



The Nahar Group

25th ANNUAL REPORT 2012-2013



Nahar

POLY FILMS LIMITED

BOARD OF DIRECTORS

Sh. Jawahar Lal Oswal	Chairman
Sh. Dinesh Oswal	Director
Sh. Kamal Oswal	Director
Sh. Dinesh Gogna	Director
Sh. Satish Kumar Sharma	Executive Director
Sh. Komal Jain	Director
Dr. (Mrs.) H.K. Bal	Director
Prof. Kanwar Sain Maini	Director
Dr. Suresh Kumar Singla	Director
Dr. Yash Paul Sachdeva	Director
Dr. Amrik Singh Sohi	Director

REGISTERED OFFICE

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

BANKERS

Oriental Bank of Commerce
Bank of Maharashtra

AUDITORS

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

25th ANNUAL GENERAL MEETING

Day : Monday
Date : 30th September, 2013
Time : 10.45 A.M.
Place : At the Premises of
Nahar Industrial Enterprises
Limited, Focal Point, Ludhiana

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Save Tree Save Earth

Green Initiative

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

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

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

**NOTICE**

Notice is hereby given that the **Twenty Fifth Annual General Meeting** of the members of **Nahar Poly Films Limited** will be held on **Monday, the 30th day of September, 2013 at 10:45 a.m.** at the premises of M/s. Nahar Industrial Enterprises Limited, Focal Point, Ludhiana to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Independent Auditors thereon.
2. To appoint a Director in place of Sh. Suresh Kumar Singla, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sh. Kamal Oswal, who retires by rotation and being eligible, offers herself for re-appointment
4. To appoint a Director in place of Sh. Dinesh Gogna, who retires by rotation and being eligible, offers himself for re-appointment
5. To appoint a Director in place of Dr. Y.P. Sachdeva, who retires by rotation and being eligible, offers himself for re-appointment
6. To appoint Statutory Auditors of the Company who shall hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. Gupta Vigg & Co., Chartered Accountants, the retiring Auditors of the Company being eligible, offer themselves for re-appointment.

BY ORDER OF THE BOARD

PLACE : LUDHIANA

ATUL SUD

DATED: 30th July, 2013

(Company Secretary)

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED 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.

2. The Register of the Members and Share transfer Register of the Company shall remain closed from 21st September, 2013 to 30th September, 2013 (both days inclusive) for the purpose of Annual General Meeting.

3. Pursuant to Section 205C of the Companies Act, 1956 all unclaimed dividends up to the financial year 2004-2005 have been transferred to Investor Education and Protection Fund. Further unpaid dividend for the year 2005-2006 is to be transferred to Investor Education and Protection Fund pursuant to section 205C of the Companies Act, 1956 in November, 2013. Shareholders who have not encashed their dividend warrants relating to the said period are requested to claim the amount from the Company at the earliest.

Further we may also inform that once the amount is deposited with Central Government, it cannot be claimed later on as per the Companies (Amendment) Act, 1999.

4. Members holding shares in physical form are requested to immediately notify change in their address/Bank details to the Company's Share Transfer Agent M/s. Alankit Assignments Limited, Alankit House, 2E/21, Jhandewalan Extension, New Delhi- 110055 or to the Company's Registered Office at 376, Industrial Area –A, Ludhiana-141 003.
5. Members holding shares in electronic form are requested to notify change in their address/Bank details to their Depository Participants.
6. 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.
7. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form 2B).
8. 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.
9. Members are requested to bring the copy of Annual Report alongwith them at the meeting.
10. The information required to be provided under clause 49 of the Listing Agreement entered into with Stock Exchanges, regarding the Directors who are proposed to be appointed/re-appointed are annexed hereto and form part of the Notice.



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

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

- 1. Name : Dr. Suresh Kumar Singla**
 Age : 64 Years
 Qualification : M.A. (Stats.&Eco.) & Ph.D(Stats.)
 Expertise : Having more than 32 years experience in teaching Business Management and Administration.

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

Name of the Company	Committee	Status
1. Metro Tyres Ltd.	Audit	Member
2. Nahar Spinning Mills Ltd.	Audit Remuneration	Member Chairman
3. Oswal Woollen Mills Ltd.	Audit Shareholders Grievance	Chairman Member
4. Nahar Cap. & Fin. Ser. Ltd.	Remuneration Audit Shareholders Grievance	Chairman Member Member

- 2. Name : Sh. Kamal Oswal**
 Age : 51 Years
 Qualification : Commerce Graduate
 Expertise : Having business experience of more than 31 years in the Industry.

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

Name of the Company	Committee	Status
1. Nahar Capital an Fin. Ser. Ltd.	--	--
2. Nahar Spinning Mills Ltd.	--	--
3. Nahar Indl. Infrastructure Corpn. Ltd.	--	--
4. Oswal Woollen Mills Limited	--	--
5. Oswal Leasing Ltd.	--	--
6. Sankeshwar Holding Co. Ltd.	--	--
7. Vardhman Investment Ltd.	--	--
8. Ginnar Investment Ltd.	--	--
9. Atam Vallabh Financiers Ltd.	--	--
10. J.L. Growth Fund Ltd.	--	--
11. Abhilash Growth Fund Pvt. Ltd.	--	--
12. Neha Credit & Invest. Pvt. Ltd.	--	--
13. Monte Carlo Fashions Ltd.	--	--
14. Nahar Growth Fund Pvt. Ltd.	--	--

15. Nagdevi Trdg. & Invest. Co. Ltd. Audit Chairman
 16. Nahar Industrial Enterprises Ltd. -- --
 17. Crown Star Ltd. (UK) -- --
 18. Cotton Country Retail Ltd. Remuneration Member
 Sh. Kamal Oswal being the son of Sh. Jawahar Lal Oswal is related to him. He is related to Sh. Dinesh Oswal being his brother.

- 3. Name : Sh. Dinesh Gogna**
 Age : 60 Years
 Qualification : B.A, LL.B
 Expertise : Having more than 36 years experience in Corporate Finance & taxation.

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

Name of the Company	Committee	Status
1. Oswal Woollen Mills Limited	Audit	Member
2. Nahar Spinning Mills Ltd.	Audit	Member
3. Nahar Industrial Enterprises Ltd.	Audit Shareholders Grievance	Member Chairman
4. Ginnar Investment Limited	--	--
5. Oswal Leasing Ltd.	--	--
6. Nahar Capital and Financial Services Ltd.	--	--
7. Monte Carlo Fashions Ltd.	Shareholders Grievance Audit Remuneration	Chairman Chairman
8. Cotton County Retail Ltd.	Remuneration	Member
9. Crown Star Ltd. (UK)	--	--

- 4. Name : Dr. Y.P. Sachdeva**
 Age : 51 Years
 Qualification : MBA, Ph.D
 Expertise : Having more than 26 years experience in teaching Business Management and Administration.

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

Name of the Company	Committee	Status
1. Nahar Capital and Fin. Ser. Ltd.	--	--
2. Nahar Spinning Mills Ltd.	--	--
3. Nahar Industrial Enterprises Ltd.	Shareholders Grievance Remuneration	Member Member
4. Cotton County Retail Ltd.	Audit	Member
5. Oswal Spg. & Weaving Mills Ltd.	Remuneration	Member

BY ORDER OF THE BOARD

PLACE : LUDHIANA
 DATED : 30th July, 2013

ATUL SUD
 (Company Secretary)



DIRECTORS REPORT

To

The Members,

Your directors have pleasure in presenting the **TWENTY FIFTH ANNUAL REPORT** on the affairs of the Company for the year ended **31st March, 2013**.

FINANCIAL PERFORMANCE

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

PARTICULARS	(Rs. In crores)	
	CURRENT YEAR	PREVIOUS YEAR
Profit before Finance Cost & Depreciation	19.83	45.72
Less: Finance Cost	15.73	18.18
Depreciation	14.59	30.32
Profit/ Loss(-) before Tax	-10.49	14.58
Adjustment of Deferred Tax/ Provision for taxation	(3.80)	32.76
Profit/Loss(-) after Tax	-6.69	12.96
		5.96
		7.00

OPERATIONAL REVIEW

During the year under review, company achieved total revenue from operations of Rs. 239.54 crores as against 268.04 crores in the previous year. The fall in the prices of the BOPP Films not only affected the company's topline but also its profitability too. Though the company earned a Profit before Interest and Depreciation of Rs. 19.83 crores but after providing 15.73 crores towards finance cost and 14.59 crores of depreciation, the company suffered a loss of 10.49 crores during the year. After adjustment of deferred tax amounting to Rs. 3.80 crores, net loss stand reduced to Rs. 6.69 crores.

In spite of the above, your company improved its export performance and has achieved export turnover of Rs. 26.81 crore showing an impressive increase of 19.16% over the previous year. The company is exporting its products to Nigeria, United Kingdom, United Arab Emirates, Bangladesh, Turkey, Oman, Tanzania, Korea etc and continuous efforts are being made to develop new export markets which will definitely enable the company to improve its performance in the coming periods.

In the current year, the things have started moving in the right direction. It is expected that the revival of the economies in Asia, U.S. and European Union will propel the growth of BOPP industry. Your Management is putting whole heartedly all its efforts in cost reduction, quality management, better product mix etc. so as to improve company's performance.

DIVIDEND

During the year under review company suffered a loss of Rs. 6.69 crores as such your Board do not recommend any dividend for the year ended 31st March, 2013

DIRECTORS

Pursuant to Article 112 of the Articles of Association of the company Sh. Suresh Kumar Singla, Sh. Kamal Oswal, Sh. Dinesh Gogna & Dr. Y.P. Sachdeva, will be retiring by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

In terms of clause 49 of the Listing Agreement with the Stock Exchanges, the details of Directors to be appointed/re-appointed are contained in the accompanying Notice of the forthcoming Annual General Meeting.

