

# 34<sup>th</sup> Annual Report 2021-22



The Nahar Group



# Nahar

**POLY FILMS LIMITED**

# BOARD OF DIRECTORS

**Mr. Jawahar Lal Oswal**  
Chairman

**Mr. Dinesh Oswal**  
Director

**Mr. Kamal Oswal**  
Director

**Mr. Dinesh Gogna**  
Director

**Mr. Sambhav Oswal**  
Executive Director

**Mr. Satish Kumar Sharma**  
Executive Director

**Dr. Manisha Gupta**  
Independent Director

**Dr. Amrik Singh Sohi**  
Independent Director

**Dr. Suresh Kumar Singla**  
Independent Director

**Dr. Yash Paul Sachdeva**  
Independent Director

**Dr. Anchal Kumar Jain**  
Independent Addl. Director

**Mr. Rakesh Kumar Jain**  
Chief Financial Officer

**Ms. Disha Jindal**  
Company Secretary

## Registered Office

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

## Bankers

Punjab National Bank  
Bank of Maharashtra

## Auditors

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

**Works :** Village-Sarakia/Itaya Kalan-NH-12,  
Hoshangabad, Near Mandideep, Distt. Raisen (M.P.)

# 34<sup>TH</sup> ANNUAL GENERAL MEETING

**Day: Wednesday**

**Date : 24<sup>th</sup> August, 2022**

**Time : 11:30 am**

**Mode : Video Conference (VC) or  
Other Audio Visual Means (OAVM)**

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## NOTICE

Notice is hereby given that the **Thirty-Fourth Annual General Meeting** of the members of M/s Nahar Poly Films Limited will be held on **Wednesday, the 24th day of August, 2022 at 11:30 A.M.** through Video Conferencing / Other Audio Visual Means to transact the following businesses:

### ORDINARY BUSINESS:

#### ITEM NO: 1 ADOPTION OF FINANCIAL STATEMENTS

- (i) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon.
- (ii) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022, and the Report of the Auditors thereon.

#### ITEM NO: 2 DECLARATION OF DIVIDEND

To declared dividend of Rs.2.50/-per Equity Share of Rs.5/- each for the year ended 31st March, 2022.

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

To appoint a Director in place of Mr. Kamal Oswal (DIN: 00493213) in term of section 152 (6) of the Companies Act 2013, who retires by rotation and being eligible offers himself for re-appointment.

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

To appoint a Director in place of Mr. Dinesh Gogna (DIN: 00498670) in term of section 152 (6) of the Companies Act 2013, who retires by rotation and being eligible offers himself for re-appointment.

#### ITEM NO: 5 RE-APPOINTMENT OF STATUTORY AUDITORS

To re-appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s),

the following resolution as an **Ordinary Resolution:**

**RESOLVED THAT** pursuant to the provisions of section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the companies (Audit and Auditors) Rules, 2014 (including any statutory modifications (s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s. YAPL & Co., Chartered Accountants (Registration No. 017800N) having their office at 102, Kismat Complex, G.T Road, Miller Ganj, Ludhiana-141003, be and are hereby re-appointed as Statutory Auditors of the Company, for the second term of 5(five) consecutive years commencing from the conclusion of 34th Annual General Meeting of the Company till the conclusion of 39th Annual General Meeting to be held in 2027, on such remuneration, as may be mutually agreed upon by the Board of Directors and the Auditors.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution.”

### SPECIAL BUSINESS:

#### ITEM NO: 6 RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY:

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

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Cost Auditors M/s. Khushwinder Kumar & Associates (Firm Registration No. 000102), New Delhi appointed by the Board to conduct the audit of the Cost Records of the Company for the financial year 2022-23 at a remuneration of Rs. 45000/- (Rupees Forty Five Thousand only) plus applicable taxes and reimbursement of out of pocket expenses incurred, be and is hereby ratified.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby



authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**ITEM NO: 7 TO APPROVE THE TRANSACTION(S) / CONTRACT(S) WITH RELATED PARTIES IN THE ORDINARY COURSE OF BUSINESS**

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time, consent and approval of the Company be and is hereby accorded to the Board of Directors to enter into an Agreement(s)/ Contract(s)/Transaction(s), in the ordinary course of business with Group Companies/Related Parties namely: M/s Nahar Spinning Mills Limited, M/s Oswal Woollen Mills Limited, M/s Nahar Industrial Enterprises Limited, M/s Monte Carlo Fashions Ltd., and M/s Nahar Capital and Financial Services Limited for sale and purchase of goods and services, Export Entitlement Licenses i.e. DEPB, RODTEP Licenses etc. and providing of financial services, Leasing of property and rent etc. and others on arm’s length basis in the ordinary course of business on such terms and conditions as may be mutually agreed for a period of three years w.e.f. 1<sup>st</sup> April, 2022, which may be renewed with the mutual consent of parties thereto.”

“**RESOLVED FURTHER THAT** any acts/transactions done under this Agreement after 1<sup>st</sup> April, 2022 and upto the date of passing of this resolution, be and are hereby approved and ratified.”

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

**ITEM NO: 8 RE-DESIGNATION OF MR. SAMBHAV OSWAL (DIN: 07619112) FROM EXECUTIVE DIRECTOR TO MANAGING DIRECTOR AND REVISION IN REMUNERATION**

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 198 and 203 of the Companies Act, 2013 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Articles of Association of the Company and on the recommendation of Nomination and Remuneration Committee, Audit Committee and Board of Directors of the Company, the consent and approval of the Members, be and is hereby accorded to re-designate Mr. Sambhav Oswal (DIN: 07619112) as Managing Director of the Company w.e.f. 1<sup>st</sup> September, 2022 to 30<sup>th</sup> June, 2025 i.e. till the completion of his present tenure on the remuneration and perquisites as set out below:

- 1. Salary (Scale):** Rs.50,00,000 - 10,00,000 - 70,00,000 per month.
- 2. Commission :** 2% of the Net Profit.
- 3. Perquisites :** Following perquisites shall be allowed in addition to salary and commission:-
  - a. Housing:** Mr. Sambhav Oswal shall be entitled to House Rent Allowance @30% of the salary.  
**Explanation:** The Expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per income Tax rules, 1962. This shall however be subject to a ceiling of 10% of the salary of Mr. Sambhav Oswal.
  - b. Medical Reimbursement:** Reimbursement of expenses incurred including premium paid for medical policy for self and family, subject to a ceiling of one month's salary in a year or five months' salary over a period of five years.
  - c. Leave Travel Concession:** Leave Travel Concession for self and family once in a year incurred by him.

- d. **Club Fees:** Fees of club subject to a maximum of two clubs including Admission Fees and Life Membership Fees.
- e. **Personal Accident Insurance:** Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs. Rs. 1,00,000 (Rs. One Lac only).
- f. **Provident Fund and Super-annuation Fund:** Contribution to Provident Fund, Super-annuation Fund or Annuity Fund in accordance with the rules specified by the Company.
- g. **Gratuity:** Gratuity payable shall not exceed half month's salary for each completed year of service.
- h. **Leave Encashment:** Encashment of leave at the end of the tenure, as per rules of the Company.
- i. **Car, Telephone and Mobile:** Free use of Company's car with Driver for official work and telephone at residence and Mobile."

**Note:** For the purpose of perquisites stated herein above, family means the spouse, the dependent children and dependent parents of the appointee.

**"RESOLVED FURTHER THAT** Mr. Sambhav Oswal (DIN: 07619112), being a member of Promoter/Promoter Group of the Company, be paid remuneration as above, notwithstanding the aggregate annual remuneration payable to him may exceeds the limit as provided under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 any time during his current tenure i.e. from 1st September, 2022 to 30th June, 2025."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company subject to the recommendation of Nomination and Remuneration Committee, be and are hereby authorized to alter and vary the terms and conditions of appointment and /or remuneration of Mr. Sambhav Oswal, as the Board of Directors may deem appropriate during his tenure as Managing Director of the Company, provided such revision in remuneration does not exceed the limits as approved by the Members under Section 197 read with Schedule V of the Companies Act, 2013

(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force)."

**"RESOLVED FURTHER THAT** wherein any financial year, the Company has no profits or its profits are inadequate, the Company may pay remuneration by way of salary, commission and perquisites as above to Mr. Sambhav Oswal, as Minimum Remuneration for a period not exceeding 3 (three) years or such other period as may be permitted subject to the requisite approvals, if any."

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

**ITEM NO: 9 TO APPROVE CONTINUATION OF HOLDING OF OFFICE AS EXECUTIVE DIRECTOR BY MR. SATISH KUMAR SHARMA (DIN:00402712), UPON ATTAINING THE AGE OF 70 YEARS**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) as amended from time to time, consent and approval of the members be and is hereby accorded for the continuation of the holding of office of Executive Director of the Company by Mr. Satish Kumar Sharma (DIN:00402712) upon attaining the age of 70 years on September 4, 2022 for the remaining period of his term on the same term and Conditions of the appointment and remuneration as approved by the shareholders vide their resolution dated 30th September, 2019."

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

**ITEM NO: 10 TO APPROVE THE RE-APPOINTMENT OF MR. SATISH KUMAR SHARMA**

**(DIN:00402712) AS AN EXECUTIVE DIRECTOR OF THE COMPANY**

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

**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and the rules framed thereunder and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of Nomination and Remuneration Committee, the consent and approval of the members be and is hereby accorded to re-appoint Mr. Satish Kumar Sharma (DIN: 00402712), Executive Director of the Company, who will attain the age of 70 years on September 4, 2022, for a period of three years w.e.f. 1st August, 2023 to 31st July, 2026 on the remuneration and perquisites set out below:

- A. Salary** : Rs. 1,18,500/- per month
- B. Management Allowance** : Rs. 56,500/- per month
- C. Perquisites and other allowances:**
  - a) House Rent Allowance:** Will be paid @30% of the salary.
  - b) Medical Reimbursement:** Expenses incurred for Mr. Satish Kumar Sharma and his family subject to ceiling of one month's salary in a year.
  - c) Exgratia / Bonus:** As per company's rule.
  - d) Provident Fund:** Company's contribution to provident fund shall be in accordance with rules and regulations of the company.
  - e) Gratuity:** As per rules of the company payable at the rate of half month's salary for each completed year of service.
  - f) Leave with wages:** As per company's rule.
  - g) Car and Telephone:** Provision of car for use of company's business and telephone at residence will be provided by the company. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company.

- h) Other perquisites:** Other perquisites will be provided as per company's rule.

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

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

**ITEM NO: 11 TO APPOINT DR. ANCHAL KUMAR JAIN (DIN:09546925) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149,152 and 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, Dr. Anchal Kumar Jain (DIN:09546925), who was appointed as an Additional Director in the capacity of a Non-Executive Independent Director of the Company by the Board of Directors of the Company w.e.f. May 25, 2022 and who holds office up to the



this Annual General Meeting and is eligible for appointment and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for 5 (five) consecutive years for a term commencing from May 25,2022 and ending on May 24,2027.”

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

**ITEM NO: 12 TO RE-APPOINT DR. MANISHA GUPTA (DIN:06910242) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 & 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, Dr. Manisha Gupta (DIN: 06910242), who was appointed as an Independent Director for five consecutive years by the shareholders on September 26, 2017 and who holds office up to the September 25,2022 and who qualifies for being re-appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for a second term of 5 (five) consecutive years up to 25th September, 2027.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary,

proper or expedient to give effect to this resolution.”

**ITEM NO: 13 TO APPOINT DR. ROSHAN LAL BEHL (DIN:06443747) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149,152 and 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, Dr. Roshan Lal Behl (DIN 06443747), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years up to August 23, 2027.”

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

**ITEM NO: 14 TO APPOINT DR. RAJAN DHIR (DIN: 09632451) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149,152 and 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being



in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, Dr. Rajan Dhir (DIN: 09632451), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years up to August 23, 2027.”

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

**ITEM NO: 15 TO APPOINT DR. PREM LATA SINGLA (DIN: 09674172) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149,152 and 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, Dr. Prem Lata Singla (DIN: 09674172), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years up to August 23, 2027.”

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

**ITEM NO: 16 TO APPOINT DR. RAKESH KUMAR JINDAL (DIN: 03602606) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149,152 and 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, Dr. Rakesh Kumar Jindal (DIN: 03602606), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years up to August 23, 2027.”

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

**BY ORDER OF THE BOARD**

**DISHA JINDAL  
(COMPANY SECRETARY)**

**Dated: 23rd July, 2022**

**Regd.Office:**

**376, Industrial Area-A,  
Ludhiana -141003(India)**

**CIN: L17115PB1988PLC008820**

**E-mail: secnel@owmnahar.com**



**NOTES**

1. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated May 05, 2022 (collectively referred to as "MCA Circulars"). Thus, the 34th Annual General Meeting will be held through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the Members at a common venue. Members can attend and participate in the ensuing AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 25.
2. The venue of the Meeting shall be deemed to be the registered office of the Company.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and form part of this Notice.
4. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, 2013, body corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. In line with the MCA Circulars and SEBI Circular dated May 12, 2020, January 15, 2021 and May 13, 2022, the Notice calling the AGM along with Annual Report for the year 2021-22 is being sent only through electronic mode to

those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2021-22 has been uploaded on the website of the Company at [www.owmnahar.com](http://www.owmnahar.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com). However, hard copy of full annual report will be sent to the shareholder who request for the same.

7. The Register of Members and Share Transfer Register of the Company shall remain closed from 13th August, 2022 to 16th August, 2022 (both days inclusive) for the purpose of equity dividend for the year ended 31st March, 2022.
8. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members subject to deduction of tax at source, whose names shall appear in Register of Members as on 12th August, 2022 or Register of Beneficial Owners, maintained by the Depositories at the close of 12th August, 2022.

Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend income is taxable in the hands of members and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the Income Tax Act, 1961. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, in accordance with the provisions of the IT Act.

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come



first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

10. In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Kamal Oswal and Mr. Dinesh Gogna, Non-Executive Directors, retire by rotation at this Meeting and offered themselves for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company commend their respective re-appointments.
11. The relevant information under Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, regarding the Directors who are proposed to be appointed/re-appointed, is given hereto and form part of the Notice.
12. Pursuant to Section 124(5) of the Companies Act, 2013, unclaimed dividend upto the financial year 2011-12 has been transferred to Investor Education and Protection Fund. Further, there is no unpaid dividend for the year 2014-15 which is required to be transferred to Investor Education and Protection Fund as no dividend was declared in said year.
13. Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares in respect of which dividend was remained unclaimed or unpaid for a period of seven consecutive years or more to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: [http://www.ownahar.com/nahar\\_polyfilm/Transfer-of-Equity-Shares-to-IEPF.php](http://www.ownahar.com/nahar_polyfilm/Transfer-of-Equity-Shares-to-IEPF.php). The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).
14. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://www.iepf.gov.in/IEPF/refund.html> or contact the Company for lodging claim for refund of shares and / or dividend from the IEPF Authority.
15. As per Regulation 40 of SEBI (LODR) Regulations, 2015, securities of listed companies can be transferred only in dematerialized form.  
In view of the above and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent: M/s. Alankit Assignments Limited for assistance in this regard.
16. The Company provides the facility of paying dividend through Electronics Clearing System (ECS). The members desirous of availing the facility of electronic credit of dividend are requested to ensure that their correct bank details along with 9 digit MICR code of their Bank is updated in the records of the Depository Participant (DP). Members, who hold the shares in physical form, should contact the Registrar & Transfer Agent or the Company in this regard. In order to prevent fraudulent encashment of dividend warrants, members are requested to provide their correct bank account details to their DP in case of electronic holding and to the Registrar & Transfer Agent or the Company in case of physical holding.
17. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form No. SH-13).
18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent: M/s. Alankit Assignments Limited, the details of



- such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
  20. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 read together with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB /P/CIR/2021/687 dated December 14, 2021 (the "SEBI Circulars") has mandated for furnishing/ updating PAN, KYC details (Address, Mobile No., E-mail ID, Bank Details) and Nomination details by all the holders of physical securities in listed company in the prescribed forms i.e. ISR-1, ISR-2, SH-13/ ISR-3/ SH-14. In compliance thereof, the Company has already sent the communication along with prescribed forms to all the physical shareholders at their registered address. Members are requested to forward the duly filled in Forms along with the related proofs to the Company at its Registered Office at 376, Industrial Area-A, Ludhiana – 141 003 or Registrar and Transfer Agent at M/s. Alankit Assignments Limited, Unit: Nahar Poly Films Limited Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055. The aforesaid forms can be downloaded from the website of the Company at [http://www.ownnahar.com/nahar\\_polyfilm/kyc\\_updation.php](http://www.ownnahar.com/nahar_polyfilm/kyc_updation.php).
  21. As an on-going measure to enhance ease of dealing in securities markets by investors, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has decided that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for: 1. Issue of duplicate securities certificate; 2. Claim from Unclaimed Suspense Account; 3. Renewal / Exchange of securities certificate; 4. Endorsement; 5. Sub-division / Splitting of securities certificate; 6. Consolidation of securities certificates/folios; 7. Transmission; 8. Transposition. Therefore, Members are requested to kindly get their shares dematerialised at the earliest.
  22. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection in electronic mode during the AGM. All other documents referred to in the Notice will be available for inspection in electronic mode without any fee by the members from the date of circulation of this Notice up to the date of AGM i.e. August 24, 2022. Members seeking to inspect such documents can send an email to [secnel@ownnahar.com](mailto:secnel@ownnahar.com).
  23. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
  24. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES:**
    1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [secnel@ownnahar.com](mailto:secnel@ownnahar.com) or [rta@alankit.com](mailto:rta@alankit.com).
    2. For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP).



