 21.49 Lakhs has been set apart in reserves as at 31st march, 2018.

Note 26. Dues to micro and small suppliers

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

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Principal amount remaining unpaid	-	-	-
Interest due thereon	-	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-
Interest accrued and remaining unpaid as at end of the year	-	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.			

Notes 27. Government Grants

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
At the beginning of the year	663.56	940.04	
Provided during the year	104.37	451.11	
Received during the year	93.39	727.60	
At the end of the year	674.54	663.56	940.04
Current	674.54	663.56	940.04
Non-current	-	-	-

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

Note 28. Fair value measurement
(a) Financial instruments by category

	31st March 2018			31st March 2017			1st April 2016		
Particulars	**FVTPL**	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**
Financial assets									
Investments									
-Equity Instruments*	-	7,957.25	-	-	12,402.38	-	4.43	7,749.51	-
-Debentures and Bonds	-	238.01	-	-	440.82	-		223.24	-
-Mutual funds	464.77	-	-	-	-	-	-	-	-
Security Deposits	-	-	211.12	-	-	188.74	-	-	187.77
Trade receivables	-	-	3,320.30	-	-	3,250.94	-	-	2,780.56
Cash and cash equivalents	-	-	42.28	-	-	28.55	-	-	7.28
Other Bank Balances	-	-	22.46	-	-	19.75	-	-	17.47
Loan to employees	-	-	3.13	-	-	2.78	-	-	7.10
Other financial assets	-	-	678.68	-	-	667.72	-	-	940.46
Total	**464.77**	**8,195.26**	**4,277.97**	**-**	**12,843.20**	**4,158.48**	**4.43**	**7,972.75**	**3,940.64**
Financial Liabilities									
Non-current Borrowings	-	-	-	-	-	857.51	-	-	2,597.39
Current Borrowings	-	-	1,352.27	-	-	358.26	-	-	181.40
Trade payable	-	-	538.05	-	-	591.95	-	-	566.17
"Other financial liabilities (Current)"	-	-	957.05	-	-	1,807.86	-	-	1,806.94
Total	**-**	**-**	**2,847.37**	**-**	**-**	**3,615.58**	**-**	**-**	**5,151.90**

*** Investment in subsidiaries, joint ventures and associates are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.**

(b) Fair value hierarchy

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

Financial assets and liabilities measured at fair value-recurring fair value measurements	**31st March 2018**			31st March 2017			1st April 2016		
Particulars	**Level 1**	**Level 2**	**Level 3**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investments at FVTPL									
-Mutual funds	464.77	-	-	-	-	-	-	-	-
-Equity Instruments	-	-	-	-	-	-	4.43	-	-
Investments at FVOCI									
-Equity Instruments	7,957.25	-	-	12,402.38	-	-	7,749.51	-	-
-Debentures and Bonds	238.01	-	-	440.82	-	-	223.24	-	-
Total financial assets	**8,660.03**	**-**	**-**	**12,843.20**	**-**	**-**	**7,977.18**	**-**	**-**

Valuation process and technique used to determine fair value

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

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

Financial assets and liabilities measured at amortised cost	**31st March 2018**			31st March 2017			1st April 2016		
Particulars	**Level 1**	**Level 2**	**Level 3**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Security Deposits	-	-	211.12	-	-	188.74	-	-	187.77
Trade receivables	-	-	3,320.30	-	-	3,250.94	-	-	2,780.56
Cash and cash equivalents	-	-	42.28	-	-	28.55	-	-	7.28
Other Bank Balances	-	-	22.46	-	-	19.75	-	-	17.47
Loan to employees	-	-	3.13	-	-	2.78	-	-	7.10
Other financial assets			678.68			667.72			940.46
Total financial assets	**-**	**-**	**4,277.97**	**-**	**-**	**4,158.48**	**-**	**-**	**3,940.64**
Financial liabilities									
Non-current Borrowings			-	-	-	857.51	-	-	2,597.39
Current Borrowings	-	-	1,352.27	-	-	358.26	-	-	181.40
Trade payable	-	-	538.05	-	-	591.95	-	-	566.17
"Other financial liabilities(Current)"	-	-	957.05	-	-	1,807.86	-	-	1,806.94
Total financial liabilities	**-**	**-**	**2,847.37**	**-**	**-**	**3,615.58**	**-**	**-**	**5,151.90**