GREEN INITIATIVE

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

Accordingly, company propose to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e- mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c. or send the same to the Company via e-mail at: secnel@owmnaahar.com or gredressalnpl@owmnaahar.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 Bombay Stock Exchange Ltd., 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.
2. The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No.C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051.

The company has paid listing fee to both the Stock Exchanges for the financial year 2013-2014.

DEMATERIALISATION OF SHARES.

As the members must be aware that company's securities are tradable compulsorily in electronic form w.e.f.8th May 2000. Your company has already established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) to facilitate the holding and trading of securities in electronic form. As on date 92.36% of the Share Capital has been de-materialized by the members of the Company.

Annual custodian fee for the financial year 2013-2014 has also been paid to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

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

M/s. Alankit Assignments Ltd.

(Unit : Nahar Poly Films Ltd.)

Alankit House,

2E/21, Jhandelwala Extension

NEW DELHI-110055

Telephone No.:(011)23541234

Fax No. : (011)41540064

E-mail Address:rta@alankit.com

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

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

AUDIT COMMITTEE

Pursuant to Section 292A(1) of the Companies Act, 1956, Company constituted Audit Committee consisting of Sh. S.K. Singla as Chairman, Sh. Dinesh Gogna and Dr. K.S. Maini as members. The committee held 4 meetings during the year under review.

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 Auditors Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in clause 49 of the Listing Agreement of the Stock Exchange, is attached herewith as annexure-II and forms part of this report.

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, 1956.

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 judgements 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.

AUDITORS & AUDITOR'S INDEPENDENT REPORT

M/s. Gupta Vigg & Co., the Auditors of the company shall be retiring at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The company has obtained from auditors, a certificate as required under section 224(1-B) of the Companies Act, 1956 to the effect that their re-appointment, if made, would be within the limits specified in the said section. The Audit committee has recommended their re-appointment.

The Independent Audit report of the auditors is self explanatory and does not require any explanation from the Board u/s. 217 of the Companies Act, 1956.

COST AUDITORS

Ministry of Corporate Affairs, Cost Audit Branch, New Delhi vide its Order No. 52/26/CAB-2010 dated 24.01.2012 has directed Cost Audit of Cost Accounting Records relating to BOPP Films w.e.f 1st April, 2012 by the Cost Auditor holding valid Certificate of Practice under the provisions of Cost and Works Accountant Act, 1959. Accordingly the company appointed M/S. Khushwinder Kumar & Associates, House No.S-200, Basant Vihar Colony, Noorwala Road, Ludhiana-141008 a qualified Cost Accountant as Cost Auditors for the year 2012-2013. The Government of India, Ministry of Corporate Affairs Cost Audit Branch, New Delhi have taken e- form 23C i.e., regarding appointment of Cost Auditors, on file. The Cost Audit Report for the year ended 31st March, 2013 will be submitted to the Ministry of Corporate Affairs, Cost Audit Branch, New Delhi within the prescribed period under the Act.

PUBLIC DEPOSITS

During the year, company has neither accepted nor intend to accept any Public Deposit within the meaning of Section 58-A, of the Companies Act, 1956 and the rules made there under. There are no outstanding/unclaimed deposits from the public

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to section 205-C of the Companies Act, 1956 the company has transferred an amount of

Rs.21,90,183.00 (Rs. Twenty One Lacs Ninety Thousand One Hundred Eighty Three only) being the amount of unclaimed dividend for the year 2004-2005 to the Investor Education and Protection Fund

PARTICULARS OF EMPLOYEES

None of the employee is in receipt of emoluments in excess of the limits prescribed under the Companies (Particulars of employees) Rules, 1975.

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

Particulars with respect to the Conservation of Energy, Technology Absorption and Foreign Exchange earning and outgo as required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rules 1988, is enclosed as per Annexure - I and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India is enclosed as per Annexure III and forms part of this Report.

INDUSTRIAL RELATIONS

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

ACKNOWLEDGMENT

The board of directors of the company wish to place on record their thanks and appreciation to all workers, staff members and executives for their contribution to the operations of the company. The Directors are thankful to the bankers, financial institutions for their continued support to the company. The directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the management of the company.

FOR AND ON BEHALF OF THE BOARD

**PLACE : LUDHIANA
DATED : 30th JULY, 2013**

**JAWAHAR LAL OSWAL
(CHAIRMAN)**



ANNEXURE-I

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013.

I. CONSERVATION OF ENERGY

- a) Measures taken for conservation of energy:
The growth of the industry and its rapid industrialization is putting tremendous pressure on the available energy resources. As such the need of the hour is to conserve energy and maximize output. Energy conservation is an ongoing process in our organization and the company has taken following steps for the same:
1. The factory building has been designed to make use of natural lighting for the day time operation which saves energy.
 2. The company has imported state of the art manufacturing facility from Bruckner of Germany. These machines consume low energy and saves 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 is in the process of implementing of PET coke thermic fluid heater which will reduce the energy cost as compared to present furnace oil thermic fluid heater. This project is expected to complete by March, 2014.
- b) Additional investment & proposal for reduction of consumption of energy
The company will take necessary measures as may be required from time to time for conservation of energy.
- c) Impact of measures, consequent to (a) and (b) above
The above measures have resulted in energy saving and consequent reduction in cost of production.
- d) Total energy consumption and energy consumption per unit of production as per form A of the Annexure in the rules in respect of industries specified in the schedule thereto.

FORM A

	CURRENT YEAR	PREVIOUS YEAR
A. POWER & FUEL CONSUMPTION		
1. Electricity		
a) Purchased		
Units (Kwh)	20685720	21064575
Total amount (Rs.)	113790205	100293273
Rate per Unit (Rs.)	5.50	4.76
b) Own Generation		
Through Diesel Generator		
Units produced (KWH)	NIL	NIL
Total amount (Rs.)	NIL	NIL
Cost per unit (Rs.)	NIL	NIL
(c) Own Generation through turbine		
Units produced (KWH)	Nil	Nil
Total amount (Rs.)	Nil	Nil
Cost per Unit (Rs.)	Nil	Nil

2. Steam Coal Used in Boiler		
Quantity (in Tonnes)	Nil	Nil
Total Cost (Rs.)	Nil	Nil
Cost per unit (Rs.)	Nil	Nil
3. Furnace Oil (Only Boiler)		
Quantity (in liters)	782157	889872
Total cost (Rs.)	32784071	33005812
Rate/P.U.(Ltr.)	41.91	37.09
4. Other/Internal Generation		
Rice Husk (Qty. in tones)	Nil	Nil
Total Cost (Rs.)	Nil	Nil
Rate/Tonne (Rs.)	Nil	Nil
B. CONSUMPTION PER UNIT/KG OF PRODUCTION		
1. Electricity per unit/kg	1.15	1.11
2. Furnace Oil per kg	0.04	0.05
3. Coal	Nil	Nil
4. Other	Nil	Nil

II. TECHNOLOGY ABSORPTION

FORM B

- A. Research & Development (R & D):**
- i) **Specific areas in which Research and Development carried out by the Company.**
The company is in the process of setting up a Research and Development Department which will be focused on productivity, quality and waste reduction.
- ii) **Benefits derived as a result of above R & D:**
The company expect product improvement in quality and quantity.
- iii) **Future Plans:**
The Company shall continuously take steps for innovation and renovation of products including new product developments.
- iv) **Expenditure on R & D:**
- | | |
|--------------------|-----|
| a) Capital (Rs.) | Nil |
| b) Recurring (Rs.) | Nil |
| c) Total (Rs.) | Nil |
- B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**
The company has imported the latest ultra modern machinery from Bruckner, Germany. It is expected that with the latest technology, company will be able to produce quality products at lowest cost of production.
- Benefits derived as result of above efforts:**
With the above measures, company shall enjoy the benefit of improved quality, productivity & saving in manufacturing costs.
- Information regarding Technology imported during the last five years: NIL**

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

(I) Activities relating to Exports, initiative taken to increase exports, Development of New Export Markets for products and export plans.	The Company has expanded its Export Market and has started exporting to Number of Countries namely U.K., Nigeria, U.A.E, Bangladesh, Turkey, Oman, Tanzania, Korea etc. The company is taking further necessary measures to develop new Export Markets so that it can export more its products.
	Current Year 2012-13 Previous Year 2011-12
(II) Total Foreign Exchange used and earned :-	
a) Foreign Exchange outgo (Rs.)	160103128.00 126885372.00
b) Foreign Exchange earned (Rs.)	254794831.00 218211508.00

FOR AND ON BEHALF OF THE BOARD

PLACE : LUDHIANA
DATED : 30th JULY, 2013

JAWAHAR LAL OSWAL
(Chairman)



ANNEXURE - II

CORPORATE GOVERNANCE REPORT

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

Company’s philosophy on Corporate Governance

Your company continues to practice the principle of good Corporate Governance. It is company’s firm belief that good Corporate Governance is key to success of business. The company’s philosophy envisage an attainment of highest level of the transparency and accountability in its operations so that company’s goal of creation and maximization of wealth of the shareholders could be achieved. Clause 49 of the Listing Agreement with stock exchanges incorporate certain mandatory disclosure requirements with regard to Corporate Governance Rules, we are pleased to report the following:-

I. BOARD OF DIRECTORS

1. The Board of the Company is well structured with adequate blend of professional executive and Independent Directors.

The present strength of the Board is of Eleven Directors as Dr. O.P. Sahni, who was an Independent Director left for heavenly abode on 24.10.2012. The Board Comprises of Executive and Non executive Directors. Sh. J.L. Oswal is a non Executive Chairman & Sh. Satish Kumar Sharma, is an Executive Director. Thus the post of Chairman and Executive Director are held by different persons.

2. Since Sh. J.L. Oswal is Non Executive Promoter chairman, at least one half of the Board should comprise of Independent directors as per

Corporate Governance Rules read with SEBI Circular No. SEBI/CFD/DIL/CG/1/2008/08/04 Dated 08.04.2008. The Company has already restructured its Board to comply the said requirement. The Company is in process of filling up the vacancy caused by the death of Dr. O.P. Sahni.