3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**25. INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 21st August, 2022 (9:00 a.m.) and ends on 23rd August, 2022 (5:00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17th August, 2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The members who have voted through remote e-voting will be eligible to attend the AGM but they will not be entitled to vote at the AGM.
- (iii) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting

process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9,2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	1)Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi. 2)After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the E-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also



	<p>links provided to access the system of all e-Voting Service Provider i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers</p>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/</p>

	<p>Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.



- (v) Login method of e-Voting and joining virtual AGM for **Physical Shareholders & shareholders other than individual shareholders holding in demat form.**
  - a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - b. Click on “Shareholders” module.
  - c. Now Enter your User ID
    - i. For CDSL: 16 digits beneficiary ID,
    - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this

password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for NAHAR POLY FILMS LIMITED i.e 220723004.**
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xx) Additional Facility for Non – Individual Shareholders and Custodians - For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates”



module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at [bathla7@gmail.com](mailto:bathla7@gmail.com) and to the Company at [secnel@owmnahar.com](mailto:secnel@owmnahar.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 17th August, 2022 may follow the same instructions as mentioned above for e-Voting.
- (xxii) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you may write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

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

call on toll free no. 1800 22 55 33.

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

**Ms. Disha Jindal**

Company Secretary and Compliance Officer

376, Industrial Area-A, Ludhiana – 141003

Phone: 0161-5066265

E-mail: [gredressalnpl@owmnahar.com](mailto:gredressalnpl@owmnahar.com)

**26. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING AGM ARE AS UNDER:**

- (i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile



- number at [secnel@owmnahar.com](mailto:secnel@owmnahar.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secnel@owmnahar.com](mailto:secnel@owmnahar.com). These queries will be replied to by the company suitably by email.
- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (x) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**Other instructions:**

27. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut off date.
28. The Company has appointed Mr. P.S. Bathla, Practising Company Secretary (Membership No. FCS 4391), to act as the Scrutinizer to the e-voting process i.e. votes cast during the AGM and votes cast through remote e-voting, in a fair and transparent manner.
29. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within two working days of the conclusion of the AGM.
30. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company [www.owmnahar.com](http://www.owmnahar.com)

and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchanges.

31. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 34th Annual General Meeting i.e. 24th August, 2022.
32. A person who is not a Member as on the cut-off date i.e. 17th August, 2022 should treat this Notice for information purposes only.

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

The explanatory statement sets out all material facts relating to the Item No. 5 (Ordinary Business) and from Item No. 6 to Item No.17 (Special Business) of the accompanying Notice.

**ITEM NO : 5****Information pursuant to Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

The shareholders in their Meeting held on 26th September, 2017 approved the appointment of M/s.YAPL & Co., Chartered Accountants, Ludhiana (Firm Registration No. 017800N), as Statutory Auditors of the Company to hold office for a term of five consecutive years from the conclusion of 29th Annual general Meeting till the conclusion of 34th Annual General Meeting of the Company to be held in the year 2022. Thus, term of YAPL & Co.; Chartered Accountants as Statutory Auditors of the Company will expired on the conclusion of ensuing Annual General Meeting of the Company.

The Board in its meeting held on 23rd July,2022, based on the recommendation of the Audit Committee have proposed the re-appointment of the M/s. YAPL & Co., Chartered Accountants (Registration No. 017800N) as a Statutory Auditors to conduct the audit of the Company for a period of five years commencing from the conclusion of 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in the year 2027.

Before recommending the re-appointment of M/s. YAPL & Co. Chartered Accountants, as the Statutory Auditors of the Company, the Audit Committee





considered various parameters like capability to serve the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s.YAPL & Co., Chartered Accountants, to be suitable to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company. The Statutory Auditors fulfil the eligibility criteria, including relating to independence and conflict.

M/s.YAPL & Co. is a Chartered Accountant Firm registered with Institute of Chartered Accountants of India with Firm Registration No. 017800N. The firm provides a range of services which include audit & assurance, taxation, advisory & accounting. The firm has significant experience in providing auditing, taxation and advisory services to banks and other financial services clients.

In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), M/s. YAPL & Co., Chartered Accountants, have given their consent and eligibility certificate to that effect, their re-appointment, if made, would be in compliance with the applicable laws.

The remuneration to be paid to Statutory Auditors during the term shall be as mutually agreed between the Board of Directors and Statutory Auditors, from time to time.

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

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

**ITEM NO : 6**

As per the provisions of Companies (Cost Records and Audit) Rules, 2014, as amended Company's activities fall within the purview of Cost Audit requirement. Accordingly, the Board at its meeting held on 25th May, 2022 on the recommendation of Audit Committee, approved the appointment

of M/s. Khushwinder Kumar & Associates (Firm Registration No.000102) at a remuneration of Rs. 45000/- (Rupees Forty Five Thousand Only) plus applicable taxes and Reimbursement of out of pocket expenses incurred for conducting the Cost Audit of the Cost records of the Company for the financial year 2022-23.

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

Accordingly consent and approval of the shareholders is being sought for passing an Ordinary Resolution as set out at the Item No. 6 of the Notice for ratification of remuneration payable to M/s. Khushwinder Kumar & Associates (Firm Registration No.000102) for financial year 2022-23.

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

The Board of Directors recommends the Ordinary Resolution at Item No. 6 for approval of the Members.

**ITEM NO : 7**

M/s Nahar Spinning Mills Limited, M/s. Nahar Industrial Enterprises Limited, M/s Oswal Woollen Mills Limited, M/s Monte Carlo Fashions and M/s Nahar Capital and Financial Services Limited are the Group Companies and thus are the Related Parties as per section 2(76) of the Companies Act, 2013. M/s Monte Carlo Fashions Limited is engaged in the retail Business of Garments. M/s Nahar Spinning Mills Limited, M/s Nahar Industrial Enterprises Limited and M/s Oswal Woollen Mills Limited are engaged in the manufacture of yarns and fabric. These Companies in the ordinary course of business buy/sell goods and services, Export Entitlement Licenses i.e DEP, RODTEP Licenses etc. Some transactions with M/s Nahar Capital and Financial Services Limited also take place. All the transactions are entered with the above said



Companies, are in the ordinary course of business and are on Arm's length basis.

All the related party transaction(s) specified under section 188(1), the value/consideration of which is in excess of their respective limits prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, has to be approved by the members in the General Meeting. Whereas the third proviso to section 188(1) also states that nothing in section 188(1) will apply to any transaction entered into by the Company in its Ordinary course of business and at arm's length basis.

Further in accordance with Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 Company is required to seek shareholder's approval for material related party transactions.

Taking into Account the statutory provisions the Board of Directors intend to seek your prior approval for the Contracts(s)/ Agreement(s)/ Transaction(s) to be entered with the Group Companies for a period of three years w.e.f. 1st April, 2022.

Sh. Jawahar Lal Oswal, Chairman, Sh. Sambhav Oswal, Executive Director, Sh. Dinesh Oswal, Director and Sh. Kamal Oswal, being the promoters and directors may be deemed to be concerned/ interested in the said resolution.

None of the directors and Key Managerial Personnel of the Company and their relatives, except as stated above, may be deemed to be concerned/ interested financially or otherwise in the said resolution.

The Board of Directors recommends the Ordinary Resolution at Item No. 7 for approval of the Members.

#### **ITEM NO : 8**

Mr. Sambhav Oswal (DIN: 07619112) was appointed as Executive Director of the Company vide shareholder resolution dated 29th day of September, 2020 to hold office for a period of the 5 (five) consecutive years effective from 1 July, 2020 to 30 June, 2025.

Mr. Sambhav Oswal is 29 years of age. He has done his graduation in Business Administration from University of Southern California, USA. He has experience of more than 8 years in the areas of

Marketing, Exports, Finance and Corporate affairs. He served as V.P (corporate affairs) in Nahar Spinning Mills Limited (hereinafter referred as NSM"), which is one of the largest integrated textile Mill of India. During his association with NSM, he acquired good experience in Exports, Marketing and Corporate affairs.

Moreover, the Company's second line of BOPP Film Project with a capacity of 30000 Tonnes Per Annum has started commercial production in February,2022.With this the Company's capacity stands increased to 60000 Tonnes Per Annum. As such now he will be shouldering more responsibilities for managing a bigger unit. He has been entrusted with more responsibilities of managing the affairs of the company. Having regard to his education, experience and performance of the Company under his able leadership and expansion of the Company's production capacity, the Board on the recommendation of Nomination and remuneration Committee has proposed to re-designate him as Managing Director of the Company and also revised his remuneration and perquisites w.e.f from September 1,2022 till the completion of his present tenure i.e up to June 30,2025 as set out in the resolution.

The Shareholders at their Meeting held on 29th September, 2020 by way of Special Resolution approved the appointment and payment of remuneration to Mr. Sambhav Oswal, Executive Director of the Company (DIN: 07619112) for a period of five years w.e.f. from 1 July, 2020 to 30 June, 2025.However, Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if- the annual remuneration payable to such executive director exceeds Rs. 5 Crores or 2.5 per cent of the net profits (calculated as per section 198 of the Companies Act, 2013) of the listed entity, whichever is higher.

Mr. Sambhav Oswal belongs to the Promoter Group of the Company. Accordingly, the Board, on the recommendation of Nomination and Remuneration Committee, Audit Committee has sought approval of the members by way of Special Resolution



for payment of remuneration to Mr. Sambhav Oswal, being a promoter of the Company, even if the aggregate annual remuneration payable to him may exceeds the limit as provided under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.e.f September 1,2022 to June 30,2025 i.e till the completion of his present tenure.

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

Wherein any financial year during his tenure, the Company has no profits or its profits are inadequate, the Company may pay the remuneration as set out in the resolution to Mr. Sambhav Oswal, as the minimum remuneration for a period not exceeding 3 (three) years or such other period as may be permitted subject to the requisite approvals, if any.

The Board recommends the special resolution set out at Item no. 8 of the accompanying Notice for your approval.

**Listed Companies (other than Nahar Poly Films Limited) in which Mr. Sambhav Oswal holds Directorship of Board, Chairmanship and Membership of Board Committees**

Directorships of the Company: NIL

Chairmanship of Board Committees:- NIL

Membership of Board Committees: NIL

Shareholding in the Company: 1000 equity shares of the Company.

Disclosure of relationship between Directors inter-se: Mr. Sambhav Oswal is related to Mr. Jawahar Lal Oswal (Chairman), Mr. Kamal Oswal (Director) and Mr. Dinesh Oswal (Director).None of the other Directors are in any way related to Mr. Sambhav Oswal. Mr. Sambhav Oswal may be deemed to be concerned or interested in the resolution. Further Mr. Jawahar Lal Oswal (Chairman), Mr. Kamal Oswal (Director), Mrs. Ritu Oswal and Mr. Dinesh

Oswal being relatives of Mr. Sambhav Oswal may be deemed to be concerned or interested in the said resolution.

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

**THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013**

**I. General Information**

**(1) Nature of industry:**

The Company is mainly engaged in manufacturing of BI-AXIALLY ORIENTED POLYPROPYLENE FILMS. (BOPP FILMS.). The BOPP Films are mainly used in flexible packaging and sold in the domestic and international markets

**(2) Date or expected date of Commencement of Commercial production:**

The BOPP Films Project was fully implemented in the year 2010 and commenced operations on 20th May, 2010 and since then it is working.

**(3) In case of new Companies, expected date of Commencement of activities as per project approved by the financial institution appearing in prospectus.**

Not Applicable, as the Company is an existing company operating in manufacturing of BI-AXIALLY ORIENTED POLYPROPYLENE FILMS (BOPP FILMS).

**(4) Financial Performance based on given indicators** (in lacs)

	FY 2021-22	FY2020-21
Gross Revenue	48714.43	30274.62
Profit Before Tax	11634.26	6852.85
Net Profit for the period	8768.11	5143.63

**(5) Foreign Investments or Collaborators, if any**

The Company has not entered into any foreign collaboration and no foreign direct capital investment made in Company.

**II. Information about the appointee**

**(a) Background Details:** Mr. Sambhav Oswal is 29 years of age. He has done

his graduation in Business Administration from University of Southern California, USA. He has an experience of more than 8 years. During his association with NSM, he has acquired great experience in the areas of Marketing, Exports, Finance and Corporate Affairs. Mr. Sambhav Oswal has worked in the capacity of Vice President – Corporate Affairs in large Textile Company.

**(b) Past Remuneration:**

Year	2021-22	2020-21
Remuneration	*4,08,25,479	*2,25,48,967

*\*Includes the commission of Rs Rs 2,40,33,845 for year 2021-22 and Rs.1,17,29,613 pertaining to year 2020-2021.*

*Note: Mr. Sambhav Oswal was paid remuneration during the years 2021-22 and 2020-21 as approved vide shareholders resolution dated 29th September, 2020*

**III. Recognition or Awards**

Under his able and dynamic leadership, the Company has witnessed impressive financial growth and stability. The Company's operating income has risen to Rs. 49533.35 Lacs in the year 2022.

**IV. Job profile and sustainability**

Mr. Sambhav Oswal is a Executive Director of the Company. His association started with the Company as Director of the Company in the year 2020. He has played a pivotal role in charting the Company's strategy for expanding its operations in the Global Markets. Having regard to his knowledge and business experience, he is the best suited person for the job.

**V. Remuneration Proposed**

The remuneration proposed has already been given in the Special Resolution at Item No. 8 of the accompanying Notice of Annual General Meeting. However in case of inadequacy of profits, the said remuneration will be paid as minimum remuneration.

**VI. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

Considering the size of the Company, the profile of Mr. Sambhav Oswal, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him commensurate with the remuneration packages paid to persons appointed at similar level in other companies.

**VII Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Mr. Sambhav Oswal belongs to promoter category. He is also a relative to Mr. Dinesh Oswal, Director, Mr. Jawahar Lal Oswal and Mr. Kamal Oswal, Directors of the Company. Besides the remuneration proposed, Mr. Sambhav Oswal, does not have any other pecuniary relationship with the Company or with the Managerial Personnel.

**III. Other Information**

**(I) Reasons for loss or inadequate profits**

The Company has earned a Net Profit of Rs. 8768.11 Lakhs for the year ended 31st March, 2022. However, disrupted economic and financial activities due to the COVID-19 pandemic, the Company's profitability might get affected in the coming periods.