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.
Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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

Particulars	31st March 2018		31st March 2017		1st April 2016	
	Carrying amount	**Fair value**	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Non-current assets						
Security Deposits	211.12	211.12	188.74	188.74	187.77	187.77
Total financial assets	**211.12**	**211.12**	**188.74**	**188.74**	**187.77**	**187.77**
Financial liabilities						
Non-current liabilities						
Security deposit	-	-	-	-	-	-
Total financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**

d) Measurement of fair values

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

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

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

Note:- 29. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(A) Market risk

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

a) Market risk- Interest rate risk

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

	As at **31 March, 2018**	As at **31 March, 2017**	**As at 1 April, 2016**
Variable rate borrowings	2,211.10	2,957.97	4,520.99
Fixed rate borrowings	-	-	-
Total Borrowings	**2,211.10**	**2,957.97**	**4,520.99**

Interest rate sensitivity

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

50 bps decrease would Increase the profit before tax by	11.06	14.79	22.60
50 bps increase would decrease the profit before tax by	(11.06)	(14.79)	(22.60)

b) Market risk- Foreign currency risks

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

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
Trade receivables						
-USD	-	-	-	-	-	-
Trade payables						
-USD	64,698	42.58	14,167	9.20	-	-
Total Exposure (net)						
-USD	(64,698)	(42.58)	(14,167)	(9.20)	-	-

Foreign currency sensitivity

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

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
USD Sensitivity			
5% decrease would Increase the profit before tax by	(2.13)	(0.46)	-
5% increase would decrease the profit before tax by	2.13	0.46	-

c) Market risk- Price risks

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

Price sensitivity

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

- Impact on total comprehensive income			
500 bps in BSE Sensex 30 increase would Increase the profit before tax by	397.86	620.12	387.48
500 bps in BSE Sensex 30 decrease would decrease the profit before tax by	(397.86)	(620.12)	(387.48)

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(a) Credit risk management

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

(I) Low credit risk on financial reporting date

(ii) Moderate credit risk

(iii)High credit risk

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

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

Financial assets that expose the entity to credit risk	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Low credit risk on reporting date			
Trade receivables	3,320.30	3,250.94	2,780.56
Cash and cash equivalents	42.28	28.55	7.28
Other bank balances	22.46	19.75	17.47
Loans(current)	3.13	2.78	7.10
Loans(non-current)	211.12	188.74	187.77
Other financial asset (current)	678.68	667.72	940.46

Cash & cash equivalents and bank deposits

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

Trade receivables

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

Gross carrying amount of trade receivables	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Not due nor impaired	3,197.50	3,216.09	2,757.86
0-90 days past due	1.29	-	-
90-180 days past due	0.60	-	-
180-365 days past due	104.48	11.21	6.27
More than one year	16.43	23.64	16.43

Loans and Other financial assets measured at amortised cost

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

(c) Liquidity risk

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

(a) Financing arrangements

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

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Floating rate			
(I) Expiring within one year (Cash Credit and other facilities)			
Secured			
-Working Capital Facilities	2,847.73	3,841.74	4,018.60

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

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 Years	Total
Year ended 31 March 2018					
Contractual maturities of borrowings	2,412.48	-	-	-	2,412.48
Contractual maturities of Trade payables and other payables	538.05	-	-	-	538.05
Contractual maturities of other financial liabilities	98.22	-	-	-	98.22
Total	**3,048.75**	**-**	**-**	**-**	**3,048.75**

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 Years	Total
Year ended 31 March 2017					
Contractual maturities of borrowings	2,362.43	886.85	-	-	3,249.28
Contractual maturities of Trade payables and other payables	591.95	-	-	-	591.95
Contractual maturities of other financial liabilities	65.66	-	-	-	65.66
Total	**3,020.04**	**886.85**	**-**	**-**	**3,906.89**

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 Years	Total
Year ended 01 April 2016					
Contractual maturities of borrowings	2,375.59	1,927.64	914.87	-	**5,218.10**
Contractual maturities of Trade payables and other payables	566.17	-	-	-	**566.17**
Contractual maturities of other financial liabilities	64.74				**64.74**
Total	**3,006.50**	**1,927.64**	**914.87**	**-**	**5,849.01**

Note:- 30 Dividend distribution made

Dividend during the year ended March 31, 2018: Rs. 0.50 per share (March 31, 2017: Rs. 0.50 per share)	122.94	122.94
Dividend distribution tax on dividend	25.03	25.03
	147.97	**147.97**

Under Previous GAAP and under Ind AS, dividends and related dividend distribution tax are recognised as a liability in the year in which it is approved by the shareholders in the Annual General Meeting of the Company.