3. The Board met 4 times on 30.05.2012, 28.07.2012, 29.10.2012, and 04.02.2013 during the period April, 2012 to March, 2013 with clearly defined agenda circulated well in advance of each meeting. The maximum interval between the two board meetings is not more than four months.
4. None of the directors is a member of more than 10 (ten) board level committees or is Chairman of more than 5 (five) such Board level committees as required under clause 49 of the Listing Agreement & none of director is a director in more than fifteen companies as prescribed under the Companies Act, 1956.
5. Non Executive Directors are paid a sitting fee of Rs.5000/- per meeting of the Board.
6. Sh. Jawahar Lal Oswal is the father of Sh. Kamal Oswal and Sh. Dinesh Oswal. Sh. Kamal Oswal and Sh. Dinesh Oswal are brothers. No other director is related to any other Director of the Company within the meaning of Section 6 of the Companies Act, 1956.
7. Participation of Non Executive Directors has been active in the board meetings. Attendance record of directors in the Board meetings and the Annual General Meeting during the year 2012-2013 is as under:

Name of Director	Category of Directors	No. of other Directorship (excluding private company)	No. of Committee membership		No. of Board Meeting attended	AGM Attendance (held on 29.09.2012)	No. of Shares held
			Member	Chairman			
Mr. Jawahar Lal Oswal	Non Executive Promoter	14	--	--	3	No	Nil
Mr. Dinesh Oswal	Non Executive Promoter	14	--	--	4	Yes	105273
Mr. Kamal Oswal	Non Executive Promoter	14	--	1	4	Yes	31500
Mr. Dinesh Gogna	Non Executive	8	4	3	3	Yes	700
Dr. (Mrs.) H.K. Bal	Non Executive Independent	5	2	2	4	Yes	Nil
Mr. S.K. Sharma	Executive Director	2	3	--	4	Yes	Nil
Dr. O. P. Sahni*	Non Executive Independent	4	8	2	2	Yes	187
Prof. K.S. Maini	Non Executive Independent	4	3	4	4	Yes	28
Dr. Suresh Kumar Singla	Non Executive Independent	4	5	2	4	Yes	Nil
Dr. Yash Paul Sachdeva	Non Executive Independent	5	2	--	4	Yes	Nil
Sh. Komal Jain	Non Executive	6	1	--	4	Yes	175
Dr. Amrik Singh Sohi	Non Executive Independent	3	2	1	3	Yes	Nil

*The office of Director held by Dr. O.P. Sahni stand vacated because of his death on 24.10.2012



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

II. AUDIT COMMITTEE

The board has already constituted an independent and qualified Audit Committee, consisting of three non executive Directors under the chairmanship of Sh. Suresh Kumar Singla, Prof K.S. Maini and Sh. Dinesh Gogna are the two other members of the Audit Committee. Dr. S.K. Singla is a retired Prof.-cum-Head of Department of Business Management, Punjab Agricultural University, Ludhiana. He is having 32 years of experience in teaching Finance and Management and at present he is working as a director in Guru Nanak Auto Institute of Management and Technology. Sh. Dinesh Gogna is also a senior corporate executive having 36 years experience in Corporate Finance, taxation, Financial and Accounting matters. Likewise Prof. K.S. Maini who is Post Graduate in Commerce, is well versed with Accounting and Financial Matter. He retired as Head of Commerce Department (Post Graduate), Government College, Ludhiana. Mr. Atul Sud is the secretary of the committee. The Finance Advisor is a permanent invitee of the company. The statutory auditors, internal auditors and cost auditors are also invited to attend the meetings, as per relevant provisions of the applicable laws/rules, as and when felt necessary.

The terms of reference of the Audit Committee are as per clause-49 of the Listing Agreement with the Stock Exchanges, SEBI Guidelines and Companies Act, 1956. Since 1st April, 2012, the committee met for 4 times i.e. on 30.05.2012, 28.07.2012, 29.10.2012, and 04.02.2013 and in these meetings, the quarterly un-audited financial results as well as the financial statement during the year ended 31st March, 2012 were reviewed and examined by the members of the audit committee before

recommendation of the same to the Board of Directors for their perusal and adoption.

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

Name of the Member	No. of meetings held Upto 31.03.2013	No. of meetings attended
Sh. S.K. Singla	4	4
Sh. Dinesh Gogna	4	4
Prof. K.S. Maini	4	4

Sh. S.K.Singla, Chairman of the Audit Committee attended the last Annual General Meeting of the company held on 29th September, 2012 and replied/clarified the queries raised at the Annual General Meeting.

III. REMUNERATION COMMITTEE

The remuneration Committee was set up by Board in its meeting held on 31.07.2002. The committee comprises Sh. S K Singla, as Chairman, Sh. Komal Jain and Dr. (Mrs.) H.K. Bal as members.

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

The committee met two times during the year under review i.e. on 30.05.2012 and 28.07.2012. The attendance record of the meeting held is as follows:

Name of the Member	No. of meetings held Upto 31.03.2013	No. of meetings attended
Sh. Komal Jain	2	2
Sh. S.K. Singla	2	2
Dr. (Mrs. H.K. Bal)	2	2

The details of remuneration paid to Executive Director/Director(s) for the year ended 31st March, 2013 is as under:

	Salary (Rs.)	Sitting Fee (Rs.)
Sh. Jawahar Lal Oswal		15,000.00
Sh. Kamal Oswal		20,000.00
Sh. Dinesh Oswal		20,000.00
Sh. Dinesh Gogna		15,000.00
Sh. Satish Kumar Sharma	1531968.00	--
Sh. Komal Jain		20000.00
Dr. (Mrs.) H.K. Bal		20000.00
Dr. O.P. Sahni		10000.00
Prof. K.S, Maini		20000.00
Dr. S.K. Singla		20000.00
Dr. Yash Paul Sachdeva		20000.00
Dr. Amrik Singh Sohi		15000.00



IV. SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE

The Company is having Shareholders/Investors Grievance Committee consisting of three Non Executive Directors under the Chairpersonship of Dr. (Mrs.) H.K. Bal, Sh. A.S. Sohi and Sh. Komal Jain are two other members of the committee. Because of the sad demise of Dr. O.P. Sahni, the vacancy so caused was filled up with the appointment of Dr. A.S. Sohi as member of Shareholder Grievances Committee on 29.10.2012. Sh. Atul Sud, Company Secretary is the compliance officer of the company. The committee look into the complaints/grievances of shareholders in respect of transfer of shares, non-receipt of dividend/share certificates, Demat problems etc. The committee met 4 times during April, 2012 to March, 2013 i.e.30.05.2012, 28.07.2012, 29.10.2012 and 04.02.2013. The attendance record of the meeting held is as under:

Name of the Member	No. of meetings held Upto 31.03.2013	No. of meetings attended
Dr. (Mrs.) H.K. Bal	4	4
Dr. O P Sahni	4	2
Sh. Komal Jain	4	4
Sh. A S Sohi	4	2

The Company has been quick in the redressal of the grievances of the shareholders and has attended to most of the investors correspondence/grievances within a period of 15 to 30 days from the date of receipt of the same. The details regarding the same are as under:

No. of complaints received during the year : 21
 No. of complaints resolved during the year : 21
 No. of complaints pending as on 31.03.2013 : Nil

V. SHARE TRANSFER COMMITTEE

The company has also constituted a share transfer committee comprising 5 members under the Chairmanship of Sh. Dinesh Oswal. The committee is responsible for approving the transfer and transmission of securities, dematerialization of shares, issuance of duplicate share certificates and other shareholders related issues. The committee met 12 times during the period April, 2012 to 31st March, 2013 i.e. 30.04.2012, 31.05.2012, 30.06.2012, 31.07.2012, 31.08.2012, 29.09.2012, 31.10.2012, 30.11.2012, 31.12.2012, 31.01.2013, 28.02.2013 and 30.03.2013. The attendance of the members is as follows:-

Name of the Member	No. of meetings held Upto 31.03.2013	No. of meetings attended
Sh. Dinesh Oswal	12	12
Sh. Kamal Oswal	12	12
Sh. Dinesh Gogna	12	12
Sh. Komal Jain	12	12
Sh. Atul Sud	12	12

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

VI. GENERAL BODY MEETINGS

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

Financial year	Location	Date	Time
2009-2010	Premises Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana	30.09.2010	10.30 A.M.
2010-2011	Premises Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana	20.09.2011	10.30 A.M.
2011-2012	Premises Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana	29.09.2012	10.45 A.M.

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

2009-2010

- To increase borrowing limits under section 293(1)(d) of the companies Act, 1956.
- To authorise the board of Directors to create/ mortgage charge under section 293(1)(a) of the companies Act, 1956.

2010-2011

No Special Resolution was passed.

2011-2012

No Special Resolution was passed.

III) Special Resolution passed last year through postal ballot.

No special resolution was passed.

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

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

VII. DISCLOSURES

- I) There have been no materially significant related party transactions that may have potential conflict with the interest of the company at large. Transactions with related party are disclosed in Note No. 29 of the Notes on Financial Statements.
- II) The company continues to comply with the requirement of Stock Exchange, SEBI or any statutory authority on all matters related to capital market during the last three years. No penalty or strictures have imposed on the company by the said authorities relating to the above.
- III) The company does not have any whistle blower policy as of now but no personnel is being denied any access to the Audit Committee.
- IV) The company complied with not only the mandatory requirements but has also complied with non mandatory requirements in respect of Remuneration committee. The company is yet to comply with the other non mandatory requirements of the Listing Agreement on Corporate Governance.

VIII. MEANS OF COMMUNICATION

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

Limited. Likewise whenever any presentation about company's working is made to Financial Institution Investors or to the analyst, the same is displayed on company's Website.