**(II) Steps taken or proposed to be taken for improvement**

All the countries over the world are taking necessary steps to control and eradicate the Covid-19. In order to mitigate the impact of COVID-19, the Reserve Bank of India and the Government of India are taking several measures for putting the economy of the country on the path of recovery as well as growth.

**(III) Expected increase in the productivity and profits in the measurable terms**

Currently, it is not feasible to predict with accuracy the expected increase in the productivity and profits in the measurable term. However with the improvement in the economic activity at the Global and Domestic markets, your Management



expects that the productivity and profits will improve in coming period. With the improvement in business cycle, the industry is expected to perform well in the coming period.

**(IV) Disclosures**

The Company has provided all the disclosures in Corporate Governance Report as required under Section II of Part II of Schedule V of the Companies Act, 2013.

**ITEM NO: 9**

Pursuant to the provisions of Section 196(3) of Companies Act, 2013 no Company shall appoint or continue the employment of any person as Executive Director, who has attained the age of seventy years unless a special resolution is passed. Mr. Satish Kumar Sharma was re-appointed as an Executive Director of the company with effect from 1st August, 2020 for term of 3 years under the applicable provisions of the Companies Act, 2013. His present term as an Executive Director is expiring on 31st July, 2023.

Mr. Satish Kumar Sharma is 69 years of Age. He is MBA and having more than 48 years of experience as Corporate Executive. He will attain the age of 70 years on September 4, 2022. Having regard to his vast knowledge and expertise, the Nomination and Remuneration Committee has recommended his continuation on the Board as an Executive Director.

The Board is of the opinion that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Executive Director. In view of above, the Board recommends the Special Resolution set out at Item No. 9 of the Notice to seek the consent of the members for continuation of Holding of office as an Executive Director by Mr. Satish Kumar Sharma after attaining the age of 70 years up to the expiry of his present tenure on the same term of appointment and remuneration as approved by members earlier in the Annual General Meeting held on 30th September, 2019.

None of the Directors except Mr. Satish Kumar Sharma, Key Managerial Personnel or their relatives are, in any way, concerned or interested financially or otherwise.

Brief resume of the Mr. Satish Kumar Sharma,

nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

**ITEM NO: 10**

The Shareholders vide resolution dated 30th September, 2019, re-appointed Mr. Satish Kumar Sharma, as an Executive Director of the company with effect from 1st August, 2020 for period of 3 years. His tenure as Executive Director is expiring on 31st July, 2023. The Board keeping in view the overall growth of the Company under his able and dynamic leadership and on the recommendation of Nomination and Remuneration Committee (subject to the approval of the shareholders), has decided to re-appoint Mr. Satish Kumar Sharma, who will attain the age of 70 years on September 4, 2022, as Executive Director of the Company for a further period of 3 years commencing from 1st August, 2023.

Mr. Satish Kumar Sharma is aged about 69 years. He is MBA and having enriched experience of more than 48 years of experience as Corporate Executive. Having regard to his vast knowledge and experience, it would be in the interest of the company to reappoint him as an Executive Director of the Company under the category of the Key Managerial Personnel.

The Board is of the opinion that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Executive Director. In view of above, the Board seeks consent and approval of the members by way of Special Resolution for re-appointment of Mr. Satish Kumar Sharma, who will attain the age of 70 years on September 4, 2022, as an Executive Director of the Company with effect from 1st August, 2023 to 31st July, 2026 for the period of three (3) years.

The terms and conditions of appointment as set out in the draft agreement to be entered into between the Company and Mr. Satish Kumar Sharma is available for inspection at the Registered Office of the Company. The Resolution as given in the notice may also be treated as an abstract of terms of Contract of Appointment under the provisions



of Section 190 of the Companies Act, 2013. None of the Directors except Mr. Satish Kumar Sharma, Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors recommends the Special Resolution at Item No. 10 for approval of the Members by way of Special Resolution.

Brief resume of Mr. Satish Kumar Sharma, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

**THE STATEMENT AS REQUIRED UNDER SECTION II, PART II OF THE SCHEDULE V OF THE COMPANIES ACT, 2013 IS AS UNDER:**

**I. General Information**

**(1) Nature of industry:**

The Company is mainly engaged in manufacturing of BI-AXIALLY ORIENTED POLYPROPYLENE FILMS (BOPP FILMS). The BOPP Films are mainly used in flexible packaging and sold in the domestic and international markets.

**(2) Date or expected date of Commencement of Commercial production:**

The BOPP Films Project was fully implemented in the year 2010 and commenced operations on 20th May, 2010 and since then it is working.

**(3) In case of new Companies, expected date of Commencement of activities as per project approved by the financial institution appearing in prospectus.**

Not Applicable, as the Company is an existing company operating in manufacturing of BI-AXIALLY ORIENTED POLYPROPYLENE FILMS (BOPP FILMS).

**(4) Financial Performance based on given indicators** (in lacs)

	FY 2021-22	FY2020-21
Gross Revenue	48714.43	30274.62
Profit Before Tax	11634.26	6852.85
Net Profit for the period	8768.11	5143.63

**(5) Foreign Investments or Collaborators, if any**

The Company has not entered into any foreign collaboration and no foreign direct capital investment made in Company.

**II. Information about the appointee**

**(a) Background Details:** Mr. Satish Kumar Sharma is of 69 years of age. He has done Master Degree in Business Administration. He has 48 years of experience as Corporate Executive.

**(b) Past Remuneration:**

Year	2021-22	2020-21
Remuneration	23,40,413	19,66,510

Note: Mr. Satish Kumar Sharma was paid remuneration during the years 2021-22 and 2020-21 as approved vide shareholders resolution dated 30th September 2019

**III. Recognition or Awards**

Under his able and dynamic leadership, Mr. Satish Kumar Sharma, Executive Director, the Company has witnessed impressive financial growth and stability. His continue association will be beneficial for the Company.

**IV. Job profile and sustainability**

Mr. Satish Kumar Sharma was re-appointed as Executive Director of the company by the members for a period of three years w.e.f. 1st August, 2020, vide their resolution dated 30th September, 2019. He is having more than 48 years of experience in Industry. Mr. Satish Kumar Sharma becomes director of the Company, in the year 2007. Having regard to his knowledge, Business experience and leadership to the executive team, he is the best suited person for the responsibilities entrusted to him by the Board of Directors.

**V. Remuneration Proposed**

The remuneration proposed has been given in the Special Resolution at Item No. 10 of the accompanying Notice of Annual General Meeting. However in case of inadequacy of profits, the said remuneration will be paid as minimum remuneration.

**VI Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

Considering the size of the Company, the profile of Mr. Satish Kumar Sharma, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him commensurate with the remuneration packages paid to persons appointed at similar level in other companies.

**VII. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Mr. Satish Kumar Sharma is not related to any Director of the Company. Besides the remuneration proposed, Mr. Satish Kumar Sharma does not have any other pecuniary relationship with the Company or with the Managerial Personnel.

**III. Other Information**

**(I) Reasons for loss or inadequate profits**

The Company has earned a Net Profit of Rs. 8768.11 Lakhs for the year ended 31st March, 2022. However, disrupted economic and financial activities due to the COVID-19 pandemic the Company's profitability might get affected in the coming periods.

**(II) Steps taken or proposed to be taken for improvement**

All the countries over the world are taking necessary steps to control and eradicate the Covid-19. In order to mitigate the impact of COVID-19, the Reserve Bank of India and the Government of India are taking several measures for putting the economy of the country on the path of recovery as well as growth.

**(III) Expected increase in the productivity and profits in the measurable terms**

Currently, it is not feasible to predict with accuracy the expected increase in the productivity and profits in the measurable term. However with the improvement in the economic activity at the Global and Domestic markets, your Management expects that the productivity and profits will improve in coming period. With the improvement in business cycle, the industry is expected to perform well in the coming period.

**(IV) Disclosures**

The Company has provided all the disclosures in Corporate Governance Report as required under Section II of Part II of Schedule V of the Companies Act, 2013.

**ITEM NO:11**

On the recommendations of the Nomination and Remuneration Committee, the Board in its meeting held on 25th May, 2022, in terms of Section 161 of the Act and Regulation 25(6) of SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015, appointed Dr. Anchal Kumar Jain as an Additional Non-Executive Independent Director of the Company and to hold office up to date of ensuing Annual General Meeting and is eligible for appointment as per Articles of Association of the company.

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Dr. Anchal Kumar Jain for the office of the Independent Director of the Company

The Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Anchal Kumar Jain, has recommended to the Board his appointment. Accordingly, the Board having regard to skills, experience and knowledge of Dr. Anchal Kumar Jain, proposed the appointment of Dr. Anchal Kumar Jain, as an independent Director, not liable to retire by rotation on the Board of the Company for a term of five consecutive years commencing from May 25,2022 upto May 24, 2027.

Dr. Anchal Kumar Jain is 62 years of age. He has done B.Tech, M.Tech & P.h.D. and having more than 37 years' experience in Teaching. He retired as Professor and Head (Soil and Water Engineering) from Punjab Agricultural University, Ludhiana. Currently he is working as Professor at Lovely Professional University, Phagwara (Punjab). He was awarded from 'Noble Citizen Award' in 2020. He was awarded from 'Team Award' and 'Commendation Medal' from Indian Society of Agricultural Engineers for outstanding Contributions to research in soil and water engineering. Besides this, he was also honored with 'Shiksha Rattan Puraskar' in 2010 by India International Friendship Society. Having regard to his vast expertise and knowledge, it will be in the interest of the Company to appoint him as an Independent



Director of the Company.

The Company has received from Dr. Anchal Kumar Jain (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Anchal Kumar Jain fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website [www.owmnahar.com](http://www.owmnahar.com).

Dr. Anchal Kumar Jain does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

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

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for your approval.

Brief resume of the Dr. Anchal Kumar Jain, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

**ITEM NO: 12**

Pursuant to the provisions of Section 149 read

with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Manisha Gupta was appointed as Independent Director of the Company to hold office for term of 5 (five) consecutive years upto September 25, 2022. Thus, her period of office will be expiring on September 25, 2022.

Based on the recommendation of the Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Manisha Gupta and on the basis of performance evaluation, the Board in its Meeting held on 23rd July, 2022 has proposed the re-appointment of Dr. Manisha Gupta as an independent Director, not liable to retire by rotation, of the Company for a second term of 5 (five) consecutive years commencing from September 26, 2022 upto September 25, 2027.

Dr. Manisha Gupta aged about 43 years, is commerce graduate and Ph.D in Financial Management. Presently, she is working as Director at Punjab Institute of Management and Technology, Mandi Gobindgarh. As identified by the Nomination and Remuneration Committee of the Company, the role of Independent Director requires various skills and capabilities viz; Leadership skills, Managerial and entrepreneurial skills, industry knowledge and experience, understanding of relevant laws, rules, regulations and policies, financial knowledge and expertise, policy shaping, corporate governance, risk management etc. Dr. Manisha Gupta meets these requirements of skills and capabilities as required to be an Independent Director of the Company. Moreover she is having more than 22 years of experience in Teaching and Research of Management and Administration and served as Independent Director in various Listed Companies.

Having regard to her vast knowledge and expertise, the Board is of the opinion that her continued association would be of immense beneficial to the Company and it is desirable to re-appoint her as an Independent Director for a second term of five years to avail her services as an Independent Director.

The Company has received from Dr. Manisha Gupta (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules



2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Manisha Gupta fulfils the conditions for her re-appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. She is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for her appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website [www.ownahar.com](http://www.ownahar.com).

Dr. Manisha Gupta does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

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

The Board of Directors recommends the Special Resolution at Item No. 12 for approval of the Members by way of Special Resolution.

Brief resume of the Dr. Manisha Gupta, nature of her expertise in specific functional area and names of the Companies in which she holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

#### **ITEM NO:13**

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member

under Section 160 of the Companies Act, 2013, proposing the candidature of Dr. Roshan Lal Behl for the office of the Independent Director of the Company.

The Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Roshan Lal Behl, has recommended to the Board his appointment. Accordingly, the Board having regard to skills, experience and knowledge of Dr. Roshan Lal Behl, in its Meeting held on 23rd July, 2022 has proposed the appointment of Dr. Roshan Lal Behl, as an independent Director, not liable to retire by rotation, on the Board of the Company for a term of five consecutive years commencing from this Annual General Meeting upto August 23, 2027.

Dr. Roshan Lal Behl is 65 years of age. He is M.Com, MBA (Financial Management) and Ph.D (Corporate Disclosure Practices of Indian Companies). He is having more than 41 years of experience in Teaching. He retired as Principal from Sri Aurobindo College of Commerce and Management, Ludhiana in November, 2019. He has also served as Director of Ludhiana Stock Exchange from 2012 to 2014. Having regard to his vast expertise and knowledge, it will be in the interest of the Company to appoint him as an Independent Director.

The Company has received from Dr. Roshan Lal Behl (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Roshan Lal Behl fulfils the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours

on any working day and is also available on Company's website [www.owmnaahar.com](http://www.owmnaahar.com).

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

The Board recommends the Special Resolution set out at Item No. 13 of the Notice for your approval.

Brief resume of the Dr. Roshan Lal Behl, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

#### ITEM NO:14

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Dr. Rajan Dhir for the office of the Independent Director of the Company.

The Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Rajan Dhir, has recommended to the Board his appointment. Accordingly, the Board having regard to skills, experience and knowledge of Dr. Rajan Dhir, in its Meeting held on 23rd July 2022 has proposed the appointment of Dr. Rajan Dhir, as an independent Director, not liable to retire by rotation, on the Board of the Company for a term of five consecutive years commencing from this Annual General Meeting upto August 23, 2027.

Dr. Rajan Dhir is 64 years of age. He is B.Sc, M.Sc, MBA and PH.D (Management). He is having 25 years of experience in Industry in the Marketing and held Senior Management Positions in various organizations. He started his career as Branch Manager with Lucas India Service Limited. He has also worked with Birla

Corporation as General Manager- Marketing. He has published many books and research papers and journals. Having regard to his vast expertise and knowledge, it will be in the interest of the Company to appoint him as an Independent Director.

The Company has received from Dr. Rajan Dhir (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Rajan Dhir fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website [www.owmnaahar.com](http://www.owmnaahar.com).

Dr. Rajan Dhir does not hold by himself or for any other person on a beneficial basis, any shares in the Company. None of the Directors except Dr. Rajan Dhir, Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommend the Special Resolution set out at Item No. 14 of the Notice for your approval.

Brief resume of the Dr. Rajan Dhir, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

**ITEM NO:15**

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Dr. Prem Lata Singla for the office of the Independent Director of the Company.

The Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Prem Lata Singla, has recommended to the Board his appointment. Accordingly, the Board having regard to skills, experience and knowledge of Dr. Prem Lata Singla, in its Meeting held on 23rd July, 2022 has proposed the appointment of Dr. Prem Lata Singla, as an independent Director, not liable to retire by rotation, on the Board of the Company for a term of five consecutive years commencing from this Annual General Meeting upto August 23, 2027.

Dr. Prem Lata Singla is 67 years of age. She is B.Sc., M.Sc, and PH.D. She is having 24 years of experience in the field of teaching. She has published many books and research papers and journals. She is retired principal from Bahi Nagahia Singh Memorials College for Girls Dr. Prem Lata Singla meets these requirements of skills and capabilities as required to be an Independent Director of the Company as he is having more than 24 years of experience. Having regard to her vast expertise and knowledge, it will be in the interest of the Company to appoint him as an Independent Director.

The Company has received from Dr. Prem Lata Singla (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Prem Lata

Singla fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. She is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website [www.ownnahar.com](http://www.ownnahar.com).

Dr. Prem Lata Singla does not hold by himself or for any other person on a beneficial basis, any shares in the Company. None of the Directors except Dr. Prem Lata Singla, Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommend the Special Resolution set out at Item No. 15 of the Notice for your approval.

Brief resume of the Dr. Prem Lata Singla, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships / memberships / chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

**ITEM NO:16**

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Dr. Rakesh Kumar Jindal for the office of the Independent Director of the Company.

The Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Rakesh Kumar Jindal, has recommended to the Board his appointment. Accordingly, the Board having regard to skills, experience and knowledge of Dr. Rakesh Kumar Jindal, in its

Meeting held on 23rd July, 2022 has proposed the appointment of Dr. Rakesh Kumar Jindal as an independent Director, not liable to retire by rotation, not liable to retire by Rotation, on the Board of the Company for a term of five consecutive years commencing from this Annual General Meeting up to August 23, 2027.

Dr. Rakesh Kumar Jindal Singla is 65 years of age. He is M.Sc, and PH.D. He is having 27 years of experience in the field of teaching. He also has enriched experience of 13 years in development and implementation of ERP Solutions. Dr. Rakesh Kumar Singla meets these requirements of skills and capabilities as required to be an Independent Director of the Company. Having regard to her vast expertise and knowledge, it will be in the interest of the Company to appoint him as an Independent Director.

The Company has received from Dr. Rakesh Kumar Jindal (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In the opinion of the Board, Dr. Rakesh Kumar Jindal fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Dr. Rakesh Kumar Jindal fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website [www.ownahar.com](http://www.ownahar.com).

Dr. Rakesh Kumar Jindal does not hold by him-

self or for any other person on a beneficial basis, any shares in the Company. None of the Directors except Dr. Rakesh Kumar Jindal, Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommend the Special Resolution set out at Item No. 16 of the Notice for your approval.

Brief resume of the Dr. Rakesh Kumar Jindal, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

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

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

<b>1.Name</b>	<b>Mr. Kamal Oswal</b>
<b>Age</b>	60 Years
<b>Qualification</b>	B.com
<b>Expertise</b>	Having more than 40 years of experience in textile and Woollen Industry.

**Listed Companies (other than Nahar Poly Films Limited) in which Mr. Kamal Oswal holds Directorship as on 31st March 2022**

<b>S.No</b>	<b>Name</b>	<b>Status</b>
1.	Nahar Spinning Mills Ltd	Director
2.	Nahar Capital And Financial Services Limited	Director
3.	Nahar Industrial Enterprises Limited	Director
4.	Oswal Leasing Limited	Director

**Chairmanship of Board Committees: NIL**

**Membership of Board Committees:**



S. No	Name of the Company	Name of the Committee	Designation
1.	Nahar Industrial Enterprises Limited	Stakeholder's Relationship	Member

**Listed entities from which person resigned in past Three years: NIL**

**Shareholding:** 31500 Equity Shares of Rs. 5/- each

**Disclosure of relationship between Directors inter-se:** Mr. Kamal Oswal is the son of Mr. Jawahar Lal Oswal, brother of Mr. Dinesh Oswal and uncle of Mr. Sambhav Oswal.

<b>2.Name</b>	<b>Mr. Dinesh Gogna</b>
<b>Age</b>	69 Years
<b>Qualification</b>	B.A.LLB
<b>Expertise</b>	Having more than 45 years of experience in Corporate Finance and Taxation.

**Listed Companies (other than Nahar Poly Films Limited) in which Mr. Dinesh Gogna holds Directorship as on 31st March 2022**

S.No	Name	Status
1.	Nahar Spinning Mills Ltd	Director
2.	Nahar Capital And Financial Services Limited	Director
3.	Nahar Industrial Enterprises Limited	Director
4.	Oswal Leasing Limited	Director
5.	Monte Carlo Fashions Limited	Director

**Chairmanship of Board Committees:**

S.no	Name of the Company	Name of the Committee
1	Nahar Industrial Enterprises Limited	Stakeholder's Relationship Committee
2	Monte Carlo Fashions Limited	Stakeholder's Relationship Committee

**Membership of Board Committees:**

S.no	Name of the Company	Name of the Committee
1.	Nahar Industrial Enterprises Limited	Audit Committee Corporate Social Responsibility

2	Nahar Spinning Mills Limited	Audit Committee Corporate Social Responsibility Share Transfer Committee
3	Nahar Capital And Financial Services Limited	Share Transfer Committee CSR Committee
4	Monte Carlo Fashions Limited	Audit Committee Nomination and Remuneration Risk Management Committee Corporate Social responsibility Share Transfer Committee

**Listed entities from which person resigned in past Three years: NIL**

**Shareholding: NIL**

**Disclosure of relationship between Directors inter-se: NIL**

<b>3. Name</b>	Mr. Satish Kumar Sharma
<b>Age</b>	69 Years
<b>Qualification</b>	Management in Business Administration
<b>Expertise</b>	48 years of enriched experience as Corporate Executive

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

**Directorship of Board:**

S. No.	Name of the company	Status
1	Nahar Spinning Mills Limited	Director
2	Nahar Capital and Financial Services Limited	Director

**Chairmanship of Board Committees: NIL**

**Member of Board Committees:**

S.No	Name of the Company	Committee
1.	Nahar Spinning Mills Limited	Stakeholder's Relationship Share Transfer Committee
2.	Nahar Capital and Financial Services Limited	Audit Committee Stakeholder's Relationship

**Shareholding in the Company: NIL**

**Listed Companies from which person resigned from Last Three years: NIL**

**Disclosure of relationship between Directors inter-se:** Mr. Satish Kumar Sharma is not related



to any Director of the Company.

<b>5.Name</b>	Dr. Anchal Kumar Jain
<b>Age</b>	62 Years
<b>Qualification</b>	B.Tech, M.Tech and PH.D
<b>Expertise</b>	Enriched experience of 37 years as professor and presently serving at Lovely Professional University, Jalandhar

**Listed Companies (other than Nahar Poly Films Limited) in which Dr. Anchal Kumar Jain Sharma holds Directorship, Chairmanship and Membership of Board:**

**Directorship of Board: NIL**

**Chairmanship of Board Committees: NIL**

**Member of Board Committees: NIL**

**Shareholding in the Company: NIL**

**Listed Companies from which person resigned from Last Three years: NIL**

**Disclosure of relationship between Directors inter-se: NIL**

<b>5.Name</b>	Dr. Manisha Gupta
<b>Age</b>	43 Years
<b>Qualification</b>	B.Com, MBA(super Finance) and PH.D in Financial Management
<b>Expertise</b>	She has an enriched experience of 22 years of experience in Teaching and Research of Management and Administration

**Listed Companies (other than Nahar Poly Films Limited) in which Dr. Manisha Gupta holds Directorship, Chairmanship and Membership of Board:**

**Directorship of Board:**

S.NO	NAME OF COMPANY	ST AUS
1.	Nahar Industrial Enterprises Limited	Independent Director
2.	Nahar Spinning Mills Limited	Independent Director
3.	Nahar Capital and Financial Services Limited	Independent Director
4.	Monte Carlo Fashions Limited	Independent Director
5.	Oswal Leasing Limited	Independent Director

**Chairmanship of Board Committees: NIL**

**Member of Board Committees:**

S. NO	NAME	COMMITTEE
1	Monte Carlo Fashions Ltd	Audit Committee
2	Nahar Spinning Mills Ltd	Nomination and Remuneration
3	Nahar Capital And Financial Services Ltd	Nomination and Remuneration
4	Nahar Industrial Enterprises Ltd	Audit Committee
5	Oswal Leasing Limited	Nomination and Remuneration, Audit Committee Stakeholder Relationship Share Transfer Committee

**Shareholding in the Company: NIL**

**Listed Companies from which person resigned from Last Three years: NIL**

**Disclosure of relationship between Directors inter-se: NIL**

<b>6.Name</b>	Dr. Roshan Lal Behl
<b>Age</b>	65Years
<b>Qualification</b>	M.Com, MBA (Financial Management) and Ph.D (Corporate Disclosure Practices of Indian Companies)
<b>Expertise</b>	He is having more than 41 years of experience in Teaching. He retired as Principal from Sri Aurobindo College of Commerce and Management, Ludhiana in November, 2019

**Listed Companies (other than Nahar Poly Films Limited) in which Dr. Roshan Lal Behl holds Directorship, Chairmanship and Membership of Board:**

**Directorship of Board:**

S.NO	NAME OF COMPANY	ST AUS
1.	Nahar Industrial Enterprises Limited	Independent Director
2.	Nahar Spinning Mills Limited	Independent Director
3.	Nahar Capital and Financial Services Limited	Independent Director
4.	Monte Carlo Fashions Limited	Independent Director
5.	Oswal Leasing Limited	Independent Director

**Chairmanship of Board Committees:**

S. NO	NAME OF COMPANY	COMMITTEE
1.	Nahar Industrial Enterprises Ltd.	Audit Committee
2.	Oswal Leasing Limited Ltd.	Audit Committee, Stakeholder's Relationship Committee, Nomination & Remuneration committee, Share Transfers Committee

**Member of Board Committees:**

S.NO	NAME	COMMITTEE
1.	Monte Carlo Fash-ions Ltd	Audit Committee, Nomination & Remuneration Committee Stakeholder's Relationship Committee
2.	Nahar Spinning Mills Ltd	Risk Management
3.	Nahar Capital And Financial Services Ltd	Nomination and Remuneration Committee Share Transfer Committee
4.	Nahar Industrial Enterprises Ltd	Nomination & Remuneration Committee

**Shareholding in the Company: 35 equity share of Rs. 5/- each.**

**Listed Companies from which person resigned from Last Three years: NIL**

**Disclosure of relationship between Directors inter-se: NIL**

<b>7.Name</b>	Dr. Rajan Dhir
<b>Age</b>	64Years
<b>Qualification</b>	B.Sc, M.Sc, MBA and PH.D (Management).
<b>Expertise</b>	He is having 25 years of experience in Industry in the field of Marketing and held Senior Management Positions in various organizations.

**Listed Companies (other than Nahar Poly Films Limited) in which Dr. Rajan Dhir holds Directorship, Chairmanship and Membership of Board:**

**Directorship of Board: NIL**

**Chairmanship of Board Committees: NIL**

**Member of Board Committees: NIL**

**Shareholding in the Company: NIL**

**Listed Companies from which person resigned from Last Three years: NIL**

**Disclosure of relationship between Directors inter-se: NIL**

<b>8.Name</b>	Dr. Prem Lata Singla
<b>Age</b>	67 years
<b>Qualification</b>	B.Sc, M.Sc and Ph.D
<b>Expertise</b>	She is having more than 24 years of experience in Teaching. She retired as Principal from Bahi Nagahia Singh Memorial College for Girls,Ludhaina.

**Listed Companies (other than Nahar Poly Films Limited) in which Dr. Prem Lata Singla holds Directorship, Chairmanship and Membership of Board:**

**Directorship of Board: NIL**

**Chairmanship of Board Committees: NIL**

**Member of Board Committees: NIL**

**Shareholding in the Company: NIL**

**Listed Companies from which person resigned from Last Three years: NIL**

**Disclosure of relationship between Directors inter-se: NIL**

<b>9.Name</b>	Dr. Rakesh Kumar Jindal
<b>Age</b>	65 Years
<b>Qualification</b>	M.Sc., Ph.D
<b>Expertise</b>	He is having enriched experience of 13 years in the field of development and implementation of ERP Solutions.

**Listed Companies (other than Nahar Poly Films Limited) in which Dr. Rakesh Kumar Jindal holds Directorship, Chairmanship and Membership of Board:**

**Directorship of Board: NIL**

**Chairmanship of Board Committees: NIL**

**Member of Board Committees: NIL**

**Shareholding in the Company: NIL**

**Listed Companies from which person resigned from Last Three years: NIL**

**Disclosure of relationship between Directors inter-se: NIL**

**BY ORDER OF THE BOARD**

**DISHA JINDAL  
(COMPANY SECRETARY)**

**Dated: 23rd July, 2022**

**Regd.Office:**

**376, Industrial Area-A,**

**Ludhiana -141003(India)**

**CIN: L17115PB1988PLC008820**

**E-mail: secnel@owmnahar.com**



## DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the **Thirty Fourth Annual Report** on the business and operations of the Company together with Audited Financial Statements for the year ended 31st March 2022.

### FINANCIAL PERFORMANCE

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

(Rs. In Crores)

Particulars	Standalone		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
<b>Total Income</b>	<b>495.33</b>	<b>308.61</b>	<b>493.35</b>	<b>308.28</b>
Less: Total Expenses	378.99	240.08	378.99	240.08
<b>Profit Before Tax</b>	<b>116.34</b>	<b>68.53</b>	<b>114.36</b>	<b>68.20</b>
Less: Tax Expenses including (deferred Tax)	28.66	17.09	28.66	17.09
<b>Net Profit from continuing operations</b>	<b>87.68</b>	<b>51.44</b>	<b>*97.71</b>	<b>*62.61</b>
Add: Other comprehensive Income/(Loss)	266.86	55.96	293.64	74.49
<b>Profit/(Loss) for the period</b>	<b>354.54</b>	<b>107.40</b>	<b>391.35</b>	<b>137.11</b>

\*Consolidated profit for the year includes Share of profit from Associates under equity method for the amount of Rs. 12.01 Crores in Current Year and Rs. 11.51 Crores in the Previous Year.

### INDIAN ACCOUNTING STANDARD

The Company has adopted Indian Accounting Standards (Ind AS) and the financial statements have been prepared as per the Indian Companies Accounting Standard Rules, 2015 as amended, as prescribed under section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and the other Accounting Principles generally accepted in India.

### OPERATIONAL REVIEW AND STATE OF AFFAIRS

We would like to inform you that Company operates in single segment i.e. Biaxially Oriented Poly Propylene Films (BOPP films), as such the disclosure requirements as per Indian Accounting Standard (IndAS 108) issued by the Institute of Chartered Accountants of India, New Delhi are not applicable to the Company.

Before reviewing the operational performance, we are pleased to inform you that the Company's expansion

plan of putting up new BOPP line with a capacity of 30000 Tonnes per annum has been implemented successfully. The Commercial production has started in the month of February 2022. Thus as on date the Company installed capacity stand increased to 60000 Tonnes Per Annum.

We would like to apprise you regarding the financial performance of the company for the Financial Year ended 31st March 2022 on Standalone as well as consolidated basis which is as under:

#### (A) Standalone-Financial Performance:-

On standalone basis, during the year under review, the Company achieved a Total Income of Rs. 495.33 Crores as against Rs. 308.61 Crores, showing an impressive increase of 60.50% over the previous year. The Company earned a Profit Before Tax of Rs.116.34 Crores as against Rs. 68.52 Crores, showing an impressive increase of 69.79% over the previous year. After providing tax of (including deferred tax) of Rs. 28.66 Crores, Company earned a Net Profit of Rs. 87.68 Crores as against Rs. 51.44 Crores showing an impressive increase of 70.45% over the previous year. Thus company's financial performance has been excellent during the year ended 31st March, 2022.

#### (B) Consolidated- Financial Performance/Financial Statements

The Company has One Associate Company viz. M/s Nahar Capital and Financial Services Limited as defined under the Companies Act, 2013. Pursuant to the requirements of Section 129(3) of the Companies Act, 2013, the Company has consolidated the financial statements in respect of above said Associate Company for the financial year ended 31st March, 2022. The report on the performance and financial position of the Associate Company as per the Companies Act, 2013 in the Form AOC-1 is annexed to the Financial Statements for the year ended 31st March, 2022 as an Annexure.

Further during the year under review, on consolidated basis, the Company earned a Total Income of Rs. 493.35. Crores as against Rs. 308.28 Crores in the previous year. The Consolidated Profit before Tax increased to Rs 114.36 Crores showing an impressive increase of 67.69% over the previous year. Likewise Company has earned a Net Profit (including Share of Profit from Associates) of Rs. 97.71 crores as against Rs.





62.61 crores. Showing an impressive increase of Rs. 56.05% over the previous year. Thus on consolidated basis the company has also performed reasonably well.

### **TRANSFER TO RESERVE**

The Company has transferred an amount of Rs. 7500 lakhs to the General Reserve during the year under review and thus Company's General Reserve stand increased to Rs. 22160.18 lakhs as on 31st March, 2022.