Note:- 31 Reconciliation of changes in financial liabilities

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

Particulars	2017-2018		2016-2017	
	Borrowings (Non-current) (including current maturities)	Borrowings (Current)	Borrowings (Non-Current) (including current maturities)	Borrowings (Current)
A. Borrowings from Banks				
Balance at the beginning of the period	2,599.71	358.26	4,339.59	181.40
Add:/Less Changes during the period				
(a) Changes from financing cash flows	(1,740.88)	994.01	(1,739.88)	176.86
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-	-	-
(c) the effect of changes in foreign exchange rates	-	-	-	-
(d) changes in fair values	-	-	-	-
(e) other Changes	-	-	-	-
Balance at the end of the period	858.83	1,352.27	2,599.71	358.26
B. Deposits from body corporates				
Balance at the begning of the period	Nil	Nil	Nil	Nil
Add:/Less Changes during the period	-	-	-	-
(a) Changes from financing cash flows	-	-	-	-
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-	-	-
(c) the effect of changes in foreign exchange rates	-	-	-	-
(d) changes in fair values	-	-	-	-
(e) other Changes	-	-	-	-
Balance at the end of the period	Nil	Nil	Nil	Nil

Note:- 32 Capital Management

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

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

	As at **31 March, 2018**	As at **31 March, 2017**	**As at 1 April, 2016**
Borrowings	2,211.10	2,957.97	4,520.99
Trade payables	538.05	591.95	566.17
Less: Cash and cash equivalents	42.28	28.55	7.28
Less: Other bank balances	22.46	19.75	17.47
Net debt	**2,684.41**	**3,501.62**	**5,062.41**
Equity	37,591.51	40,652.95	34,252.24
Capital and net debt	**40,275.92**	**44,154.57**	**39,314.65**
Gearing ratio	6.67%	7.93%	12.88%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.
Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

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

a) Disclosure of related parties and relationship between the parties

Nature of relationship

(I) Associates

M/s Nahar Capital & Financial Services Limited

(ii) Key Management Personnel

Mr. S. K. Sharma (Executive Director)

(iii) Relatives of Key Management Personnel

Mrs. Sunita Sharma

(iv) Other Group companies over which key Management Personnel and their relatives are able to exercise significant Influence

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

*Other related parties includes the Companies in which the Key Management Personnel or their relatives have significant influence, also includes enterprises with whom no transaction has taken place during the period.

Detail of Related party Transactions

Sr. No.	Particulars	Associates		Enterprises over which KMP is able to exercise significant influence		Key Management personnels & their relatives	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Intercorporate Deposits Given	500.00	-	-	-	-	-
2	Intercorporate Deposits Received Back	500.00	-	-	-	-	-
3	Interest Received	0.63	-	-			
4	Director's Sitting Fees	-	-	-	-	-	-
5	Director's Remuneration	-	-	-	-	23.54	23.47
6	Rent Paid	-	-	2.07	1.94	-	-
7	DEPB Purchased	-	-	60.95	70.32	-	-
8	Reimbursements Received	-	-	0.10	0.21	-	-
9	Reimbursements Paid	-	-	0.34	3.83	-	-
10	Year end Balance						
	- Crs./Payable	-	-	0.10	1.03	-	-
	- Due to directors	-	-	-	-	0.92	0.42

Note:- 34 Details of Associates

Section 129(3) of the Companies Act, 2013, requires preparation of consolidated financial statement of the Group and of all the associate companies in the same form and manner as that of its own. Indian Accounting Standard (Ind AS) 28 on Investments in Associates defines Associate Group as an entity over which the investor has significant influence. It mentions that if an entity holds, directly or indirectly through intermediaries, 20 percent or more of the voting power of the enterprise, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case.