IX. GENERAL SHAREHOLDERS INFORMATION

1. **Annual General Meeting** : September 30, 2013
Date, Day, Time & venue : Monday at 10.45A.M. Premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana.
2. **Financial Calendar** : The Financial year of the company covers 1st April to 31st March
3. **Date of Book Closure** : 21st September, 2013 to 30th September, 2013 (both days inclusive)
4. **Dividend Payment** : Because of the Loss no dividend has been declared for the year Ended 31st March, 2013
 - a) **Unclaimed/Unpaid Dividend:** All unclaimed/unpaid dividend up to the financial year ended March 31, 2005 have been transferred to the Investor Education and Protection Fund of the Central Government pursuant to Section 205 C of the Companies Act, 1956. Further the dividend for the financial year ended 31st March, 2006 will be transferred to the said Fund in November, 2013. All the members who have not encashed their dividend warrants for the aforesaid year may approach the company for obtaining duplicate dividend warrants/revalidation of dividend warrants.
 - b) **Change of Address:** Members may kindly note that the R & T Agent and/ or Company will not entertain requests for noting of change of address/ bank details/ ECS Mandate in case of accounts with demat holding. For this purpose, the Shareholders should approach their depository Participants.
5. **Listing of Equity Shares** : The National Stock Exchange of India Ltd (NSE) "Exchange Plaza" 5th Floor, Plot No.C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051.
The Bombay Stock Exchange Limited (BSE), 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001.
The listing fees payable to BSE and NSE for 2013-2014 have been paid in full by the company.
6. **Stock Code** :
For trading at NSE-NAHAR POLY
For trading at BSE-523391



**7. For Dematerialization ISIN Number
INE308A01027**

The Annual Custodian Fees for the Financial Year 2013-14 have been paid to National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

8. Compliance Officer

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

9. Registration/ updation of e-mail address

The Ministry of Corporate Affairs vide Circular No.17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies. The Companies can now send various notices and documents, including Annual Report, to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at "secnel@owmnaahar.com or gredressalnpl@owmnaahar.com".

10. Dedicated e-mail for Investor Grievance

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

X. MARKET PRICE DATA

The month wise High, Low stock prices during the financial year 2012-2013 are as follows

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April, 2012	26.90	21.05	24.80	21.10
May, 2012	27.00	20.65	24.75	20.50
June, 2012	23.90	20.25	23.95	21.20
July, 2012	27.00	21.60	26.75	21.50
August, 2012	25.50	21.15	24.10	20.55
September, 2012	23.30	21.50	23.30	20.25
October, 2012	23.00	20.40	23.00	20.50
November, 2012	23.85	20.10	23.30	20.20
December, 2012	22.40	17.90	21.35	18.00
January, 2013	22.95	17.65	23.30	17.35
February, 2013	19.00	16.15	18.25	15.65
March, 2013	17.75	15.10	17.50	14.75

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

XI. PERFORMANCE IN COMPARISON TO BSE SENSEX:-

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

Financial Year	Share Prices of the Company				BSE Sensex			
	Highest (Rs.)	Lowest (Rs)	Closing (Rs)	%age change over last month's closing	Highest	Lowest	Closing	%age change over last month's closing
2012-13								
April, 2012	26.90	21.05	22.50	-2.17	17664.10	17010.16	17318.81	(0.49)
May, 2012	27.00	20.65	22.50	0.00	17432.33	15809.71	16218.53	(6.35)
June, 2012	23.90	20.25	22.75	1.11	17448.48	15748.98	17429.98	7.47
July, 2012	27.00	21.60	22.30	-1.98	17631.19	16598.48	17236.18	(1.11)
August, 2012	25.50	21.15	21.15	-5.16	17972.54	17026.97	17429.56	1.12
Sept, 2012	23.30	21.50	22.20	4.96	18869.94	17250.80	18762.74	7.65
Oct, 2012	23.00	20.40	21.50	-3.15	19137.29	18393.42	18505.38	(1.37)
Nov, 2012	23.85	20.10	21.10	-1.86	19372.70	18255.69	19339.90	4.51
Dec, 2012	22.40	17.90	18.50	-12.32	19612.18	19149.03	19426.71	0.45
January, 2013	22.95	17.65	18.30	-1.08	20203.66	19508.93	19894.98	2.41
February, 2013	19.00	16.15	16.50	-9.84	19966.69	18793.97	18861.54	(5.19)
March, 2013	17.75	15.10	15.40	-6.67	19754.66	18568.43	18835.77	(0.14)

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

XII. Registrar and Transfer agents

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

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

XIII. Share Transfer System

The company has constituted share transfer committee consisting of five members, namely Sh. Dinesh Oswal, Sh. Kamal Oswal, Sh. Dinesh Gogna and Sh. Komal Jain, Directors and Sh. Atul Sud, Company Secretary of the Company. The share transfer committee meets once/twice in a month to approve the transfer/transmission/transposition, issue of duplicate share certificates and duly transferred shares are generally despatched within the prescribed period under the Companies Act, 1956/Guidelines of the Stock Exchanges.



As required under clause 47 (C) of the Listing Agreements entered into by the Company with the Stock Exchanges, a certificate is obtained every six month from a Practising Company Secretary with regard to inter alia, effecting transfer, transmission sub-division, consolidation, renewal & Exchange of equity shares with in one month of their lodgement. The Certificates are forwarded to BSE & NSE where the equity share are listed.

XIV. Nomination facility

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

XV. Distribution of Shareholding as on March 31, 2013

As on March 31, 2013 your Company had 27308 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	24820	90.89	3467011	14.10
501-1000	1720	6.30	1112805	4.53
1001-2000	406	1.49	577412	2.35
2001-3000	130	0.47	323750	1.32
3001-4000	54	0.20	189902	0.77
4001-5000	39	0.14	180425	0.73
5001-10000	73	0.27	510811	2.08
10000 and above	66	0.24	18225875	74.12
TOTAL	27308	100	24587991	100.00

XVI. The Shareholding pattern as on March 31, 2013 as follows:

Shares held by	No. of Shares	% of holding
Banks and Mutual Funds	3324	0.01
Foreign holdings (FIIs, NRIs)	62963	0.26
Bodies Corporate	539445	2.19
Directors/Relatives of Directors	11754	0.05
General Public	6972774	28.36
Promoters	16997731	69.13
TOTAL	24587991	100.00

XVII. Dematerialisation of Shares

The Securities and Exchange Board of India (SEBI) has included company's scrip in compulsory demat settlement for all type of investors. Thus the dealing in company's equity shares can be in demat form only. To facilitate holding and trading of securities in

electronic form, your company has established connectivity with both the Depositories i.e National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The investors have an option to dematerialise their equity shares with either of the Depositories. As on 31st March, 2013 2,27,10,493 comprising of 92.36% of the total equity capital of the company have been dematerialised.

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

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

XIX. Plant Location	: VILLAGE SARA KIAN/ ITAYAKALAN DISTT. RAISEN (M.P.)
XX. Address for Correspondence	: NAHAR TOWER 376, Industrial Area-A, Ludhiana - 141 003 (Pb.)
Phone No.	: 0 1 6 1 - 2 6 0 0 7 0 1 to 2600705
Fax No.	: 0161-2661180, 2222942
E-mail address	: secnel@owmna har.com
Website	: www.owmna har.com

XXI. CEO/CFO Certification

As required under Clause 49 of the Listing Agreement, a Certificate duly signed by the Finance Advisor was placed at the meeting of Board of Directors held on 30th May, 2013.

XXII. RECONCILIATION OF SHARE CAPITAL AUDIT

The Securities and Exchange Board of India has directed vide Circular No.D&CC/FITTC/CIR-16/2002 dated 31st December, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total share held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/paid-up capital.

The said certificate duly certified by a Practising Company Secretary is submitted to the Stock Exchanges where the securities of the Company are listed within 30 days of the end of the each quarter.

FOR AND ON BEHALF OF THE BOARD

**PLACE : LUDHIANA
DATED: 30th JULY, 2013**

**JAWAHAR LAL OSWAL
(Chairman)**



ANNEXURE - III MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments

The Bi-axially Oriented Polypropylene (BOPP) films, a part of the flexible packing industry has emerged as one of the most successful sector of the plastics packaging market having grown from a specialist replacement for the cellulose film, because of its properties, BOPP Films are used all over the world as favoured packaging material for a wide range of food products including snacks, biscuits, pasta and meat etc. Global demand is increasingly being driven by development in Asia particularly in China, India and Indonesia. Because of economic growth and rising middle class looks for more sophisticated packed food and consumer goods which augur well for the growth of the industry.

Seeing the good scope for sophisticated and hygienically packaging, the company diversified its activities into BOPP Films in 2010. The Company's ultra modern plant was imported from Bruckner of Germany and started its production on 20th May, 2010. The Company's products have been well received both in the domestic as well as in the international markets. The company is exporting its products to Nigeria, United Kingdom, United Arab Emirates, Bangladesh, Turkey, Oman, Tanzania, Korea etc.

Opportunities and Threats

The growing sale of Packed Foods coupled with rapid growth in the Retail Markets, has enabled the flexible packaging industry to register good growth. BOPP is a clear choice when it comes to environmental issues. It is very environment friendly. The BOPP Film in thicker microns would be more in use due to various laws being introduced by the various State Governments in the country due to ecofriendly environmental issue. Seeing the good demand for BOPP Films the industry has gone in for expansion or are in talk with the line manufacturer for the supply of machineries.

Besides, with the recovery in economies of the world, there will be continued strong demand for the BOPP Films which in turn will provide opportunities to the BOPP Films industry to grow at much faster rate. In retail sector, due to private labeling by the big brand chains who are entering into India in a big way, will give a substantial rise to the consumption of BOPP Film which will definitely enable the industry to grow further. Moreover, lot of new application of BOPP Films, apart from conventional Tape/Textile and food packaging market, are emerging which will further improve the prospects of the industry.