### **COVID-19 PENDEMIC**

We would like to inform you that the COVID-19 situation, continued to be a global challenge, creating disruption across the world. The second wave of Covid-19, in the first three months of financial year 2022 impacted the economic activities. However, the Government efforts to vaccinate its citizens in a big way has resulted reduction in the Covid cases. Your management also arranged Vaccination camps at the factories and offices of the company, so that each and every employee/staff gets vaccinated so, that Company can operate its business after taking care of the safety and the well-being of its workers/employees.

The Company has also made assessment of its liquidity position and the recoverability and carrying value of its assets. The Company has considered internal and external sources of information for making said assessment. On the basis of said assessment, the Company expects to recover the carrying amount of these assets and no material adjustments are required in the financial statements. Given the uncertainties associated with nature, condition and duration of COVID-19, the Company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the company.

### **DIVIDEND AND DIVIDEND DISTRIBUTION POLICY**

The Board after having regard to the excellent performance for the year ended 31st March, 2022 has recommended a dividend of Rs. 2.50/- per equity share of Rs 5/- each (i.e. @50%) out of the profits of the Company. The proposal is subject to the approval of the Shareholders at the ensuing Annual General Meeting to be held on 24th August, 2022. The dividend, if approved at the ensuing Annual General Meeting, will be paid out of profits of the Company to all those shareholders whose

names shall appear in the Register of Members on 12th August, 2022 or Register of Beneficial Owners, maintained by the Depositories as at the close of 12th August 2022. Further, as per the Finance Act, 2020 dividend income is taxable in the hands of members w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the Income Tax Act, 1961.

We are pleased to inform you that the Board of Directors had approved and adopted the Dividend Distribution Policy in their Meeting held on 31st May, 2021. The Policy set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders. Further, pursuant to the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) requires that top 1000 listed entities based on market capitalization as on 31st March, 2022 shall formulate a dividend distribution policy. We would like to inform you that your Company as on 31st March, 2022 falls in top 1000 list of listed entities. The policy is already updated on the Company's website and the same is available at [http://www.ownnahar.com/nahar\\_polyfilm/pdf/NPF-dividend\\_distribution\\_policy.pdf](http://www.ownnahar.com/nahar_polyfilm/pdf/NPF-dividend_distribution_policy.pdf)

### **INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all dividends which remain unpaid / unclaimed for the period of seven consecutive years is required to be transferred by the Company to the Investor Education and Protection Fund (IEPF), established by Central Government of India. There are no unpaid/unclaimed dividends for the year 2014-15 as the Company did not declare dividend for the year 2014-15. Therefore, pursuant to section 124(5) of the Companies Act, 2013, no unpaid / unclaimed amount of dividend is required to be transferred this year to Investor Education and Protection Fund. Further, the Company has transferred all the unpaid dividend amounts to the Investor Education and Protection Fund upto the year 2011-12.

Further, as per the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amend-

ed from time to time, the shares on which dividend has been unpaid /unclaimed by the Shareholders for seven consecutive years or more are required to be transferred to the Demat account of the IEPF Authority. Accordingly, in compliance of the provisions of the Act, the Company had transferred shares upto the year 2011-12 for which dividends were unpaid/unclaimed for seven consecutive years. The details of the Shareholders whose shares have been transferred to the Demat account of IEPF Authority are also available on Company's website [http://owmna-har.com/nahar\\_polyfilm/Transfer-of-Equity-Shares-to-IEPF.php](http://owmna-har.com/nahar_polyfilm/Transfer-of-Equity-Shares-to-IEPF.php) and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

The Shareholders whose dividend / shares have been transferred to IEPF can reclaim their subjected dividend / shares by making an application to the IEPF Authority in web-form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. The concerned members/investors are advised to visit the web link: <http://iepf.gov.in/IEPF/refund.html> for refund of shares and / or dividend from the IEPF authority.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

Pursuant to Section 149(7) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements). The Company has received declarations from all the Independent Directors confirming that:

- a) they meet the criteria of independence prescribed under the Section 149(6) of the Companies Act, 2013 and the Regulation 16 SEBI (Listing Obligation and Disclosure Requirements), as amended from time to time; and
- b) they have registered their names in the Independent Directors' Databank.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **(A) Retirement of Directors**

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

##### **(B) Resignation and Appointment of Independent Director**

Dr. Inder Mohan Chhibba and Dr. Vijay Asdhir, Independent Directors of the Company resigned from the Directorship of the Company with effect from February 26, 2022 and July 23, 2022 respectively due to their preoccupations. The Board place on record its appreciation for valuable services rendered by them during their tenure as Independent Directors of the Company.

Pursuant to Regulation 25(6) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and Article of Association of the Company, Mr. Anchal Kumar Jain (DIN: 09546925) was appointed as an Additional Non-Executive Independent Director of the Company effective from 25th May, 2022. On the recommendation of Nomination and Remuneration Committee and after considering the expertise and knowledge of Mr. Anchal Kumar Jain, the Board decided to appoint Mr. Anchal Kumar Jain as Non-Executive Independent Director of the Company for a term of Five (5) years effective from 25th May, 2022. A resolution seeking Members' approval for his appointment forms part of the Notice of the ensuing Annual General Meeting.

##### **(C) Appointment of Independent Directors**

Dr. Suresh Kumar Singla (DIN 00403423), Dr. Amrik Singh Sohi (DIN 03575022) and Dr. Yash Paul Sachdeva (DIN 02012337), who are working as an independent Directors, will complete second term of their appointment on 25th September, 2022. Thus they will cease to be Independent Directors of the Company with effect from September 25, 2022. The Board place on record its appreciation for valuable services rendered by them during their tenure as Independent Directors of the Company.

The Company has received a notice in writing from members under Section 160 of Companies Act, 2013 proposing the candidature of Dr. Roshan Lal Behl (DIN: 06443747), Dr. Rajan Dhir (DIN: 09632451), Dr. Prem Lata Singla (DIN: 09674172) and Dr. Rakesh Kumar Jindal (DIN: 03602606). The Nomination and Remuneration Committee after verifying their profile and suitability has recommended their appointment on the Board as an Independent Directors of the Company to hold office for five consecutive years from the date of Annual General Meeting

up to August 23, 2027, subject to the approval of the shareholder at the ensuing Annual General Meeting. The Board having regard to their skills, experience and knowledge proposed their appointment as Non-Executive Independent Directors of the Company. The resolutions seeking Members' approval for their appointment forms part of the Notice of the ensuing Annual General Meeting.

#### **(D) Re-appointment of Independent Directors**

Dr. Manisha Gupta (DIN 06910242) was appointed as Non-Executive Independent Director of the Company by shareholders vide their resolution dated September 26, 2017 for a term of Five Years. Her term will be expiring on September 25, 2022. Pursuant to the provisions of Section 149 of the Companies Act, 2013 and other applicable provisions and rules made thereunder, the Board on the recommendation of Nomination and Remuneration Committee and on the basis of report of performance evaluation of Dr. Manisha Gupta, has decided to re-appoint her as Non-Executive Independent Director, to hold the office for a second term of five consecutive years commencing on September 26, 2022 and ending on September 25, 2027. A resolution seeking Members' approval for her re-appointment forms part of the Notice of the ensuing Annual General Meeting.

#### **(E) Key Managerial Personnel**

Pursuant to the provisions of Section 196(3) of Companies Act, 2013, no Company shall appoint any person or continue directorship of any person as Executive Director, who has attained the age of Seventy Years unless a Special Resolution is passed to that effect. We would like to inform you that Mr. Satish Kumar Sharma will attain the age of 70 years on September 4, 2022. Accordingly, the Company has proposed a Special Resolution in the accompanying notice of 34th Annual General Meeting of the Company for seeking shareholders' approval for continuation of Mr. Satish Kumar Sharma as Executive Director of the Company for the remaining term.

Pursuant to the provisions of Section 196 of the Companies Act, 2013, Mr. Satish Kumar Sharma was re-appointed as Executive director of the Company w.e.f 1st August 2020 to 31st July 2023 for the period of 3 years. The Nomination and Remuneration Committee after considering

his qualification and enriched experience of 48 years as Corporate Executive in the field of management and administration recommended to the Board, his re-appointment as an Executive Director of the Company for the Period of 3 years w.e.f from 1st August 2023 up to 31st July 2026. A resolution seeking Members' approval for his re-appointment forms part of the Notice of the ensuing Annual General Meeting.

The Board on the recommendation of Nomination and Remuneration Committee recommended to redesignate Mr. Sambhav Oswal as Managing Director of the Company and also decided to revise his remuneration. A resolution seeking approval from the members forms part of the Notice.

During the year, Ms. Bhoomika resigned from the post of Company Secretary & Compliance Officer of the Company and her resignation was accepted by the Board of Directors in their meeting held on 31st May, 2021. The Board places on record its appreciation for valuable services rendered by Ms. Bhoomika. Further, Ms. Disha Jindal having membership no. A65058 of The Institute of Company Secretaries of India was appointed as Company Secretary & Compliance Officer of the Company effective from 31st May, 2021.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Sambhav Oswal (Executive Director), Mr. Satish Kumar Sharma (Executive Director), Mr. Rakesh Kumar Jain (Chief Financial Officer) and Ms. Disha Jindal (Company Secretary) are Key Managerial Personnel (hereinafter referred as KMP) of the Company for the Financial Year 2021-22.

#### **BOARD EVALUATION**

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

The Board carried out a formal Annual performance evaluation of its own performance and that of its committees and individual Directors as per



the criteria laid down by the Nomination and Remuneration Committee of the company and adopted by the Board. The evaluation was carried out through a structured evaluation process to evaluate the performance of individual directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The outcome of the Board Evaluation for the Financial Year 2021-22 was discussed by the Nomination and Remuneration Committee at the meeting held on 24th May, 2022 and the Board at their meetings held on 25th May, 2022. The Board was satisfied with the evaluation process and the approved the evaluation results thereof.

**CORPORATE POLICIES**

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

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

<b>Name of the Policy</b>	<b>Brief Description</b>
<b>Appointment &amp; Remuneration Policy</b>	Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with SEBI (LODR) Regulations, 2015, the Board of Directors in their meeting held on 3rd February, 2015 approved the Policy for Appointment and Remuneration of Directors, Key Managerial Personnel and other employees as recommended by Nomination and Remuneration Committee. The Policy formulates the principle and criteria for determining qualification, competences, positive attributes, integrity and independence

	etc. for Directors, Senior Management Personnel including its Key Managerial Personnel (KMP) and employees of the Company. The Policy also laid down the criteria for determining the remuneration of directors, key manager personnel and other employees.
<b>Corporate Social Responsibility Policy</b>	Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Rules, 2014, as amended, the CSR Committee formulated the CSR Policy which was adopted by the Board. The CSR policy outlines the various programmes/projects/Activities to be undertaken by the Company as laid down in schedule VII of the Companies Act, 2013 relating to promoting education, healthcare, environment, hunger, poverty etc.
<b>Vigil Mechanism / Whistle Blower Policy</b>	Pursuant to the provisions of Section 177 of the Companies Act, 2013 company has formulated and adopted Vigil Mechanism/ whistle Blower policy for its directors and employees. The aim of the policy is to provide a channel to the directors and employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct.
<b>Policy for determining the Material Related Party Transactions and dealing with the related party transactions</b>	Pursuant to the requirements of regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Board has approved a policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions. The policy regulates the transactions between the company and its group companies and related parties. The Policy has been uploaded on the Company's website and can be accessed at <a href="http://ownahar.com/nahar_polyfilm/pdf/RPT-NAHAR-POLY.pdf">http://ownahar.com/nahar_polyfilm/pdf/RPT-NAHAR-POLY.pdf</a>
<b>Risk Management Policy</b>	As per the provisions of Regulation 21 of Management SEBI (Listing Obligation Disclosure Policy Requirements) (Second Amendment) Regulations, 2015, the Company falls under the top 1000 list of listed entities determined on the basis of market capitalization as at the end of immediate financial year. Accordingly, in compliance of the said LODR Regulations, company has constituted a Risk Management Committee to frame, implement and monitor the Risk Management plans for the company in their meeting held on May 25, 2022.



<b>Insider Trading Policy</b>	To provide the framework for dealing in the Securities of the company by the Insiders, the Board has approved and adopted the following Codes in its Meeting held on 30th May, 2016 under SEBI (Prohibition of Insider Trading) Regulations, 2015: i. Code of practices and procedures for fair disclosure of unpublished price sensitive information. ii. Code of conduct to regulate, monitor and report trading by insiders. The Code helps to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.
<b>Policy for Preservation of Documents</b>	Board of directors in their meeting held on 10th February, 2016 has approved and adopted the policy for Preservation of documents. The Policy segregates the documents to be preserved permanently and documents to be preserved at least for a period of eight years as per the requirements of applicable laws.
<b>Archival Policy</b>	Pursuant to the requirements of Regulations 30(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has approved and adopted the Archival Policy in its Meeting on 10th February 2016. The Policy ensures protection, maintenance and of Company's disclosures, documents and records that are placed on Company's website i.e. <a href="http://www.ownahar.com">www.ownahar.com</a> .
<b>Board Diversity Policy</b>	The Board of Directors in their Meeting held on 3rd February, 2015 has approved and adopted the Board Diversity Policy as per the recommendations of the Nomination and Remuneration Committee. The policy envisages of diversification of Company's Board in respect of age, knowledge, experience and expertise.
<b>Code of Fair Disclosures</b>	Pursuant to Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors in their held on 11th February, 2019 has approved and adopted

	the amended Code of Practices and Procedure for Fair Disclosures of Unpublished Price Sensitive Information including the Policy for Legitimate purposes.
<b>Code of Conduct to regulate, monitor and report trading by Designated Persons and its immediate relatives</b>	Pursuant to Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors in their held on 11th February, 2019 has approved and adopted the Code of Conduct to regulate, monitor and report trading by Designated Persons and its immediate relatives of designated persons.
<b>Dividend Distribution Policy</b>	The Board of Directors in their Meeting held on 31st May, 2021 has approved and adopted the Dividend Distribution Policy, as per Regulation 43A of the Listing Regulations as amended vide SEBI (Listing Obligations and Disclosure Requirements (Second Amendment) Regulations, 2021. The policy facilitates payment of dividend to the shareholders and set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. As per the Market Capitalization, the Company has occupied the position in Top 1000 Companies which makes the Company compulsory to have Dividend Distribution Policy which is already adopted by the Company in the Board Meeting held on 31st May, 2021. The policy has been uploaded on on Company's website and can be accessed at <a href="http://www.ownahar.com/nahar_polyfilm/pdf/NPFdividend_distribution_policy.pdf">http://www.ownahar.com/nahar_polyfilm/pdf/NPFdividend_distribution_policy.pdf</a>

**APPOINTMENT AND REMUNERATION POLICY**

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for Appointment and Remuneration of Directors, Senior Management and other employees as provided under section 178(3) of the Companies Act, 2013. The Objective of the Policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors meet independence of Directors. The present strength of the Board as on the date is 11 (Eleven) Directors. Mr. Jawahar Lal Oswal is Non-Executive Chairman. He is also one of the promoters of the Company.



Mr. Satish Kumar Sharma and Mr. Sambhav Oswal are the Executive Directors of the Company. There are Four Non-Executive Directors and Five Independent Directors out of which Dr. Manisha Gupta, is an Independent Woman Director of the Company.

Dr. Suresh Kumar Singla (DIN 00403423), Dr. Amrik Singh Sohi (DIN 03575022) and Dr. Yash Paul Sachdeva (DIN 02012337), who are working as an independent Directors, will complete second term of their appointment on 25th September, 2022. Thus they will cease to be Independent Directors of the Company with effect from 25th September, 2022.

Dr. Roshan Lal Behl (DIN: 06443747), Dr. Rajan Dhir (DIN: 09632451) Dr. Prem Lata Singla (DIN:09674172) and Dr. Rakesh Kumar Jindal (DIN: 03602606) are to be appointed as an Independent Director to hold office for five consecutive years from the date of Annual General Meeting up to August 23,2027, subject to the approval of the shareholder at the ensuing Annual General Meeting.