(a) Associate is accounted for using the equity method in these consolidated financial statements.

Name of Entity	% of Ownership interest	Relationship	Proportion of Ownership Interest: Accounting method	31st March, 2017	31st March, 2016	1 April, 2016
Nahar Capital & Financial Services Limited	39.48%	Associates	Equity Method	39.48%	39.48%	39.48%
Total Equity Accounted Investment				**21,984.81**	**20,976.92**	**20,097.39**

(b) Summarised Financial information for the associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statement of the relevant associates by using Equity method.

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
(a) Non-Current Assets	52,924.78	51,738.30	50,583.22
(b) Current Assets			
Cash and Cash equivalents	56.64	142.76	33.90
Other Assets	6,498.99	3,571.98	2,139.36
Total Assets (a+b)	**59,480.41**	**55,453.04**	**52,756.48**
(a) Non-Current Liabilities	-	-	-
(b) Current Liabilities	3,796.53	2,321.93	1,853.11
Total Liabilities (a+b)	**3,796.53**	**2,321.93**	**1,853.11**
Net Assets	55,683.88	53,131.12	50,903.37
Proportion of Group ownership (%)	39.48%	39.48%	39.48%
Proportion of Group ownership in Nahar Capital Financial Services Limited	21,984.81	20,976.92	20,097.39

Summarised Statement of profit and loss

Particulars	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Gross Revenue	4,092.91	4,092.91
Earning before interest, depreciation/amortisation	3,469.91	3,035.61
Depreciation and amortisation	32.25	16.61
Interest Expense	32.91	17.24
Tax Expense	549.69	471.68
Profit and loss for the period	2,855.06	2,530.09
Other Comprehensive Income	-	-
Total Comprehensive Income	2,855.06	2,530.09
Less: Dividend and Distribution Tax	(302.33)	(302.33)
	2,552.73	2,227.76
Proportion of ownership (%)	39.48%	39.48%
Proportion of Group ownership in Nahar Capital Financial Services Limited	1,007.89	879.53

(c) Movement of Investment using equity Method

Particulars		As at 31 March, 2018		As at 31 March, 2017	As at 1 April, 2016
(a) Nahar Capital & Financial Services Limited					
Opening balance of interest in associates		20,976.92		20,097.39	
Add:- Share of profit for the period	1,107.05		978.72		
Less:- Dividend Received	-99.16		-99.19		
Net Income from Associates		1,007.89		879.53	
Closing Balance of interest in associates		**21,984.81**		**20,976.92**	**20,097.39**

The Company has adopted Ind-AS issued by MCA w.e.f 01.04.2017 (Transition date being 01.04.2016). However, the associate company M/s. Nahar Capital & Financial Services Limited is currently governed by Accounting Standard issued by MCA. Indian Accounting Standard (IND-AS) issued by MCA will be applicable on the associate company w.e.f. 1st April, 2018 (Transition date being 1st April, 2017). Since, it was impracticable to convert the financial statements of above associate company from Indian GAAP to Ind- AS, the company has considered Indian GAAP financial statements of the associate for the purpose of preparing its own consolidated financial statements.

Note:- 34 Details of Associates (Cont..)
Additional Information as required Under Schedule III to companies Act, 2013 of entities Consolidated as Associates.

Name of Entity	Share of Net Assets , i.e., total assets minus total		Share in profit or loss		Share in other Comprehensive income		Share in Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Nahar Poly films Limited								
Associates (Investment) as per the equity method)*								
Nahar Capital * Financial Services Limited								
-As on / Year Ending 31.03.2018	39.48%	21,984.81	39.48%	1107.05	39.48%	0	39.48%	1107.05
-As on / Year Ending 31.03.2017	39.48%	20,976.92	39.48%	978.72	39.48%		39.48%	978.72
-As on / Year Ending 31.03.2016	39.48%	20,097.39						

"*Amounts given here in respect of associates are the share of the group in the net assets of the respective associates and the share of the group in the profit or loss of the respective associates."

Note:- 35 First Time Adoption as per Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Ind AS Optional exemptions availed.

(a) Deemed Cost

Under Ind AS paragraph D7AA of Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and for Investment properties covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measures all of its properties, plant and equipment, Investment property and intangible assets at their previous GAAP carrying values.