In India through flexible packaging segment is growing but the per capita consumption is still very low as compared to the developed countries like US and European Union. The growth of the organized retail

market coupled with entry of global retail players will give further boost to the flexible packaging industry. Though the BOPP Films industry continued to witness growth on account of favorable demographic and market factors but it is not immune from normal business threats and challenges. The industry continues to be plagued by the problems of over capacity, short term over supply as well as raw material and finished goods' prices.

In spite of the above, your management assure you that continuous efforts will be made to meet the challenges ahead and make the BOPP Films project a successful venture.

Segment wise or product wise performance

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

Future Outlook

The future outlook of the BOPP Films industry seems to be reasonably good. The BOPP Films originally developed as a replacement for cellulose film, has created new market applications and uses because of its technical and economic factors which have made the Industry as one of the most dynamic sector of the plastic packaging. In food industry, increased preference for plastic films and sheet as compared to kraft paper, aluminum foil & cellophane films has significantly increased the demand for BOPP Films.

In addition to the above, the applications of the BOPP Films in other Non-food packaging is also gaining strength which will further boost the demand for BOPP Films. Numerous grades of BOPP films are under development for various applications in different parts of the world and some of the grades should be able to give good volumes. Thus it is evident that BOPP Films in going to be one of the high-growth segment 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 the new areas, in due course of time so that it can make use of available opportunities and emerge as fully integrated flexible packaging company.

Risk and Concerns

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

Besides the major component of cost involved in the making of flexible packaging is raw material. Any increase in the raw material prices and decrease in finished product prices may affect the financial performance of the company.

**Internal Control Systems and their adequacy**

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

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

Besides, an audit committee consisting of three non executive directors has been constituted. All the significant audit observation and follow up action thereon are taken care of by the audit committee. The audit committee met four times during the financial year under review.

Financial/ Operation Performance

During the year under review Company suffered a loss of Rs. 6.69 crores. The detailed performance has already been discussed in the Directors Report under the Head Operational Review.

Human Resources/Industrial Relations

Beyond Balance Sheet lies company's singly biggest Asset Human Resources. The company is of firm belief that the Human Resources are the driving force that propels a company towards progress and success. The company has a team of able and experienced professionals to look after the affairs of the company. The company offers attractive compensation package to retain and motivate its professionals so that they can give their best. The total permanent employees strength of the company was 178 as on 31st March, 2013.

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: 30th JULY, 2013

JAWAHAR LAL OSWAL
(CHAIRMAN)

EXECUTIVE DIRECTOR'S DECLARATION

Pursuant to the requirement of Clause 49 of the listing agreement, I hereby confirm that all Board Members and Senior Management personnel (as defined in the above said Clause 49) of the company have affirmed compliance with Code of Conduct for Board & Senior Management Personnel' for the year ended 31st March, 2013.

PLACE : LUDHIANA
DATED: 30th July, 2013

S.K. SHARMA
(Executive Director)

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members
Nahar Poly Films Limited

We have examined the compliance of conditions of Corporate Governance by Nahar Poly Films Limited for the year ended on 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor Grievance received during the year ended 31st March, 2013 is un-attended/pending for a period exceeding one month against the company as per the records maintained by the Shareholders/Investors' Grievance Committee.

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

For Gupta Vigg & Co.,
Chartered Accountants
(F. Reg. No. 001393N)

PLACE : LUDHIANA
DATED: 30th July, 2013

VIPAN KUMAR GUPTA
(Partner)
M.No. 502737



INDEPENDENT AUDITOR'S REPORT

THE MEMBERS OF

M/s. NAHAR POLY FILMS LIMITED

LUDHIANA

We Report on the Financial Statements

We have audited the accompanying financial statements of M/s Nahar Poly Films Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the statement of Profit & Loss, of the profit/ loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central government of India in terms of sub-section (4A) of section 227 of the Act, we give

in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For GUPTA VIGG & CO.

Chartered Accountants

FRN 001393N

Place : Ludhiana

Dated : 30.05.2013

VIPAN KR GUPTA

(Partner)

M.No.:502737

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph (1) UNDER THE HEADING OF "Reporting on Other Legal and Regulatory Requirements" of our report of even date]

- i)
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) All the fixed assets have been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
 - c) During the year, the Company has not sold substantial part of fixed assets.
- ii)
 - a) As explained to us, Inventories have been physically verified by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) On the basis of our examination of inventory records, we are of the opinion that the Company is maintaining proper records of the inventory. As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to book records.



- iii) According to the explanations and information given to us, the Company has neither granted nor taken any loans from the parties covered in the Register maintained under section 301 of the Companies Act, 1956. Hence, the clause 4(iii)(a) to (g) of the Companies (Audit Report) Order, 2003 are not applicable in the case of the company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and nature of its business with regards to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control.
- v) a) In our opinion and according to the information and explanations given to us, we are of the opinion that the transaction made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements required to be entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs.5.00 lacs or more in respect of each party.
- vi) According to the information and explanations given to us, the Company has not accepted any public deposits during the year and therefore, the provisions of Clause 4(vi) of the Order are not applicable to the Company.
- vii) The Company is having internal audit system commensurate with its size and nature of its business.
- viii) We have broadly reviewed the books of accounts and records of cost maintained by the company pursuant to the rules made by Central Government for maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- ix) a) According to the records of the Company, undisputed statutory dues including provident fund, investor education and protection fund, income tax, wealth tax, service tax and other material statutory dues applicable to the Company, if any, have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2013, for a period of more than six months from the date they became payable.
- b) According to the records of the Company, no dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty, cess and Service Tax which have not been deposited on account of any dispute with the appropriate authorities.
- x) The Company has no accumulated losses as at 31st March, 2013 and has not incurred any cash losses in the financial year covered under audit.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan taken from any bank or financial institution.
- xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the order is not applicable to the company.
- xiii) The Company is not a chit fund or a nidhi mutual benefit fund/society. Accordingly, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv) In respect of dealing or trading in shares, securities, debentures and other investments, the Company is maintaining proper records and timely entries have been made therein. All the Investments have been held by the Company in its name.
- xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi) The Company has not raised any term loan during the year. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- xvii) No funds raised on short term basis have been used for long term basis.
- xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix) According to the information and explanations given to us, the Company has not issued debentures during the year. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- (xx) According to the information and explanations given to us, the Company has not raised any money by way of public issue during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For GUPTA VIGG & CO.
Chartered Accountants
FRN 001393N

Place : Ludhiana
Dated : 30.05.2013

VIPAN KR GUPTA
(Partner)
M.No.:502737



BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	Current Year	Previous Year
		₹	₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	125776643	125776643
Reserves and surplus	2	1315302010	1382061387
		1441078653	1507838030
Non-current liabilities			
Long-term borrowings	3	783228966	957282300
Deferred Tax Liabilities (Net)	4	-	29757882
		783228966	987040182
Current liabilities			
Short-term borrowings	5	342799407	79343833
Trade payables	6	42879028	21587223
Other current liabilities	7	212884324	222059069
Short-term provisions	8	-	16413389
		598562759	339403514
TOTAL		2822870378	2834281726
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	1225965102	1366731303
Intangible assets	9	166390	249587
Capital work-in-progress	9	124050	1693011
Non-Current Investments	10	964853332	951421669
Deferred tax assets (net)	4	8271023	-
Long-Term Loans and Advances	11	3088252	426511
		2202468149	2320522081
Current assets			
Inventories	12	187581486	84654700
Trade receivables	13	266579255	235537843
Cash and cash equivalents	14	9737526	12580595
Short-term loans and advances	15	151375182	172233435
Other current assets	16	5128780	8753072
		620402229	513759645
TOTAL		2822870378	2834281726
Accounting Policies			
Notes on Financial Statement	1 to 31		

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

For & On behalf of the Board

Place : LUDHIANA
 Date : 30.05.2013

VIPAN KR GUPTA
 Partner
 M.No.502737

P.K. VASHISHTH
 Finance Advisor

DINESH OSWAL
 Director

S.K. SHARMA
 Executive Director



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31.03.2013

Particulars	Note No.	Current Year	Previous Year
		₹	₹
Revenue from operations	17	2395394453	2680364635
Less: Excise Duty		-219387763	-222883165
Operating Income		2176006690	2457481470
Other income	18	17147166	26671810
		2193153856	2484153280
Expenses:			
Cost of materials consumed	19	1667570495	1574830293
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	-83457409	20426847
Employee benefits expense	21	48666090	45050859
Finance costs	22	157325050	181792273
Depreciation and amortization expense	9	145895340	145773596
Other expenses	23	362054063	386622238
Total expenses		2298053629	2354496106
Profit before Exceptional Extraordinary Items & Tax		-104899773	129657174
Exceptional items		-	-
Profit before Extraordinary Items & Tax		-104899773	129657174
Extraordinary Items		-	-
Profit before Tax		-104899773	129657174
Tax expense:			
Current tax		-	-21125000
Deferred tax		38028905	-38498635
Profit (Loss) For The Period		-66870868	70033539
Earnings per equity share:	27		
Basic and Diluted		-2.72	2.85
Accounting Policies			
Notes on Financial Statements	1-31		

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

For & On behalf of the Board

Place : LUDHIANA
Date : 30.05.2013

VIPAN KR GUPTA
Partner
M.No.502737

P.K. VASHISHTH
Finance Advisor

DINESH OSWAL
Director

S.K. SHARMA
Executive Director

**1. SIGNIFICANT ACCOUNTING POLICIES****i) ACCOUNTING CONVENTION**

The accounts are prepared on accrual basis under the historical cost convention in accordance with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 and other relevant provisions of the said Act.