Dr. Anchal Kumar Jain appointed as an Additional Non-Executive Independent Director of the Company in the Board Meeting held on 25th May, 2022. The resolution for his appointment as Non- Executive Independent Director has been proposed to the shareholders in the notice of the ensuing Annual General Meeting of the Company.

Besides, Dr. Manisha Gupta (DIN 06910242) was appointed as Non-Executive Independent Director of the Company by shareholders vide their resolution dated September 26, 2017 for a term of five years which will be expiring on September 25, 2022. Keeping in view their performance, skill education and experience, Board on the recommendation of Nomination and Remuneration Committee has decided to re-appoint her as Non-Executive Independent Director, to hold the office for a second term of five consecutive years Commencing on September 26, 2022 and ending on September 25, 2027. A resolution seeking Members' approval for her re-appointment forms part of the Notice of the ensuing Annual General Meeting.

The Company's Policy of appointment and Remuneration includes criteria for determining Qualification, Positive Attributes, Independence of Directors and Other matters, as required under sub section 3 of Section 178 of the Companies Act, 2013. The Policy also laid down the criteria

for determining the remuneration of directors, key managerial personnel and other employees. The Appointment and Remuneration policy of the Company is available on the Company's website and can be accessed at [http://www.owmnahar.com/nahar\\_polyfilm/pdf/NPFLAPPOINTMENTANDREMUNERATIONPOLICY.pdf](http://www.owmnahar.com/nahar_polyfilm/pdf/NPFLAPPOINTMENTANDREMUNERATIONPOLICY.pdf). There has been no change in the Policy since the last financial year. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

The Company's Independent Directors held their meeting on **November 8, 2021**, without the attendance of Non Independent Directors and members of the management. All Independent Directors were present at the meeting and at the meeting, they:

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

### **FAMILIARISATION PROGRAMS FOR BOARD MEMBERS**

The company at the time of appointing a Director, issues a formal letter of appointment which inter alia, explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. All Independent Directors are provided with all policies/guidelines as framed by the Company under various statutes and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to familiarize with Company's procedure and practices. Further, to update them on the regular basis, the Company provides copies of all amendments in Corporate Laws, Corporate Governance Rules and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. They were also informed regarding the recent amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI



various regulations and recent amendments in the Companies Act, 2013. The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be assessed at [http://www.owmnaahar.com/nahar\\_polyfilm/pdf/familiarization\\_program\\_2022.pdf](http://www.owmnaahar.com/nahar_polyfilm/pdf/familiarization_program_2022.pdf).

### **NUMBER OF BOARD MEETINGS**

During the year under review, the Board of Directors met Four times i.e. 31st May, 2021, 02nd August, 2021, 09th November, 2021 and 03rd February, 2022 with a predefined agenda circulated well in advance. The intervening gap between the Meetings was as per the period prescribed under the Companies Act, 2013.

### **RELATED PARTY TRANSACTIONS**

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

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

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

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

### **SHARE CAPITAL**

The Paid up equity share capital of the Company as on 31st March, 2022 is Rs. 1229.40 Lakhs. During the year under review, the Company has neither issued shares with differential voting rights as to dividend, voting or otherwise nor granted stock options or sweat equity under any scheme.

### **SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

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

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

### **CORPORATE SOCIAL RESPONSIBILITY**

As reported in our earlier reports, the company adopted CSR Policy and decided to undertake CSR activity in collaboration with Group Companies under one umbrella i.e. through Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields. The detail of the CSR policy is available on the company's website i.e. [www.owmnaahar.com](http://www.owmnaahar.com).

During the year under review, to meet its CSR Obligation under Section- 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility), Rules, 2014, the Company was required to spend an amount of Rs.83.00 Lacs (being 2% of the average net profits made during the three immediate preceding financial years) on CSR activities. Accordingly Company has

contributed an amount of Rs.83.00 lakhs to the Oswal Foundation for undertaking CSR activities as approved by Board on the recommendation of CSR Committee.

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

### COMMITTEES OF THE BOARD

The compositions of the committees as on 31st March, 2022 are as follows:-

Committee	Compositions
Audit Committee	1. Dr. Suresh Kumar Singla-Chairman 2. Dr. Yash Paul Sachdeva-Member 3. Mr. Dinesh Gogna-Member 4. Ms. Disha Jindal is the Secretary of the committee
Nomination and Remuneration Committee	1.Mr. Suresh Kumar Singla- Chairman 2.Mr. Manisha Gupta- Member 3.Mr. Yah Paul Sachdeva- Member
Stakeholder Relationship Committee	1.Ms. Manisha Gupta-Chairman 2.Mr. Amrik Singh Sohi- Member 3.Mr. Dinesh Gogna- Member
Corporate Social Responsible Committee	1.Mr. Dinesh Oswal- Chairman 2.Mr. Dinesh Gogna-Member 3.Mr. Suresh Kumar Singla-Member

### VIGIL MECHANISM

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

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

### SUBSIDIARIES, JOINT VENTURE OR ASSOCIATES COMPANY

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

### CREDIT RATING

We are pleased to inform you that M/s CARE Ratings has intimated the Company’s credit rating outlook through credit rating report in the month of January,2022 which is as under:

Facilities/ Instruments	Rating 1	Rating Action
Long Term Bank Facilities	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed; Outlook revised from Stable
Short Term Bank Facilities	CARE A2+ (A Two Plus)	Reaffirmed

### GREEN INITIATIVE

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

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

### LISTING OF SECURITIES

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





1. **The BSE Ltd.:** 25th Floor, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai- 400001
2. **The National Stock Exchange of India Ltd.:** Exchange Plaza, 5th Floor, Plot No.C/1, G-Block, BandraKurla Complex, Bandra (E), Mumbai- 400051

The company has paid listing fee to both the Stock Exchanges for the financial year 2022-23.

#### **DEMATERIALIZATION OF SECURITIES**

Your company has already established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) to facilitate the holding and trading of securities in electronic form. As on 31 st March, 2022, 96.51% of the total Equity Share Capital has been de-materialized. The shareholder(s) who has not dematerialized their shares till date are requested to opt for dematerialization of the shares at the earliest.

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

#### **M/s Alankit Assignments Ltd.**

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

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

#### **DIRECTORS RESPONSIBILITY STATEMENT**

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

#### **THE DIRECTORS CONFIRM:**

- i) that in preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanations relating to material departures, if any;
- ii) that they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the period;
- iii) that they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting any fraud and other irregularities;
- iv) that the Annual Accounts have been prepared on a going concern basis;
- v) that the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- vi) that the directors had devised proper systems to ensure compliances with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **AUDITORS & AUDITOR'S INDEPENDENT REPORT**

##### **(A) Statutory Auditors**

We wish to inform you that M/s YAPL & Co, Chartered Accountants, Firm Registration No (017800N), were appointed as Statutory Auditor of the Company by the Members, for a term of five years starting from the conclusion of the 29th Annual General Meeting till the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2022.Pursuant to the provisions of section 139 of Companies Act 2013, the Board on the recommendation of the Audit Committee has decided to propose the re-appointment of M/s YAPL&Co., Chartered Accountants (Registration No. 017800N) having their Registered office at K-102, Kismat Complex, Millar Ganj, Ludhiana 141003, as Statutory Auditors of the Company, for Second term

of five consecutive years commencing from the conclusion of the 34th Annual General Meeting up to the conclusion of the 39th Annual General Meeting of the Company in the calendar year 2027. They have given a written consent/certificate regarding eligibility for their appointment as Auditors in accordance with the rule 4 of the Companies (Audit and Auditors) Rule, 2014 read with the provisions of section 139(2) of the Companies Act, 2013. The resolution for their re-appointment has been proposed for your approval in the accompanying Notice.

#### **Audit Report**

The Statutory Auditors have submitted the Audit Report on the Standalone as well as Consolidated Accounts of the Company for the Accounting year ended on 31st March, 2022. The observations and comments given by Auditors in their Report read together with the Notes to the Financial Statements are self explanatory and require no comments.

#### **(B) Cost Auditors**

We would like to inform you that the Ministry of Corporate Affairs vide its Notification dated 31st December, 2014 amended Companies (Cost Records and Audit) Rules, 2014, pursuant to which, the Company's business activities have been included within the purview of Cost Audit requirement. Accordingly, the Board of Directors on the recommendation of Audit Committee appointed M/s Khushwinder Kumar & Associates, Cost Accountant, as Cost Auditors of the Company for financial year 2022-23 and has fixed remuneration of Rs. 45000/- subject to the ratification of the members as per the provision of Section 148(3) of the Companies Act, 2013 and Rules 14 of the Companies (Audit and Auditors) Rules, 2014, Accordingly, a resolution for the ratification of the remuneration of the Cost Auditor by the shareholders at the ensuing Annual General Meeting is being proposed for your approval.

#### **(C) Secretarial Auditor**

Pursuant to the provision of Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your company has appointed M/s. P.S. Bathla &

Associates, Practicing Company Secretary, having Certificate of Practice No. 2585 to conduct Secretarial Audit of the Company for the financial year 2022-23.

#### **Secretarial Audit Report**

M/s. P.S. Bathla & Associates, Practicing Company Secretary have carried out the secretarial Audit for the financial year ended 31st March, 2022 and submitted their Secretarial Audit Report in the form MR-3 as annexed herewith this report as '**Annexure II**' and forms part of this report.

The Report is self explanatory and requires no comments.

#### **SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards i.e SS1 and SS2 relating to Meeting of Board of Directors and General Meetings, respectively, issued by the institute of Company Secretaries of India.

#### **BUSINESS RISK MANAGEMENT**

The Company has laid down Risk Management Policy. The Policy aims to identify, evaluate manage and monitor all types of risks which are associated with the business of the Company. The Board as well as Audit Committee regularly oversees the risk management process in the Company, as required under 134(3)(n) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company is engaged in the manufacture of BOPP Films and has identified certain risks which may affect the performance of the Company. These include operational risks such as fluctuation in the prices of the raw materials fluctuation in foreign exchange rates, Labour problems, regulatory risks, Government Policy etc. We are of the opinion that none of identified risk is such that which may threaten the existence of the Company.

In compliance with the provisions of Regulation 21 of SEBI (LODR) (Second Amendment) Regulations, 2021 the company has also formed a Risk Management Committee to frame, implement and monitor the risk management plans for the Company. The Risk Management Committee comprises of three Directors under the chairmanship of Mr. Sambhav Oswal, Executive Director and Dr. Anchal Kumar Jain and Dr. Yash Paul Sachdeva, Independent



Directors of the Company are other two members of the Committee. The Committee is responsible for monitoring and reviewing the risk management policies and ensuring its effectiveness.

### **INTERNAL FINANCIAL CONTROL AND SYSTEMS**

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

The Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal Financial Control system commensurate with the nature of its business and the size of its operations. In order to further strengthen the Internal control system and to automate the various processes of the business, the company is making use of SAP S4 HANA application, which is based on SAP Hana database. It keeps all the data processing that is magnitude faster than that of disk based system, allowing for advanced, real time analytics.

Pursuant to the provisions of section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has appointed M/s Piyush Singla & Associates, a firm of Chartered Accountants as Internal Auditor of the Company. The Company is also having an Internal Audit Department to test the adequacy and effectiveness of Internal Control Systems laid down by the management and to suggest improvement in the systems.

Apart from the above, an Audit Committee consisting of three non-executive directors has been constituted. All the significant audit observation and follow up action thereon are taken care of by the Audit Committee. The Committee oversees the adequacy of Internal Control. The Audit Committee met four times during the financial year 2021-22. The Company has also established a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

### **PUBLIC DEPOSITS**

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

1.	Deposits accepted during the year:	NIL
2.	Deposits remained unpaid or un-claimed as at the end of the year:	NIL
3.	Default in repayment of deposits and deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013:	Not Applicable

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

The Company has zero tolerance for sexual harassment for women at workplace and has adopted a policy against sexual harassment in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2021-22, the Company has not received any complaints on sexual harassment and hence, no complaint remains pending as on 31st March, 2022.

### **ANNUAL RETURN**

As provided under Section 92(3) and 134(3) (a) of the Act, read with Rule 12 of Chapter VII, Companies (Management and Administration) Amendment Rules, 2020, Annual Return in Form MGT-7 for FY 2021-22 is uploaded on the website of the Company and can be accessed at [http://www.owmnahar.com/nahar\\_polyfilm/annual-return.php](http://www.owmnahar.com/nahar_polyfilm/annual-return.php)

### **STATEMENT UNDER SECTION 197 OF THE COMPANIES ACT, 2013**

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

In terms of section 197(14) of the Companies Act, 2013, the Company does not have any Holding Company. However, the details regarding



remuneration received by Executive Director is also given in “**Annexure III**” and form part of this report.

Pursuant to the provisions of Section 197(1) of the Companies Act 2013 as amended from time to time, the Company got approval of shareholders vide special resolution passed in the 32nd Annual General Meeting of the Company and appointed Mr. Sambhav Oswal as an Executive Director for the period of 5 years w.e.f. 1st July, 2020 to 30th June, 2025. Mr. Sambhav Oswal is 29 years of age. He has done his graduation in Business Administration from University of Southern California, USA. Before joining the Company, he was employed with Nahar Spinning Mills Limited. He has business experience of more than 8 years in the areas of Marketing, Exports, Finance and Corporate Affairs. During the year under review, Mr. Sambhav Oswal, Executive Director of the Company has been paid a remuneration of Rs. 4,08,254,79/- (Rupees Four Crores Eight Lacs Twenty Five Thousand Four Hundred Seventy Nine only) inclusive of commission. The commission amounting to Rs. 2,40,33,845/- (Two Crore Forty Lacs Thirty Three Thousand Eight Hundred Forty Five only) pertaining to year 2021-22 has been paid in the financial year 2022-23. His shareholding in the Company is 1000 equity shares of Rs.5/- each. He is related to Mr. Jawahar Lal Oswal, Chairman, Mr. Dinesh Oswal, Director, and Mr. Kamal Oswal, Director of the Company and Ms. Ritu Oswal, CSR Advisor of the Company.

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

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

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

#### **REPORT ON THE CORPORATE GOVERNANCE**

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

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

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

#### **BUSINESS RESPONSIBILITY REPORTING**

As stipulated under Regulation 34(2)(f) of the SEBI Listing Regulations, 2015 Business Responsibility Reporting (“BRR”) is to be submitted by top 1,000 listed entities based on their market capitalization in the format as specified by SEBI from time to time. Accordingly, the company has attached the Business Responsibility Reporting as per “**Annexure VII**” and forms part of this Annual Report.

#### **INDUSTRIAL RELATIONS**

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

#### **ACKNOWLEDGEMENT**

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

FOR AND ON BEHALF OF THE BOARD

PLACE: LUDHIANA  
DATED: 23rd July, 2022

Sd/-  
JAWAHAR LAL OSWAL  
(CHAIRMAN)  
DIN: 00463866

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

(Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended)

**1. Brief outline on CSR Policy of the Company**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee framed the Corporate Social Responsibility Policy (CSR Policy) The Board of Directors on 11th August, 2014 adopted the CSR Policy as recommended by CSR Committee whereby the Company will undertake CSR activities in collaboration with group companies i.e. Nahar Industrial Enterprises Limited, Monte Carlo Fashion Limited, Nahar Capital and Financial Services Limited, Nahar Spinning Mills Limited and Oswal Woollen Mills Limited, under one umbrella i.e. through Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields. The CSR policy is also available on the Company's website at the link: [http://www.owmnahar.com/nahar\\_polyfilm/pdf/scan0003.pdf](http://www.owmnahar.com/nahar_polyfilm/pdf/scan0003.pdf)

**2. Composition of CSR Committee:**

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

S.No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. Dinesh Oswal	Chairman (Director)	2	2
2	Mr. S. K. Singla	Member (Independent Director)	2	2
3	Mr. Dinesh Gogna	Member (Director)	2	2

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company**

The committee after the approval of the Board has adopted CSR Policy as required Section 135 of the Companies Act, 2013. The CSR Policy and composition of CSR committee is available on our website on [http://owmnahar.com/nahar\\_polyfilm/committees-of-directors.php](http://owmnahar.com/nahar_polyfilm/committees-of-directors.php) and [http://owmnahar.com/nahar\\_polyfilm/pdf/scan0003.pdf](http://owmnahar.com/nahar_polyfilm/pdf/scan0003.pdf). Further, the Board of Directors of the Company on the recommendation of CSR committee has approved the Health Care Project under the CSR Activities. Accordingly, the Company has contributed an amount of Rs 83.00 Lacs (being 2% of the average net profits made during the three immediate proceeding financial years) on CSR activities to the Oswal Foundation for undertaking Health care projects as approved by the consortium of the Group Companies formed to undertake CSR activities through Oswal Foundation. The foundation is going to undertake "Health Care Project of Modernisation of Linear Accelerator", as approved by the consortium at approximate cost of Rs. Four crores, at Mohan Dai Oswal Cancer Hospital and Research Foundation, Ludhiana.