B. Ind AS Mandatory exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

"Ind AS estimates as at 1st April, 2016 and 31st March, 2017 are consistent with the estimates as at the same date made in the conformity with previous GAAP .The Company has made estimates for following items in accordance with Ind ASat the date of transition as these were not required under IGAAP"

(I) Investments in mutual funds carried at FVTPL

(b) Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP

to Ind AS as required under Ind AS 101:
1.) Reconciliation of Balance sheet as at 1st April, 2016 (Transition Date)
2.) (a). Reconciliation of Balance sheet as at 31st March, 2017
(b). Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017
3.) Reconciliation of Equity as at 1st April, 2016 and as at 31st March, 2017
4.) Reconciliation of Income statement as at 31st March, 2017

Note:- 35 First Time Adoption as per Ind AS (contd…)

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

1) Reconciliation of Balance sheet as at 1 April, 2016

Particulars	Notes	Indian GAAP	Indian AS adjustments	Ind AS
ASSETS				
Non-current assets				
a) Property, plant and equipment		6,717.14	(11.16)	6,705.98
b) Financial assets				
I) Investments		26,281.02	1,793.55	28,074.57
ii) Loans		187.77	-	187.77
c) Non-current tax assets (net)		68.36	-	68.36
Current assets				
a) Inventories		791.48	-	791.48
b) Financial assets				
I) Trade receivables		2,780.56	-	2,780.56
ii) Cash and Cash equivalents		7.27	-	7.27
iii) Other bank balances		17.47	-	17.47
iv) Loans		7.10	-	7.10
v) Other financial asset		940.46	-	940.46
c) Other current assets		509.28	2.50	511.78
Total Assets		**38,307.91**	**1,784.89**	**40,092.80**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital		1,257.77	-	1,257.77
b) Other equity		31,063.43	1,931.04	32,994.47
LIABILITIES				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings		2,601.04	(3.65)	2,597.39
b) Deferred tax liabilities (net)		347.95	(1.97)	345.98
Current liabilities				
a) Financial liabilities				
i) Borrowings		181.40	-	181.40
ii) Trade and other payables		558.74	7.44	566.18
iii) Other financial liabilities		1,806.94	-	1,806.94
b) Current Tax Liabilities (Net)		100.01	-	100.01
c) Provisions		147.97	(147.97)	-
d) Other current liabilities		242.66	-	242.66
		38,307.91	**1,784.89**	**40,092.80**

Note:- 35 First Time Adoption as per Ind AS (contd…)

2 (a). Reconciliation of Balance sheet as at 31 March, 2017

ASSETS				
Non-current assets				
a) Property, plant and equipment		4,542.52	(6.96)	4,535.56
b) Financial assets				
I) Investments		27,358.86	6,461.27	33,820.13
ii) Loans		188.74	-	188.74
c) Non-current tax assets (net)		68.36	-	68.36
d) Deferred tax assets (net)		145.66	(0.73)	144.94
Current assets				
a) Inventories		1,476.47	-	1,476.47
b) Financial assets				
i) Trade receivables		3,250.94	-	3,250.94
ii) Cash and Cash equivalents		28.55	-	28.55

iii) Other bank balances	19.75	-	19.75
iv) Loans	2.78	-	2.78
v) Other financial asset	667.72	-	667.72
c) Other current assets	306.90	-	306.90
Total Assets	**38,057.25**	**6,453.58**	**44,510.83**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	1,257.77	-	1,257.77
b) Other equity	32,940.21	6,454.97	39,395.18
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
I) Borrowings	858.90	(1.39)	857.51
Current liabilities			
a) Financial liabilities			
I) Borrowings	358.26	-	358.26
ii) Trade and other payables	591.95	-	591.95
iii) Other financial liabilities	1,807.86	-	1,807.86
b) Other current liabilities	219.40	-	219.40
c) Income tax liabilities (Net)	22.90		22.90
	38,057.25	**6,453.58**	**44,510.83**