ii) REVENUE RECOGNITION

- a) Sale of Goods: Sale of goods is recognized at the point of dispatch of finished goods to the customers. Sales value is inclusive of excise duty wherever applicable paid on the clearance of finished goods.
- b) Exports Benefits: Revenue in respect of exports benefits being DEPB / Duty Drawback Scheme is recognized on post export bases.
- c) Dividend Income: Dividend income is recognized when the Company's right to receive payment is established.
- d) Investment Income: Profit/loss arising on sale of investments is considered at the time of sale/redemption.
- e) Interest Income: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

iii) FIXED ASSETS AND DEPRECIATION

- a) **Tangible assets:** Tangible assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. Depreciation is charged on Straight Line bases as per the rates specified in Schedule – XIV of the Companies Act, 1956. Assets below Rs. 5000/- are depreciated at rate of 100%.
- b) **Intangible Assets:** Intangible assets are stated at cost less accumulated amount of amortization. Such asset are amortized on Straight Line Bases on the estimated useful life.

iv) INVESTMENTS

Long term investments are stated at cost. Diminution in value of investments, if any has not been considered being temporary in nature. Market value of Equity Mutual Funds is considered on NAV basis.

v) INVENTORIES

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

- **Raw Material:** Moving weighted average cost.
- **Stores and Spares:** Moving weighted average cost.
- **Work-in-process:** Cost of raw material plus appropriate share of manufacturing expenses and other relevant overheads.
- **Finished Goods:** Cost of raw material plus conversion costs, packing cost and other overheads incurred to bring the inventories to their present condition and location.
- **Wastage and rejections:** At net realizable value.

vi) EXPENDITURE INCURRED DURING CONSTRUCTION PERIOD

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

vii) RETIREMENT BENEFITS**a) Gratuity**

The Company has taken a Group Gratuity Policy from LIC of India to discharge its liability of Gratuity. The calculation of premium under the policy is made on the basis of actuarial valuation done by LIC.

b) Provident Fund

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

**viii) FOREIGN EXCHANGE TRANSACTIONS**

- a) Gain or loss on foreign exchange transactions which are relating to fixed assets acquired from a country outside India are adjusted in the cost of relevant fixed asset. Other gains or losses on foreign exchange transactions are recognized in the Profit & Loss Account. Monetary assets and liabilities other than those covered by forward contracts have been valued at the exchange rates prevailing at the close of the financial year.
- b) In respect of forward contracts, forward premium or discount arising at the inception of forward contract, any profit/loss arising on cancellation renewal of such contracts and exchange difference on such contracts if pertaining to fixed assets acquired from a country outside India only are adjusted in the cost of relevant fixed asset. Other premiums/discounts at inception of contracts and profit/loss on cancellation/renewal of contracts are recognized in profit & loss account in the year in which exchange rates change.

ix) EXCISE DUTY

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

x) WARRANTY CLAIMS

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

xi) ACCOUNTING FOR TAXES ON INCOME

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

xii) IMPAIRMENT OF ASSETS

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

xiii) BORROWING COST

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

xiv) GOVERNMENT GRANTS / SUBSIDY

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

xv) PROVISION AND CONTINGENT LIABILITIES

- a) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if :
 - the company has a present obligation as a result of past event.
 - a probable outflow of resources embodying economic benefits is expected to settle the obligation and
 - the amount of the obligation can be reliably estimated.
- b) Contingent Liability is disclosed in case of :
 - a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
 - a possible obligation, unless the probability of outflow in settlement is remote.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

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

1.1 SHARE CAPITAL

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

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

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

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

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

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

- 1.5** a) The company has not issued any shares in pursuance to contract(s) without payment being received in cash during five year immediately preceding the date as at which the Balance Sheet is prepared.
- b) The company has not issued any fully paid up Bonus Shares during five year immediately preceding the date as at which the Balance Sheet is prepared.
- c) The company has not bought back any Shares during five year immediately preceding the date as at which the Balance Sheet is prepared.

1.6 Aggregate value of calls unpaid

Unpaid Calls	₹
By Directors	NIL
By Officers	NIL

1.7 Shares Forfeited

Number of shares	349336
Amount	2836688

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

**2. Reserves & Surplus**

Particulars	Current Year	Previous Year
	₹	₹
Securities Premium Account	447800146	447800146
General Reserve		
Opening Balance	933303390	878303390
(+/-) Current Year Transfer	(66000000)	55000000
Closing Balance	867303390	933303390
Surplus:		
Opening Balance	957851	203369
Add: Profit (Loss) for the year	(66870868)	70033539
Add: Income Tax Adjustments for prior periods	111491	9332
Add: Transfer Form General Reserve	66000000	
Less: Provision for Proposed Dividend	-	(12293996)
Less: Provision for Tax on Proposed Dividend	-	(1994393)
Less: Transfer to General Reserve	-	(55000000)
Balance c/f to Balance Sheet	198474	957851
Total	1315302010	1382061387

3. Long Term Borrowings

Particulars	Current Year	Previous Year
	₹	₹
Term loans		
From banks*		
- Oriental Bank of Commerce	517586306	632609000
- Bank of Maharashtra	265642660	324673300
Total	783228966	957282300

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

The above Term Loans are repayable in 32 quarterly installments starting from 31-12-2010.

4. Deferred Tax Liability (Net)

Particulars	Current Year	Previous Year
	₹	₹
Deferred Tax Liability		
Timing difference on account of Depreciation, change in rate of Tax etc.	123066729	126614011
Deferred Tax Asset		
Timing Difference on account of c/f of unabsorbed depreciation	130460603	96402742
Timing Difference on account of Allowances under section 43B	877149	453387
Net deferred Tax Liability (Asset)	(8271023)	29757882

**5. Short Term Borrowings**

Particulars	Current Year	Previous Year
	₹	₹
Working Capital Loans from banks	342799407	79343833
Total	342799407	79343833

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

6. Trade Payables

Particulars	Current Year	Previous Year
	₹	₹
Sundry Creditors	42879028	21587223
Total	42879028	21587223

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

7. Other Current Liabilities

Particulars	Current Year	Previous Year
	₹	₹
Current maturities of long-term debt	174056000	174056000
TDS Payables	633726	501431
Statutory Liabilities	1451027	999979
Other Liabilities	22531331	29932551
Advance from customers	9341629	9765717
Security Deposits	22897	23957
Due to Directors	72676	35476
Unpaid dividends	4775038	6743958
Total	212884324	222059069

8. Short-term provisions

Particulars	Current Year	Previous Year
	₹	₹
Proposed Dividend	-	12293996
Dividend Distribution Tax	-	1994393
Provisions for Current Year Income Tax (Net of Advance)	-	2125000
Total	-	16413389


9. Fixed Assets

Particulars	Gross Block				Depreciation				Net Block	
	As on 01.04.12	Additions 2012-13	Sales/ Adj	As on 31.03.13	As on 01.04.12	Additions 2012-13	Sales/ Adj	As on 31.03.13	As on 31.03.13	As on 31.03.12
a Tangible Assets										
LAND & BUILDING										
- LAND	17653165	0	0	17653165	0	0	0	0	17653165	17653165
- BUILDING	226158531	5246711	409534	230995708	12843270	7264244	14897	20092617	210903091	213315261
SUB TOTAL (A)	243811696	5246711	409534	248648873	12843270	7264244	14897	20092617	228556256	230968426
PLANT & MACHINERY										
- MACHINERY	1383523660	430134	250330	1383703464	255641971	137585350	55860	393171461	990532003	1127881689
- VEHICLES	3788183	0	486884	3301299	595699	332505	107716	820488	2480811	3192484
- OTHER EQUIPMENTS	4965360	230763	0	5196123	1062360	531393	0	1593753	3602370	3903000
SUB TOTAL (B)	1392277203	660897	737214	1392200886	257300030	138449248	163576	395585702	996615184	1134977173
FURNITURE & FIXTURES										
- Furniture & Fixtures	1221161	106608	0	1327769	435457	98650	0	534107	793662	785704
SUB TOTAL (C)	1221161	106608	0	1327769	435457	98650	0	534107	793662	785704
Total (Tangible Assets)	1637310060	6014216	1146748	1642177528	270578757	145812142	178473	416212426	1225965102	1366731303
b Intangible Assets										
- Software	415981	0	0	415981	166394	83197	0	249591	166390	249587
Total (Intangible Assets)	415981	0	0	415981	166394	83197	0	249591	166390	249587
c Capital WIP										
- Building Under Construction									0	1568961
- Machinery under Installation									124050	124050
Total (CWIP)									124050	1693011
Total	1637726041	6014216	1146748	1642593509	270745151	145895339	178473	416462017	1226255542	1368673901
Previous Year	1611386269	28437892	2098120	1637726041	125164859	145773596	193304	270745151	1368673901	1511614407

- There are no intangible assets under development as on 31.03.2012 as well as on 31.03.2013.
- At each Balance Sheet date, an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts.
- In respect of new unit, the expenditure incurred during construction period up to the date of commencement of commercial production is allocated to the relevant fixed assets.
- All the indirect expenses incurred during construction period upto the date of commencement of commercial production will be capitalized on various categories of fixed assets on proportionate bases.
- No borrowing cost has been capitalized during the current as well as in previous financial year.