**4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of Companies (CSR Policy) Rules, 2014,**

In terms of the Companies (Corporate Social responsibility Policy) Rules, 2014 as amended from time to time, the requirement of undertaking impact assessment, through an independent agency of its CSR projects is **Not Applicable** to the Company. However, to monitor and supervise the CSR projects undertaken by the Oswal Foundation, the board / committee has entrusted the responsibility to one of the CSR committee member. The members conduct the impact assessment of the CSR project undertaken by Oswal Foundation and report the same to the CSR committee as well as the Board.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (CSR Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the Financial year, if any
NIL		

**6. Average net profit of the Company as per section 135(5): Rs. 4150.15 Lakhs**

7. (a) 2% of average net profit of the company as per section 135(5): **Rs. 83.00 Lakhs**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: **NIL**
- (d) Total CSR obligation for the financial year (6a+6b-6c): **Rs. 83.00 Lakhs**



**8. (a) CSR amount spent or unspent for the financial year:**

Amount spent in Financial Year	Amount Unspent (In Rs.)	
	Total Amount transferred to Unspent CSR Account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)
Rs.83.00 Lakhs		NIL

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

To meet its CSR Obligation under Sec 135 of Companies Act, 2013 and as per the company's CSR policy approved and adopted by the Board of Directors, company joined hands with Group Companies under one umbrella, to undertake the CSR Projects through Oswal Foundation. Accordingly, the Company has contributed an amount of Rs. 83.00 lakhs to the Oswal Foundation which will be spent for undertaking "Health Care Project of Modernization of Linear Accelerator", as prescribed under Schedule VII of the Companies Act,2013 and as approved at cost of Rs. 4 crores, at Mohan Dai Oswal Cancer Hospital and Research Foundation, Ludhiana.

Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/ No)	Location	Duration	Amount allocated for the project (in Rs.)	Amount Spent in Current Years	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.)	Mode of Implementation -Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency
Health care project : Mohan Dai Oswal Cancer Treatment & Research Foundation	(i)	Yes	Ludhiana	-	83.00	83.00	NIL	No	M/s Oswal Foundation CSR registration Number: CSR 00000145

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project	Amount Spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
NIL						

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable- NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **83.00 Lacs**

(g) Excess amount for set off, if any: (in Lakhs)

(in Lacs)

Particulars	Amount (in Rs.)
2% of average net profit of the company as per section 135(5)	Rs. 83.00
Total amount spent for the financial year	Rs. 83.00
Excess amount spent for the financial year [(ii)-(i)]	NIL
Surplus arising out of the CSR projects or programmes or activities of the Previous Financial Years, if any	NIL
Amount available for set off in succeeding financial years[(iii)-(iv)]	NIL

**9. (a) Details of unspent CSR amount for the preceding three financial years:**

Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount Spent in the reporting Financial Year (in Rs)	Amount transferred to any fund specified under Schedule VII as per section 135(6) if any	Amount remaining to be spent in succeeding financial years (in Rs.)
NIL				

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Project ID	Name of the Project	Financial Year in which project was Commenced	Project Duration	Total Amount allocated for the Project	Amount spent in the project during the reporting financial year	Cumulative amount spent at the end of reporting financial year	Status of the Project
NIL							

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.** No capital asset was created during the year 2021-22 through CSR spent. (Asset-Wise Details- Not Applicable)

- (a) Date of creation or acquisition of the capital asset(s): **N.A**
- (b) Amount of CSR spent for creation or acquisition of capital asset: **N.A**
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **N.A**
- (d) Provide details of the capital asset(s), created or acquired (including complete address and location of the capital asset): **N.A**

11. Specify the reason(s), if the company has failed to spend 2% of the average net profit as per section 135(5): **N.A.**

Date: 23rd July, 2022  
Place: Ludhiana

Sd/-  
Mr. Dinesh Oswal  
(Director/Chairman of CSR Committee)  
(DIN: 00607290)



**Annexure-II**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDING 31st MARCH, 2022**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Nahar Poly Films Ltd (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year 1st April, 2021 to 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Nahar Poly Films Ltd ("The Company") for the financial year ended on 31st March, 2022 according to the provisions of:
  - I. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable as the Company has not issued any shares during the year under review)
    - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable as the Company has not issued any shares/options to directors/ employees under the said guidelines/regulations during the year under review)
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable as the Company has not issued Debt Securities during the Audit Period under review)
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial Year under review)
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit period as there was no event in this regard)
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (Not applicable as the Company has not bought back/proposed to buy-back any of its securities during the financial year under review)
  - VI. The Company has informed that there are no Sector Specific laws which are applicable to the Company.  
I have also examined compliance with the applicable clauses of the following:
    - (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).



(ii) The SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015.

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

2. I further report that

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

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

**Place: Ludhiana**  
**Date: 23rd July,2022**  
**UDIN: F004391D000654458**

**For P S Bathla & Associates**

**Parminder Singh Bathla**  
**Company Secretary**  
**FCS No. 4391**  
**C.P No. 2585**  
**Peer Review No. 1306/2021**  
**SCO-6, Feroze Gandhi Market**  
**Ludhiana**

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





**'Annexure A'**

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

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

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

Place: Ludhiana  
Date: 23rd July 2022

For P S Bathla & Associates

Parminder Singh Bathla  
Company Secretary  
FCS No. 4391  
C.P No. 2585  
Peer Review No. 1306/2021  
SCO-6, Feroze Gandhi Market  
Ludhiana





**Annexure-III**

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

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director / KMP for financial year 2021-22	% increase / decrease in Remuneration in the financial Year 2021-22	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Jawahar Lal Oswal Non-Executive Director	40000	33.33	0.14	--
2.	Mr. Dinesh Oswal Non-Executive Director	40000	0	0.14	--
3.	Mr. Kamal Oswal Non-Executive Director	40000	0	0.14	--
4.	Mr. Dinesh Gogna Non-Executive Director	40000	0	0.14	--
5.	*Mr. Satish Kumar Sharma Executive Director	23,40,413	19.01	8.70	PBT increased by 69.79% & PAT increased by 70.45% in F.Y 2021-22
6.	*Mr. Sambhav Oswal Executive Director	*4,08,25,479	*81.05	*151.76	--
7.	Dr. Suresh Kumar Singla Independent Director	40000	0	0.14	--
8.	Dr. Yash Pal Sachdeva Independent Director	40000	0	0.14	--
9.	Dr. Amrik Singh Sohi Independent Director	30000	50.00	0.11	--
10.	**Dr. Inder Mohan Chhibba Independent Director	40000	0	0.14	--
11.	**Dr. Vijay Asdhir Independent Director	40000	0	0.14	--
12.	Dr. Manisha Gupta Independent Director	40000	0	0.14	--
13.	Mr. Rakesh Kumar Jain Chief Financial Officer	1291268	12.38	--	PBT increased by 69.79% & PAT increased by 70.45% in F.Y 2021-22
14.	***Ms. Disha Jindal Company Secretary	230009.00	--	--	
	Ms. Bhoomika Company Secretary	51840.00	--	--	

**Notes:-**

- Except Mr. S.K. Sharma and Mr. Sambhav Oswal, Executive Directors of the Company, all other directors are paid only sitting fees for attending the Board Meeting. Mr. Sambhav Oswal has been appointed as Executive Director of the Company w.e.f. 1st July, 2020.
- Remuneration of Mr. Sambhav Oswal includes commission amounting to Rs 2,40,33,845 only.
- Dr. Inder Mohan Chhibba and Dr. Vijay Asdhir has resigned from the Directorship of the Company w.e.f. 26th February, 2022 and 23rd July, 2022 respectively.
- Ms. Bhoomika has resigned from the position of Company Secretary w.e.f 31st May, 2021 and Ms. Disha was appointed as company secretary from 31st May 2021.

- The median remuneration of employees of the company during the financial year 2021-22 was Rs. 2.69 Lakhs.
- In the financial year, there was increase of 28.19% in the median remuneration of employees.
- There were 310 permanent employees on the rolls of company as on 31st March, 2022.
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2021-22 was 19.22% whereas average percentage increase in

the managerial remuneration in the financial year 2021-22 was 19.01%.

Note: Mr. Sambhav Oswal has been appointed as Executive Director of the Company w.e.f. 1st July, 2020. Hence his remuneration of Rs. 4,08,25,479/- inclusive of the Commission is not considered in average percentage increase in managerial remuneration.

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

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

S. No.	Name & Designation	Remuneration Received (in Lakhs)	Nature of employment (contractual or otherwise)	Qualifications and Experience	Date of commencement of employment	Age (in years)	Last employment held	% of equity shares held	Whether relative of director or manager
1	*Mr. Sambhav Oswal Executive Director	408.25	Regular	BBA 8 Years	01.07.2020	29	Nahar Spinning Mills Limited	0.004	Mr. Jawahar Lal Oswal Mr. Dinesh Oswal Mr. Kamal Oswal
2.	Mr. Sanjay M Karandikar Chief Executive	56.67	Regular	B.E. 36 Years	04.03.2008	58	Uflex Limited U.P.	Nil	No
3.	Mr. Yatendra Singh President - Marketing	30.90	Regular	MBA, MRKT 21 Years	28.02.2020	43	Jindal Poly Films	Nil	No
4.	Mr. Surinder Singh V.P. Comm & Admin.	21.05	Regular	B.Com, CA Inter 38 Years	16.03.2011	66	Oswal F.M. Hammerle Textiles Ltd.	Nil	No
5.	Mr. Satish Kumar Sharma Executive Director	23.40	Regular	MBA 48 Years	01.05.1991	69	Vardhman Spinning and General Mills and Textiles Ltd	Nil	No
6.	Mr. Uday Shankar Rao V.P. Production	22.14	Regular	B.E. 31 Years	01.12.2017	46	Garware Polyester Ltd. MH	Nil	No
7.	Mr. Ashok Gupta Sr. Manager Mechanical	17.97	Regular	B.E. Mech 31 Years	07.04.2011	58	Jindal Poly Films Ltd	Nil	No
8.	Ritu Oswal CSR Advisor	15.93	Regular	BA (Arts) 9 Years	02.08.2021	36	Nahar Spinning Mills Ltd	0.004	Mr. Dinesh Oswal Mr. Jawahar Lal Oswal Mr. Sambhav Oswal Mr. Kamal Oswal
9.	Mr. Imran Ahmad Khan Manager Electrical	14.92	Regular	M.Tech 13 Years	15.09.2016	36	Uflex Limited U.P.	Nil	No
10.	Genesh Narula Asst. General Manager Export	8.06	Regular	PGDBM MBA 19 Years	01.12.2021	39	Max Specialty Film Limited	Nil	No

\*Remuneration of Mr. Sambhav Oswal includes commission amounting to Rs 240.33 Lacs only.

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : LUDHIANA  
DATED : 23rd July, 2022**

**Sd/-  
JAWAHAR LAL OSWAL  
(CHAIRMAN)  
(DIN: 00463866)**

## Annexure-IV

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

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

#### A. CONSERVATION OF ENERGY

##### (i) Measures taken for conservation of energy:

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

1. The factory building has been designed to make use of natural lighting for the day time operation which will save energy.
2. The company has imported state of the art manufacturing facility from Bruckner of Germany. These machines consume low energy and will save considerably in terms of electricity consumption.
4. By installing Metalizer CLCT (Close Loop Cooling Tower) in 2019-20, the company has saved 2688300 units during the year 2021-22.
5. By installing LED light of 45 watt in plant instead of HI bay fitting of 250 watt, the company has saved approx. 73365 units in the year 2021-22.
6. By installing VFD instead of star delta starter in the year 2019-20, the company has saved approximately 146000 unit during the year 2021-22.
7. The Company has started using PET coke thermic fluid heater which will reduce the energy cost as compared to present furnace oil thermic fluid heater. Besides this the Company has also used Lime Powder –Hydrauted, 80%, Lime Stone – 25 To 40MM, Pet Coke, Ultra Low Sulphur diesel as fuel and Char Coal – Pet Coke as per detail given below:

MATERIAL DESCRIPTION	QUANTITY	AMOUNT (Rs.)
CHAR COAL-PET COKE	2540.00	65857.44
LIME POWDER-HYDRAUTED, 80%	13400.00	76376.94
LIME STONE-25 TO 40MM	26400.00	96116.36
ULTRA LOW SULPHUR DIESEL	6929.00	646754.89
PET COKE	1854.058	32630878.06

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

Energy conservation is a continuous process in a Company. The Company always strives for alternative source of energy. The Company had installed of 1.2 MW roof top solar plants at its unit at Mandideep which became operational in September 2021. The Solar plant helps us to save 882873 units of electricity from September 2021 to March 2022.

##### (iii) The Capital investment on energy conservation equipment's

The total capital expenditure on roof top solar plant

which was operational in September 2021 is Rs. Rs. 3.73 crores.

#### B. TECHNOLOGY ABSORPTION

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

##### • Efforts made towards Technology Absorption

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

##### • Benefits derived as result of above efforts:

With the above measures, company shall enjoy the benefit of improved quality, productivity & saving in manufacturing costs.

##### • Information regarding Technology imported during the last three years: The Company has added 2nd line of BOPP Film with capacity of 30000 TPA for which the Ultra modern plant was imported from Bruckner, Germany.

Detail of Technology imported	Bruckner BOPP Film Production Line Germany
Year of import	2020-21 and 2021-22
Whether the technology has been fully absorbed:	Yes
A. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A
• Expenditure on R & D	Nil
Capital(Rs.)	Nil
Recurring (Rs.)	Nil
Total(Rs.)	Nil

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- (i) Activities relating to Exports, initiative taken to increase exports, Development of New Export Market for products and export plans: During the financial year 2021-22 the Company was able to retain its old customers. At present the Company is exporting its products to Nigeria, United Kingdom, United Arab Emirates, Bangladesh, Turkey, Oman, Tanzania, Nepal, and Slovak Republic etc.

(ii) Total Foreign Exchange Outgo and Earned:-	Current Year 2021-22	Previous Year 2020-21
a) Foreign Exchange outgo (Rs.)	2,010,230,991	42,76,73,916
b) Foreign Exchange earned (Rs.)	30,868,65,87	12,57,60,206

FOR AND ON BEHALF OF THE BOARD

PLACE : LUDHIANA  
DATED : 23rd July, 2022

Sd/-  
JAWAHAR LAL OSWAL  
(CHAIRMAN)  
(DIN: 00463866)

## Annexure-V

### CORPORATE GOVERNANCE REPORT

#### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

#### II. BOARD OF DIRECTORS

##### a. Board Composition:

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

We are pleased to inform you that Company's Board is an optimal mix of Executive, Non-Executive and Independent Directors so as to maintain its independence in Governance and Management of the Company. The present strength of the Board as on the date is 11 (Eleven) Directors. Mr. Jawahar Lal Oswal is Non-Executive Chairman. He is also one of the promoters of the Company. Mr. Satish Kumar Sharma and Mr. Sambhav Oswal are the Executive Directors of the Company. Mr. Dinesh Oswal, Mr. Kamal Oswal and Mr.