2. (b). Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017

INCOME			
Revenue from operations	28,859.15	(161.13)	28,698.02
Other Income	210.53	(2.46)	208.07
	29,069.68	**(163.59)**	**28,906.09**
EXPENSES			
Cost of materials consumed	18,465.68	-	18,465.68
Change in inventories of finished goods, stock in trade and work -in-progress	(288.81)	-	(288.81)
Excise duty expense	3,211.72	-	3,211.72
Employee benefit expense	682.76	(1.02)	681.74
Finance costs	449.73	2.26	451.99
Depreciation and amortisation expense	2,179.24	(4.20)	2,175.04
Other expenses	3,651.18	(168.57)	3,482.61
Total	**28,351.50**	**(171.53)**	**28,179.97**
Profit/(loss) before Tax Expenses	718.18	7.94	726.12
Tax expense:			
Current tax	313.72	-	313.72
Deferred tax	(493.61)	0.67	(492.94)
Profit/(loss) for the year	**898.07**	**7.27**	**905.34**
Share of net profit/ (loss) of Associates accounted for using equity method	**978.72**	**-**	**978.72**
Profit for the year after share of profit of Associates	**1,876.79**	**7.27**	**1,884.06**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
-Re-measurement gains/(losses) on defined benefit plans (ii)	-	(1.06)	(1.06)
-Equity investments through other comprehensive income	-	4,650.15	4,650.15
-Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Items that will be reclassified to profit or loss			
-Equity investments through other comprehensive income		17.57	17.57
-Income tax relating to items that will be reclassified to profit or loss		2.03	2.03
Other Comprehensive Income for the year	**-**	**4,664.63**	**4,664.63**
Total Comprehensive Income for the year	**1,876.79**	**4,671.90**	**6,548.69**

3.) Reconciliation of Equity as at 1st April, 2016 and as at 31st March, 2017.

Particulars	**Notes**	**As at 31 March, 2017**	**As at 1st April, 2016**
Total equity under Previous GAAP		32,940.23	31,063.43
Adjustments impact: Gain/ (Loss)			
a) Gain/(loss) on Fair valuation of investments classified as FVOCI	(I)	6,461.25	1,793.55
b) Financial assets and liabilities at amortised cost	(iv)	(5.58)	(12.45)
c) Reversal of Proposed dividend including DDT thereon	(v)	-	147.97
d) Deferred tax on above Ind AS adjustments	(vi)	(0.72)	1.97
Total Ind AS Adjustments		**6,454.95**	**1,931.04**
Total Equity as per Ind AS		**39,395.18**	**32,994.47**

4.) Reconciliation of Income statement as at March 31, 2017

Profit after tax as reported under Previous GAAP		1,875.99
a) Gain/(loss) on Fair valuation of investments classified as FVOCI	(I)	4,667.72
b) Financial assets and liabilities at amortised cost	(iv)	1.95
c) Restatement of Prior Period Items	(ix)	4.93
d) Deferred tax on above Ind AS adjustments	(vi)	(2.70)
e) Provision for Current Tax for earlier years previously shown as appropriation		0.79
Total Comprehensive income for the year as per Ind AS		**6,548.68**

The following explains the material adjustments made while transition from previous accounting standards to Ind AS

(I) Fair valuation of Investments

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realizability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments.

Under Ind AS all investments to be measured at fair value at the reporting date and all changes in the fair value have been recognised in retained earnings as at the date of transition and subsequent to the transition date to be recognised in the profit and loss.

(ii) Remeasurements of post employment benefit obligation

Under the previous GAAP, these re-measurement were forming part of the profit or loss for the year.

Under Ind AS, re-measurement i.e. actuarial gain/loss on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss.

Under Previous GAAP, the interest cost on defined benefit liability and expected return on plan assets was recognised as employee benefit expenses in the Statement of Profit and Loss.

(iii) Non Current-Borrowings

Under the previous GAAP, these transaction costs were charged to the profit and loss as and when incurred.

As required under the Ind AS 109 transactions costs incurred towards origination of borrowings have been deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowing as interest expense, computed using the effective interest rate method corresponding effect being in Long term borrowings.

(iv) Financial assets and liabilities at amortised cost"

Under previous GAAP, financial assets and liabilities were initially recognised at transaction price. Subsequently, any finance income and finance costs were recognised based on contractual terms. Under Ind AS, such financial instruments are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value affects profit and loss unless it quantifies for recognition as some other type of asset or liability.