10. Non Current Investments

Particulars	Current Year	Previous Year
	₹	₹
Other Investments		
Investment in Equity instruments	964853332	951421669
Total	964853332	951421669

10.1

Particulars	Current Year	Previous Year
	₹	₹
Aggregate amount of quoted investments (Market value of ₹ 771281763/- (Previous Year ₹ 702412869/-)	963890604	950458941
Aggregate amount of unquoted investments (Previous Year ₹ 962728)	962728	962728


10.2 Details of Other Investments

Name of the Body Corporate	Subsidiary/ Associate/ JV/ Controlled Entity / Others	No. of Shares/ Units		Quoted / Un-quoted	Partly Paid/ Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost	If Answer to Column (9) is 'No' - Basis of Valuation
		C. Year	P. Year			C. Year	P. Year	C. Year	P. Year		
(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Investment in Equity Instruments											
M/s. Nahar Capital & Financial Services Limited	Associate	6611332	6611332	Quoted	Fully paid	39.480%	39.480%	367304055	367304055	Yes	N.A.
M/s. IDFC Limited	Others	5000	25000	Quoted	Fully paid	0.000%	0.002%	170000	850000	Yes	N.A.
M/s. Nahar Spinning Mills Limited	Associate	6902244	6611332	Quoted	Fully paid	19.138%	18.332%	381415718	367304055	Yes	N.A.
M/s. Nahar Industrial Enterprises Limited	Associate	2708800	2708800	Quoted	Fully paid	6.706%	6.706%	215000830	215000830	Yes	N.A.
M/s. Palm Motels Limited	Others	655	655	Unquoted	Fully paid	-	-	962729	962729	Yes	N.A.
Total								964853332	951421669		

11. Long Term Loans & Advance

Particulars	Current Year	Previous Year
	₹	₹
Capital Advances	3062352	383111
Security Deposits	25900	43400
Total	3088252	426511

12. Inventories

Particulars	Current Year	Previous Year
	₹	₹
a. Raw Materials and components	42312660	27626238
b. Work-in-progress	67805923	31815623
c. Finished goods	56345036	6902605
d. Waste/Scrap Material	136662	2111985
e. Stores and spares	20981205	16198249
Total	187581486	84654700

**13. Trade Receivables**

Particulars	Current Year	Previous Year
	₹	₹
Trade receivables outstanding for a period less than six months from the date they are due for payment		
- Unsecured, considered good	262715791	232412198
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, considered good	3392986	3125645
- Unsecured, considered doubtful	470478	
Total	266579255	235537843

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

14. Cash and cash equivalents

Particulars	Current Year	Previous Year
	₹	₹
a. Balances with banks		
This includes:		
- In Current Accounts	4381309	5284923
- Earmarked Balances (eg/- unpaid dividend accounts)	4775037	6743957
- Margin money FDR#	159357	136120
b. Cash on hand	421823	415595
Total	9737526	12580595

Fixed deposits with banks includes deposits of 1.36 Lacs (Previous year 1.25 Lacs) with maturity of more than 12 Months)

15. Short-term loans and advances

Particulars	Current Year	Previous Year
	₹	₹
a. To related parties (refer note)		
Unsecured, considered good	-	281107
b. To others		
MODVAT / CENVAT credit unutilised	98931859	108804652
Others unsecured, considered good	52443323	63147676
Total	151375182	172233435

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

16. Other Current Assets

Particulars	Current Year	Previous Year
	₹	₹
Advance Taxes (Net of Provisions)	5128780	8753072
Total	5128780	8753072

**17. Operating Income**

Particulars	Current Year	Previous Year
	₹	₹
Operating Income:		
Export Sales	268068661	224967620
Domestic Sales	2068073297	2423202063
	2336141958	2648169683
Less:		
Excise Duty	(219387763)	(222883165)
Net Sales	2116754195	2425286518
Export Incentives	7010894	8999910
OPERATING INCOME	2123765089	2434286428
Other Operating Income:		
Sales Miscellaneous	5025321	6538773
Profit from Commodity Dealing	45436500	-
Others	1779780	16656269
	52241601	23195042
Total	2176006690	2457481470

17.1 Detail of Sales

Particulars	Current Year	Previous Year
	₹	₹
EXPORT SALES		
- Direct Export of BOPP Film	268068661	224967620
Local Sales		
- Deemed Export of BOPP Film	79000032	64120334
- BOPP Film	1922668161	2287112968
- BOPP Other (Incl. Waste)	66405104	71100201
- Raw Material	-	868560
- Other (Misc. Scrap)	5025321	6538773
Total	2341167279	2654708456

18. Other Income

Particulars	Current Year	Previous Year
	₹	₹
Dividend Income (From Long term Investments)	9974498	25898462
Interest Gross	1108696	184151
Profit on Sale of Investments	2783768	-
Misc. Receipts	1080455	293931
Prior Period Items	1084449	196854
Exchange Rate Difference	1115300	98412
Total	17147166	26671810

**19. Cost of Raw Material Consumed**

Particulars	Current Year	Previous Year
	₹	₹
Opening Stock of Raw Material	27626238	73857824
Raw Material Purchases (Net of Sales)	1682256917	1528598707
Closing Stock of Raw Material	42312660	27626238
Raw Material Consumed	1667570495	1574830293

19.1 Detail of Raw Material Consumed

Particulars	Current Year	Previous Year
	₹	₹
PP Raisens and Additives	1667570495	1574830293

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

Particulars	Current Year	Previous Year
	₹	₹
OPENING STOCK		
- Finished Goods	9014590	12213720
- Work in Progress	31815623	49043340
	40830213	61257060
CLOSING STOCK		
- Finished Goods	(56481699)	(9014590)
- Work in Progress	(67805923)	(31815623)
(Increase) /Decrease in Finished Goods & WIP Stock	(83457409)	20426847

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

Particulars	Current Year	Previous Year
	₹	₹
OPENING STOCK		
BOPP Films	6902605	8521380
Waste	2111985	3692340
CLOSING STOCK		
BOPP Films	56345036	6902605
Waste	136662	2111985

21. Employee Benefits Expenses

Particulars	Current Year	Previous Year
	₹	₹
Salary Wages And Bonus	41039899	37843728
Contribution To PF, ESI, Group Insurance & Gratuity	4619041	4571901
Employee Welfare Exp.	3007150	2635230
TOTAL	48666090	45050859


21.1 The Employee's Gratuity fund scheme is managed by LIC. The following Table set out the funded status of the gratuity plan recognized as per the company's financial statement as at 31.03.2013

S.No.	Particulars	Current Year	Previous Year
		₹	₹
1	Assumptions		
	Discount Rate	8%	8%
	Salary Escalation	7%	7%
	Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)
2	Reconciliation of Opening and Closing balances of defined benefit obligation:		
	Present value of obligations as at the beginning of the year	3546088	2336832
	Interest Cost	283687	186947
	Current Service Cost	737045	654488
	Benefit Paid	0	0
	Actuarial (gain)/(Loss) on obligations	109118	367821
	Present value of obligations as at the end of the year	4675938	3546088
3	Reconciliation of Opening and Closing balances of plan assets:		
	Fair value of plan as at the beginning of year	3630051	2420795
	Returns on plan asset	334741	218115
	Contributions	795109	991141
	Benefit Paid	--	--
	Actuarial (gain)/(Loss) of Plan Asset	--	--
	Fair value of plan as at the end of year	4759901	3630051
4	Reconciliation of fair value of assets and obligations:		
	Present Value of obligations as at the end of year	4675938	3546088
	Fair value of plan as at the end of year	4759901	3630051
	Net Asset/(Liability) recognized in the Balance Sheet	(83963)	(83963)
5	Expenses Recognized in statement of Profit & Loss		
	Current Service Cost	737045	654488
	Interest Cost	283687	186947
	Expected return on plan asset	(334741)	(218115)
	Net Actuarial (gain)/loss recognised in the year	109118	367821
	Expenses Recognized in statement of Profit & Loss	795109	991141

22. Financial Expenses

Particulars	Current Year	Previous Year
	₹	₹
Interest expense		
- Interest To Banks		
- On Working Capital	7361659	9054837
- On Term Loans	143834748	169238107
- Interest to Others	6006980	2295670
Other borrowing costs	121663	1203659
TOTAL	157325050	181792273

**23. Other Expenses**

Particulars	Current Year	Previous Year
	₹	₹
MANUFACTURING EXPENSES (A)		
Power and Fuel	146787589	133451911
Dyes & Chemicals	348406	237308
Machinery Repair And Maintenance	11576157	11622965
Other Manufacturing Expenses	1660564	3624626
Total (A)	160372716	148936810
SELLING EXPENSES (B)		
Advertisement	17360	-
Brokerage/Commission On Sale	3165001	2211050
Export Development And Sale Promotion	76168	116750
Packing and Forwarding Charges	112922561	120528069
Foreign Travelling Expenses (Others)	374611	252503
Rebate & Discount	65381977	94126413
Commission On Export Sales	1696797	2413543
Other Selling Expenses	165589	101700
Total (B)	183800064	219750028
EXCISE DUTY ON CLOSING STOCK (C)	9281	579164
ADMINISTRATIVE EXPENSES (D)		
Vehicle Maintenance	1188101	1125794
Conveyance	702335	696281
Rent	161799	152214
Fees And Taxes	629829	560819
Insurance	4376533	2032595
Legal And Professional Expenses	1064111	1612907
Printing And Stationery	444906	365653
Postage And Telegraph	331962	422986
Miscellaneous Expenses	1906533	2467669
Directors Sitting Fees	219102	195000
Travelling Expenses		
Directors	500	2152
Others	1241215	1023508
Auditors Remuneration		
Audit Fees	181180	165450
Tax Audit Fees	36235	33090
Certification Charges	2138	5410
Other Expenses	3887	918
Telephone Expenses	744908	811355
Share Department Exp	220502	227992
Total (D)	13455776	11901793

**OTHER EXPENSES (E)**

Cost of Raw Material Sold	-	647719
Building Repair & Maintenance	749797	1159332
General Repair & Maintenance	1054251	1398802
Loss On Sale Of Fixed Assets	113158	1136
Amount Written Off	915393	9032
Previous Year Expenses	242677	971686
Previous Year Income Written Back	33221	8781
Security Transaction Tax	21090	-
Bank Charges	1286639	1257955
Total (E)	4416226	5454443
Total (A to E)	362054063	386622238

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

Particulars	Current Year ₹	% Age of Cons.	Previous Year ₹	% Age of C ons.
Raw Material				
- Imported	150063161	9.00%	122741020	7.79%
- Indigenious	1517507334	91.00%	1452089273	92.21%
Spare Parts, Stores and Components				
- Imported	2263723	2.19%	5449597	5.04%
- Indigenious	101093556	97.81%	102612268	94.96%