(v) Proposed dividend

"Under the previous GAAP, dividend payable is recognised as a liability in the period to which it relates. Under Ind AS, dividend to holders of equity instruments is recognised as a liability in the period in which the obligation to pay is established. Under the previous GAAP, dividends proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting."

(vi) Deferred taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period.

Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(vii) Other comprehensive income

"Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income and expense that are not recognised in profit or loss but are shown in the Statement of profit and loss as "other comprehensive income" includes fair value gain / loss on FVOCI equity instruments and re-measurement of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP."

(viii) Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Classification & Presentation

(ix) Prior period Items

Under previous GAAP, prior period items are included in determination of net profits in which error pertaining to prior period is discovered. Under Ind AS, prior period errors are corrected retrospectively by restating the comparative amounts for the prior

periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening balance sheet.

Note:-36 Regrouping and restatement

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

For **YAPL & Company**
Chartered Accountants
FRN:017800N

For Nahar Poly Films Limited

PRIYANKA SHOREE	**NIDHI KHANDE**	**RAKESH JAIN**	**DINESH OSWAL**	**S.K. SHARMA**
PARTNER	Company Secretary	Chief Financial Officer	(Director)	Executive Director
(M. NO. 538274)			DIN: 00607290	DIN: 00402712

Place : Ludhiana
Date : 30.05.2018

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)		
1.	Sl. No.	
2.	Name of the subsidiary	N.A.
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
5.	Share capital	N.A
6.	Reserves & surplus	N.A.
7.	Total assets	N.A.
8.	Total Liabilities	N.A
9.	Investments	N.A
10.	Turnover	N.A
11.	Profit before taxation	N.A
12.	Provision for taxation	N.A
13.	Profit after taxation	N.A
14.	Proposed Dividend	N.A
15.	% of shareholding	N.A

Notes: The following information shall be furnished at the end of the statement:
1. Names of subsidiaries which are yet to commence operations : N.A.
2. Names of subsidiaries which have been liquidated or sold during the year. : N.A.

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates/Joint Ventures	Nahar Capital and Financial Services Limited
1.	Latest audited Balance Sheet Date	31.03.2018
2.	Shares of Associate/Joint Ventures held by the Company on the year end	
	Number	66,11,632
	Amount of Investment in Associates/Joint Venture	36,73,15,961
	Extend of Holding %	39.48%
3.	Description of how there is significant influence	More than 20% shares of Nahar Capital and Financial Services Limited held by the Company
4.	Reason why the associate/joint venture is not Consolidated	Not Applicable
5.	Networth attributable to Shareholding as per latest Audited Balance Sheet	21985 (In Lacs)
6.	Profit / Loss for the year	2804 (Rs. In Lakhs)
i.	Considered in Consolidation	1107 (Rs. In Lakhs)
ii.	Not Considered in Consolidation	1697 (Rs. In Lakhs)

For **YAPL & Company**
Chartered Accountants
FRN:017800N

PRIYANKA SHOREE
PARTNER
(M. NO. 538274)
Place : Ludhiana
Date : 30.05.2018

For Nahar Poly Films Limited

NIDHI KHANDE
Company Secretary

RAKESH JAIN
Chief Financial Officer

DINESH OSWAL
(Director)
DIN: 00607290

S.K. SHARMA
Executive Director
DIN: 00402712

NAHAR POLY FILMS LTD

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

BALLOT FORM

Sr. No. _____

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

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

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

No. of equity shares held :

I/We hereby exercise my/our vote(s) in respect of the following Resolutions as set out in the Notice dated August 6, 2018 of the Company by conveying my/our assent (for) or dissent (against) the said Resolutions by placing the tick mark (✓) at the appropriate box below:

Resolution No.	Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	ADOPTION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 - STANDALONE AS WELL AS CONSOLIDATED			
2	DECLARATION OF DIVIDEND ON EQUITY SHARE CAPITAL FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018			
3	APPOINTMENT OF MR. JAWAHAR LAL OSWAL AS A DIRECTOR LIABLE TO RETIRE BY ROTATION			
4	APPOINTMENT OF MR. DINESH GOGNA AS A DIRECTOR LIABLE TO RETIRE BY ROTATION			
5	RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY			
6	DETERMINATION OF FEES FOR DELIVERY OF ANY DOCUMENT THROUGH A PARTICULAR MODE OF DELIVERY			
7	APPROVAL OF SPECIAL RESOLUTION FOR CONTINUATION OF HOLDING OF OFFICE OF NON EXECUTIVE DIRECTOR BY MR JAWAHAR LAL OSWAL UPON ATTAINING THE AGE OF 75 YEARS			