25. CIF Value of Imports

Particulars	Current Year ₹	Previous Year ₹
Raw Materials	147,214,316	122,231,029
Stores and Spares	8,214,839	5,744,945

26. Expenditure in Foreign Currency

Particulars	Current Year ₹	Previous Year ₹
Travelling	242,309	36,891
Commission on Export Sales	595,287	1,582,134
Subscription Expenses	215,786	185,726



27. Earning Per Share

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

Particulars	Current Year	Previous Year
	₹	₹
BASIC AND DILUTED		
Earning per share has been computed as under:		
BASIC		
a) Profit after Taxation	(66759377)	70042871
b) Number of weighted average shares outstanding	24587991	24587991
c) Earning per share (face value Rs. 5/- per share)	(2.72)	2.85
DILUTED		
a) Profit after Taxation	(66759377)	70042871
b) Number of weighted average shares outstanding	24587991	24587991
c) Earning per share (face value Rs. 5/- per share)	(2.72)	2.85

28. Earning In Foreign Exchange

Particulars	Current Year	Previous Year
	₹	₹
FOB value of Exports	254415812	218211508

29. Related Party Disclosure:

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

Sr. No.	Particulars	*Associates		Key Management Personnels & Their Relatives	
		Current Year ₹	Previous year ₹	Current Year ₹	Previous year ₹
1	Inter Corporate Deposits Received	92500000	40000000	-	-
2	Inter Corporate Deposits repaid back	92500000	41500000	-	-
3	Interest Paid	5947602	2038184	-	-
4	Fixed Assets Purchased	-	848365	-	-
5	F.O. Purchased	-	4314551	-	-
6	Fixed Assets Sold	-	39369	-	-
7	Misc. Sales	16467	175384	-	-
8	Directors Sitting Fee	-	-	55000	45000
9	Directors Remuneration	-	-	1531968	1426816
10	Rent Paid	161799	152214	-	-
11	DEPB Purchased	36087282	12021675	-	-
12	DEPB Sold	315910	165221	-	-
13	Closing Balance				
	- Debtors/Receivables	236494	281107	-	-
	- Crs./Payable	-	21309	-	-

***Associates**

Nahar Spinning Mills Ltd., Nahar Capital & Financial Services 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., Samira & Shayana Co. Ltd., Sidhant & Mannat Co. Ltd.

Key Management Personnel

Sh. Jawahar Lal Oswal, Sh. Dinesh Oswal, Sh. Kamal Oswal and Sh. S.K. Sharma.

Relatives of Key Management Personnel

Mrs. Abhilash Oswal, Mrs. Ruchika Oswal, Mrs. Manish Oswal, Mrs. Ritu Oswal and Mrs. Monika Oswal.

The related party information has been prepared by the Management & relied upon by the auditors.

30. Contingent Liabilities**PROVISION AND CONTINGENT LIABILITIES**

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

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

b) Contingent Liability is disclosed in case of:

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

Particulars	Current Year	Previous Year
	₹	₹
(i) Contingent Liabilities		
(a) Claims against the company not acknowledged as debt	Nil	Nil
(b) Guarantees	Nil	Nil
(c) Other money for which the company is contingently liable	Nil	Nil
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed not provided for	8927689	40541
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil
(c) Letter of Credit outstanding in favour of Suppliers of Goods (Net of Advances)	23750128	16214522
(d) Other commitments (specify nature)	Nil	Nil
	32677817	16255063

WARRANTY CLAIMS

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

**31. GENERAL**

- 1) Material events occurring after the balance sheet date are taken into cognizance.
- 2) Prior period and extra ordinary items of changes in account policies having material impact on the financial affairs of the Company (if any) are disclosed. PBT before Prior period items is Rs.(105708324) (P.Y. Rs. 130440787).
- 3) The accounts of the company have been prepared on going concern basis.
- 4) In the opinion of the Board, the value of Current Assets, Loans and Advances have a value in the ordinary courses of business at least equal to that stated in the Balance Sheet.
- 5) The company has only one reportable business segment and therefore no separate disclosure is required in accordance with Accounting Standard (AS)-17 on "segment reporting" notified by the Company (Accounting Standards) Rules, 2006.
- 6) Some balances of Sundry Creditors, Advances and Sundry Debtors are subject to their confirmation.
- 7) The company is eligible for sales tax incentive/subsidy from the government of MP. During the year the company has been granted sales tax incentive/subsidy amounting to Rs. Nil (Previous year Rs.15961892 for the financial year 2010-11) to be adjusted against future sales tax liabilities of the company. The company is accounting the above sales tax subsidy on receipt bases as the availability of the above subsidy is only on the bases of completion of certain formalities.
- 8) Other operating income includes commodity dealing income of Rs. 45436500.
- 9) Previous year figures has been regrouped/reclassified to confirm the current year classification.

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

For & On behalf of the Board

Place : LUDHIANA
Date : 30.05.2013

VIPAN KR GUPTA
Partner
M.No.502737

P.K. VASHISHTH
Finance Advisor

DINESH OSWAL
Director

S.K. SHARMA
Executive Director

**CASH FLOW STATEMENT FOR THE PERIOD FROM 1ST APRIL, 2012 TO 31ST MARCH, 2013
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

		(In Rs.)
A. CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items	-104899773	
Adjustments for:		
Depreciation	145895340	
Interest Expenditure	157203387	
Interest Received	-1108696	
Dividend	-9974498	
(Profit)/Loss on Sale of Investments	-2783768	
(Profit)/Loss on sale of Fixed Assets	113158	
Operating profit before Working Capital changes		184445150
Adjustments for :		
(Increase)/Decrease in Trade & Other Receivables	-31041413	
(Increase)/Decrease in Inventories	-102926786	
(Increase)/Decrease in Short Term Loans & Advances	20858253	
(Increase)/Decrease in Security Deposit	17500	
(Increase)/(Decrease) in Trade Payables & Short Term Others Liabilities	12117060	
Increase/(Decrease) in Working Capital Bank Borrowing	263455574	
Cash generation from operating activities		346925338
Interest Paid on Working Capital and others		-13368639
Taxes (Paid)/Refund		1610785
Net cash from operating activities		335167484
B. CASH FLOW FROM THE INVESTING ACTIVITIES		
Interest Received	1108696	
Dividend Received	9974498	
Purchase of Fixed Assets (incl Capital work in process, capital advances, & exp pending for capitalisation)	-7124496	
Sale of Fixed Assets	855117	
Purchase of Investments	-14111665	
Sale of Investments	3463768	
		-5834082
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/Decrease in Share Capital/Reserve	0	
Share Premium	0	
Proceeds from Long Term Borrowings	0	
Repayment of Long Term Borrowings	-174053334	
Interest Paid on Term Loans	-143834748	
Dividend Paid (including Corporate Dividend Tax)	-14288390	
		-332176472
Net Increase in Cash and Cash Equivalent		-2843070
Cash & cash equivalents as on 31/03/2012		12580595
Cash & cash equivalents as on 31/03/2013		9737525

Place : Ludhiana
Date : 30.05.2013

FOR AND ON BEHALF OF THE BOARD

P.K. VASHISHTH
Finance Advisor

DINESH OSWAL
Director

S.K. SHARMA
Executive Director

AUDITOR'S CERTIFICATE

We have checked the above Cash Flow Statement of Nahar Poly Films Limited, derived from the audited financial statements for the year ended 31st March, 2013 with the books and records maintained in the ordinary course of business and found the same in accordance therewith.

For GUPTA VIGG & CO.
Chartered Accountants
FRN 001393N

Place : Ludhiana
Dated : 30.05.2013

VIPAN KR GUPTA
(Partner)
M.No.:502737



NAHAR POLY FILMS LIMITED

Registered Office : 376, Industrial Area-'A', Ludhiana-141003

PROXY FORM

I/We.....
ofbeing a member/members of
NAHAR POLY FILMS LIMITED hereby appoint.....
of failing him/her.....
of.....
as my/our proxy(s) to attend and vote for me/us and on my/our behalf at the 25th Annual General Meeting of the Company to be held on
Monday, the 30th September, 2013 at 10.45 a.m. at the Premises of M/s. Nahar Industrial Enterprises Limited, Focal Point, Ludhiana and
at any adjournment thereof.

As witness my/our hand(s) this.....day of.....2013.

(Date)

(Month)

Ledger Folio No.

Client I.D. No.

D.P.I.D. No.

Signature

Affix Revenue Stamp of Rs. 1/-

Note :

The proxy(s) in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the company.

CUT HERE



NAHAR POLY FILMS LIMITED

Registered Office : 376, Industrial Area-'A', Ludhiana-141003

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall)

I hereby record my presence at the 25th Annual General Meeting of the Company to be held on Monday, the 30th September, 2013 at
10.45 a.m. at the Premises of M/s. Nahar Industrial Enterprises Limited, Focal Point, Ludhiana.

FULL NAME OF THE MEMBER (IN BLOCK LETTERS)

Name of the Proxy.....

(To be filled in if the Proxy Form has been duly deposited with the Company)

Ledger Folio No.

Client I.D. No.

D.P.I.D. No.

Member/Proxy's Signature*

(to be signed at the time of handing over this slip)

No of Shares Held.....

*Strike out whichever is not applicable

BOOK POST
(Printed Matter)

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

FORM A

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

1	Name of the Company:	Nahar Poly Films Limited, 376, Industrial Area A, Ludhiana- 141003
2	Annual financial statements for the year ended	31st March 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable
5	To be signed by- <input type="checkbox"/> CEO/Managing Director/Executive Director <input type="checkbox"/> CFO/ Manager Finance / <i>Finance Advisd.</i> <input type="checkbox"/> Auditor of the company <input type="checkbox"/> Audit Committee Chairman	