Place:
Date:

Signature of the Member
or
Authorised Representative

Notes :
(I) For the Resolutions, Explanatory Statements and notes please refer to the Notice of 30th Annual General Meeting.
(ii) If you have casted your vote by e-voting, there is no need to fill up and sign this form.
(iii) Please read the instructions printed overleaf carefully before exercising your vote.

Cut here

INSTRUCTIONS

1. General Instructions:

a. There will be one Ballot Form/e-√oting for e√ery Client ID No./Folio No., irrespecti√e of the number of joint holders.

b. Members ha√e option to √ote either through remote e-√oting or through Ballot Form at the AGM. If a member has casted √ote √ia remote e-√oting, then √ote cast by him/her √ia ballot form at the AGM shall be considered as in√alid.

c. Voting in the e-√oting cannot be exercised by a proxy. Howe√er, corporate and institutional members shall be entitled to √ote through their authorised representati√es 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 √alidity of a Ballot/E-√oting 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 √ote at the 30th 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 rele√ant 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. 21st September, 2018.

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 recei√ed in any other form shall not be considered √alid.

e. Members are requested to fill the Ballot Form in indelible ink and a√oid 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 √otes cast at the meeting, thereafter unblock the √otes cast through remote e-√oting 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 √otes cast in the fa√or or against, if any, forthwith to the Chairman of the Company.

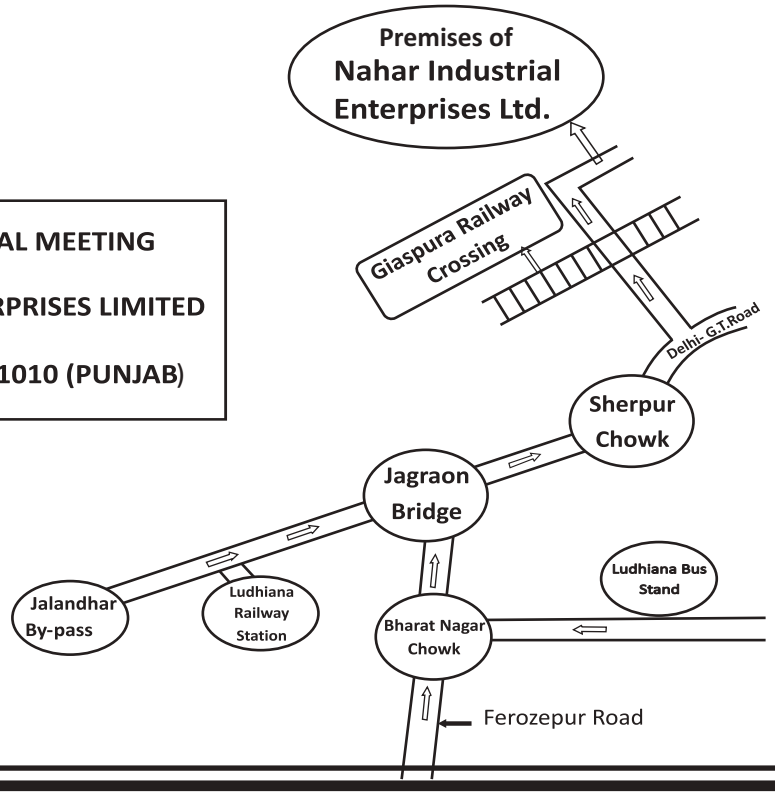
h. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.owmnahar.com and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

Cut here

VENUE OF ANNUAL GENERAL MEETING

NAHAR INDUSTRIAL ENTERPRISES LIMITED

FOCAL POINT, LUDHIANA – 141010 (PUNJAB)





Save Tree
Save Earth

Green Initiative

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

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

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

OUTER VIEW OF COMPANY'S BOPP FILMS PLANT



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