Dinesh Gogna are Non-executive Directors of the Company. The Company's Board is consisting of five Independent Non-Executive Directors namely: Dr. Amrik Singh Sohi, Dr. Suresh Kumar Singla, Dr. Yash Paul Sachdeva, Dr. Manisha Gupta, (Independent Woman Director) and Dr. Anchal Kumar Jain (Additional Independent Director). Dr. Anchal Kumar Jain was appointed as an Additional Non-Executive Independent Director of the Company in Board Meeting held on 25th May, 2022 hold the office up to ensuing Annual General Meeting and resolution is proposed in the Notice of 34th Annual General Meeting to appoint him as Non-Executive Independent Director of the Company for the Term of Five (5) years.

Further, we would like to inform you that Mr. Inder Mohan Chhibba and Dr. Vijay Asdhir, Independent Directors of the Company had resigned from the Directorship of the Company with effect from February 26, 2022 and July 23, 2022 respectively due to their preoccupations.

##### Number of Board Meetings held and dates on which held:

As per the provisions of Section 173 of the Companies Act, 2013 and the rules made thereunder, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every company is required to hold a minimum four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. We are pleased to report that the Company held four Board Meetings during the year. i.e. on 31st May, 2021, 02nd August 2021, 09th November, 2021 and 03rd February, 2022 with a clearly defined agenda and has thus, complied with the said provisions of the Act. The agenda along with the explanatory notes were circulated to the directors well in advance. Every Board member could suggest the inclusion of additional items in the agenda. All the Directors striven to be present at the Board Meetings.

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

The participation of Non-Executive Directors and Independent Directors has been active in the Board Meetings. The names and categories of the



directors on the Board, their attendance at Board Meetings held during the year and last Annual General Meeting held on Wednesday, 29th day of September, 2021 and the number of directorship and committee chairmanships/ memberships held by them in other public companies as on 31st March, 2022 is given hereinafter.

Other directorships do not include directorships of private limited companies, Section 8 companies and companies incorporated outside India. Chairmanship/membership of Board Committees includes only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26(1) (b) of Listing Regulations:

Name of Director	Category	No. of Directorships in other Public Companies	No. of Committee positions in other Public Companies		Board Meeting Attendance	Last AGM Attended	No. of Shares held	Directorship in other Listed Entity	Category of Directorship
			Member	Chairman					
Mr. Jawahar Lal Oswal	Non-Executive Promoter	8	0	0	4	No	21214	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills Limited 3. Nahar Capital and Financial Services Limited 4. Monte Carlo Fashions Limited	Director
Mr. Dinesh Oswal	Non-Executive Promoter	6	0	0	4	Yes	105273	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills Limited 3. Nahar Capital and Financial Services Limited	Director
Mr. Kamal Oswal	Non-Executive Promoter	8	1	0	4	No	31500	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills limited 3. Oswal Leasing Limited 4. Nahar Capital and Financial Services Limited	Director
Mr. Sambhav Oswal	Executive	1	0	0	4	No	1000	-	Director
Mr. Satish Kumar Sharma	Executive	2	3	0	4	Yes	--	1. Nahar Spinning Mills limited 2. Nahar Capital and Financial Services Limited	Director
Mr. Dinesh Gogna	Non-Executive	8	6	2	4	Yes	---	1. Nahar Spinning Mills limited 2. Nahar Capital and Financial Services Limited 3. Nahar Industrial Enterprises Limited 4. Monte Carlo Fashions Limited 5. Oswal Leasing Limited	Director
Dr. Suresh Kumar Singla	Non-Executive Independent	5	7	1	4	Yes	--	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills Limited 3. Nahar Capital and Financial Services Limited 4. Monte Carlo Fashions Limited 5. Kovalam Investment and Trading Company Limited.	Independent Director
Dr. Amrik Singh Sohi	Non-Executive Independent	2	2	1	3	Yes	--	1. Nahar Spinning Mills Limited 2. Nahar Capital and Financial Services Limited 3. Monte Carlo Fashions Limited	Independent Director
*Dr Inder Mohan Chhibba	Non-Executive Independent	1	2	0	4	No	--	Nahar Industrial Enterprises Limited	Independent Director
Dr. Yash Paul Sachdeva	Non-Executive Independent	0	0	0	4	No	--	--	Independent Director
*Dr. Vijay Asdhir	Non-Executive Independent	2	3	3	4	Yes	--	1. Nahar Spinning Mills Limited 2. Nahar Capital and Financial Services Limited	Independent Director
Dr. Manisha Gupta	Non-Executive Independent	7	6	0	4	Yes	--	1. Nahar Spinning Mills Limited 2. Nahar Capital and Financial Services Limited 3. Monte Carlo Fashions Limited 4. Nahar Industrial Enterprises Limited 5. Oswal Leasing Limited	Independent Director

\*Mr. Inder Mohan Chhibba and Dr. Vijay Asdhir, Independent Directors of the Company resigned from the Directorship of the Company w.e.f. 26.02.2022 and 23.07.2022 respectively.

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

The information regarding other Board of Directors or Committees in which Directors are member or chairperson as on 31 st March, 2022 is already given in the table at Para b above. None of the Director holds Directorship in more than twenty Companies and also not holding Directorship of in more than ten public companies as prescribed under Section 165(1) of the Companies Act, 2013. The numbers of Committees in which a Director can be a member or chairperson are as per the limit specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**d. Disclosure of relationship between directors inter-se:**

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

**e. No. of Shares or Convertible Instruments held by Executive and Non-Executive Directors:**

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

**f. Web link of Familiarization Programs:**

The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be accessed at [http://www.owmnahar.com/nahar\\_polyfilm/pdf/familiarization\\_program\\_2022.pdf](http://www.owmnahar.com/nahar_polyfilm/pdf/familiarization_program_2022.pdf)

**h. Board-skills/expertise/competencies:**

Pursuant to Regulation 34(3) read with Schedule

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

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

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

**i. Confirmation of Independent Directors:**

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

Name of Director	Area of skills/expertise/competencies								
	Industry Knowledge	Leadership	Managerial and Entrepreneurial skills	Exposure in policy shaping	Understanding of law, rules & regulations	Corporate Governance	Financial Expertise	Risk Management	Information Technology
Mr. Jawahar Lal Oswal	√	√	√	√	√	√	√	√	√
Mr. Dinesh Oswal	√	√	√	√	√	√	√	√	√
Mr. Kamal Oswal	√	√	√	√	√	√	√	√	√
Mr. Dinesh Gogna	√	√	√	√	√	√	√	√	√
Mr. S.K. Sharma	√	√	√	√	√	√	√	√	√
Mr. Sambhav Oswal	√	√	√	√	√	√	√	√	√
Dr. S.K. Singla	√	√	√	√	√	√	√	√	√
Dr. Yash Paul Sachdeva	√	√	√	√	√	√	√	√	√
Dr. Amrik Singh Sohi	√	√	√	√	√	√	-	√	-



*Dr. Inder Mohan Chhibba	√	√	√	√	√	√	-	√	-
*Dr. Vijay Asdhir	√	√	√	√	√	√	√	√	√
Dr. Manisha Gupta	√	√	√	√	√	√	√	√	√

\*Mr. Inder Mohan Chhibba and Dr. Vijay Asdhir, Independent Directors of the Company resigned from the Directorship of the Company w.e.f. 26.02.2022 and 23.07.2022 respectively.

**j. Resignation of an Independent Director:**

Mr. Inder Mohan Chhibba and Mr. Vijay Asdhir Independent Directors of the Company had resigned from the Directorship of the Company with effect from 26th February, 2022 and 23rd July, 2022 respectively due to their preoccupations. They further confirmed that there is no other material reason other than preoccupations which they have provided in the resignation letter.

**k. Separate Meeting of Independent Directors:**

Pursuant to the provisions of the Companies Act, 2013 and the rules made thereunder the Independent Directors are required to hold at least one meeting in a year without the attendance of Non-Independent Directors and members of Management. We are pleased to report that the Company's Independent Directors met on **November 08, 2021**, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. At the Meeting, they -

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

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

The Company has received declarations from all the Independent Directors of the Company confirming that they have already registered their names in the data bank maintained by the Indian Institute of Corporate Affairs ["IICA"] as prescribed by the Ministry of Corporate Affairs as per notification dated October 22, 2019.

**III. BOARD COMMITTEES**

The Board has constituted Audit committee, Nomination and Remuneration committee, Stakeholder Relationship committee, Corporate Social Responsibility Committee which helps the Board in good corporate governance. The recommendation of the Committees submitted to the Board for their approval. During the year under review, all recommendations of the Committees were approved by the Board.

**1. AUDIT COMMITTEE**

**a. Brief Description of Terms of Reference:**

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

**b. Composition:**

The Audit Committee is comprised of four Non-Executive Directors under the chairmanship of Dr. S. K. Singla, who is an Independent Director. Mr. Dinesh Gogna, a Non-Executive Director and Dr. Yash Paul Sachdeva, Dr. Vijay Asdhir Independent Directors are the three other members of the Audit Committee. Dr. Vijay Asdhir was included in the Committee w.e.f 01.04.2022. Dr. S.K. Singla is a retired Professor-cum-Head of Department of Business Management, Punjab Agricultural University, Ludhiana. He is having experience of more than 35 years in teaching Finance and Management. At present, he is working as a director in Guru Nanak Auto Institute of Management and Technology. Mr. Dinesh Gogna is also a senior corporate executive having experience of more than 45 years in Corporate Finance, taxation, Financial and Accounting matters. Dr. Yash Paul Sachdeva is MBA and Ph.D (Business Administration) and having 37 years of experience in the field of Business Management. Currently, he is working as a professor in Punjab Agricultural University, Ludhiana. Dr. Vijay Asdhir is financially literate and has required accounting and financial Knowledge related expertise. Ms. Disha Jindal is the Secretary of the Committee for the financial year 2021-22. Mr. Rakesh Kumar Jain is Chief Financial Officer of the Company, a permanent invitee of the Committee. The statutory



Auditors, internal auditors and Cost Auditors are also invited to attend the meetings, as and when felt necessary and as per relevant provisions of the applicable laws/rules.

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

### c. Meetings and Attendance

During the financial year 2021-22, the committee met four times i.e. on 31st May, 2021, 02nd August 2021, 09th November, 2021 and 03rd February, 2022 for reviewing and examining the quarterly Audited/Un-audited financial results before recommending the same to the Board of Directors for their perusal and approval.

The attendance record of the Audit Committee members at the meetings during the year 2021-22 is as under:-

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

Mr. S.K. Singla, Chairman of the Audit Committee attended the last Annual General Meeting of the company held on 29th September, 2021 and replied/clarified the queries raised at the Annual General Meeting.

## 2. NOMINATION & REMUNERATION COMMITTEE

### a. Brief Description of Terms of Reference:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board constituted the Nomination and Remuneration Committee. The broad term of reference of the Nomination and Remuneration Committee is as per the requirements of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time read with Section 178 of the Companies Act, 2013. The Committee identifies

the persons who are suitable and qualified enough to become directors and who may be appointed in the Senior Management category in accordance with the criteria laid down / approved by the Board and recommend to the Board their appointment & removal. It carries out the evaluation of every director's performance. The Committee also ensures that the Company's remuneration policies, in respect of Executive Director, Key Managerial Personnel, Senior Executives and others are competitive so as to recruit and retain best talent in the company. It also ensures that appropriate disclosure of remuneration paid to the Directors, Executive Director, KMP and Senior Executives are made as per the applicable provisions of the Companies Act, 2013. It also devises a policy on "Diversity of Board of Directors".

### b. Composition:

The Nomination and Remuneration Committee is comprised of three Non-Executive directors under the chairmanship of Dr. S. K. Singla who is an Independent Director. Mr. Yash Paul Sachdeva and Dr. Manisha Gupta, an Independent Directors are the two other members of the committee. Dr. Inder Mohan Chhibba, an Independent Director of the Company shown his unwillingness to attend the Committee meetings. Accordingly, the Board in pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, reconstituted the Committee and included Mr. Yash Paul Sachdeva as Member of the committee w.e.f 03.02.2022 in place of Mr. Inder Mohan Chhibba.

### c. Meetings and Attendance:

The Nomination and Remuneration Committee met two times during the year i.e. on **31st May, 2021 and 31st July, 2021**. The attendance record of the Members at the meetings held during the year 2021-22 is as follow:-

Name of the Member	No. of meetings held	No. of meetings attended
Dr. S.K. Singla	2	2
Dr. Manisha Gupta	2	2
Dr. Inder Mohan Chhibba	2	2

### d. Performance Evaluation Criteria for Independent Directors:

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

#### e. Remuneration of Directors

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

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

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

The Non-Executive Directors are paid remuneration in the form of sitting fee of Rs. 10,000/- per meeting for attending the Board Meeting of the Company. The detail of sitting fee paid to Non executive Directors are during the year 2021-22 is as follows:

Name of Director	Sitting Fee (Rs.)
Mr. Jawahar Lal Oswal	40,000
Mr. Dinesh Oswal	40,000
Mr. Kamal Oswal	40,000
Mr. Dinesh Gogna	40,000
Dr. Amrik Singh Sohi	30,000
*Dr. Inder Mohan Chhibba	40,000
Dr. Suresh Kumar Singla	40,000
Dr. Yash Paul Sachdeva	40,000
*Dr. Vijay Asdhir	40,000
Dr. Manisha Gupta	40,000
<b>TOTAL</b>	<b>3,90,000</b>

\*Mr. Inder Mohan Chhibba and Dr. Vijay Asdhir, Independent Directors of the Company resigned from the Directorship of the Company w.e.f. 26.02.2022 and 23.07.2022 respectively.

##### (iii) Disclosures with respect to remuneration:

All the non-executive directors of the Company are paid sitting fees for attending Board Meeting. Mr. Satish Kumar Sharma and Mr. Sambhav Oswal being the Executive Directors of the Company have been paid remuneration pursuant to the

provisions of Section 197 read with Schedule V of the Companies Act, 2013. The disclosure in respect of remuneration paid to Mr. Satish Kumar Sharma and Mr. Sambhav Oswal detailed below:

##### (iv) Elements of remuneration package

The elements of remuneration package paid to Mr. Satish Kumar Sharma and Mr. Sambhav Oswal Executive Directors of the Company during the year 2021-22 is as follows:

Name of the Directors	Salary	Ben-efits	Bo-nuses	Stock Op-tions	Pen-sion	Total
Mr. Satish Kumar Sharma	23,40,413	--	--	--	--	23,40,413
Mr. Sambhav Oswal	4,08,25,479	--	--	--	--	4,08,25,479
<b>Total</b>						<b>4,31,65,892</b>

*Note: Mr. Satish Kumar Sharma and Mr. Sambhav Oswal were paid remuneration during the years 2021-22 as approved by shareholders vide their resolution dated 30th September 2019 and 29th September, 2020 respectively.*

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

The remuneration of Executive Directors of the Company comprises of fixed component i.e. Salary, perquisites and retirement benefits. Further, Mr. Sambhav Oswal, one of the Executive Director is also entitled to receive 2% Commission on the Net profits of the Company. The remuneration of Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board of Directors and shareholders of the Company.

##### (vi) Service contracts, Notice period and Severance fees

The tenure of office of Mr. Satish Kumar Sharma, Executive Director is for three years and Mr. Sambhav Oswal, Executive Director is for five years from their respective dates of appointment and can be terminated by either party by giving one month notice in writing. There is no separate provision for payment of severance fees.

##### (vii) Stock option details

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

### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

#### a. Brief Description of Terms of Reference:

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

**b. Composition:**

The Stakeholders' Relationship Committee is comprised of three Non-Executive directors under the Chairmanship of Dr. Manisha Gupta, who is Woman Independent Director. Mr. Dinesh Gogna, a Non-Executive Director and Dr. A. S. Sohi, an Independent Director are the two other members of the Committee.

**c. Meetings and Attendance**

The Committee met four times during the year. i.e. on 29th May, 2021, 31st July, 2021, 08th November, 2021 and 02nd February, 2022. The attendance record of members at the meetings held during the year 2021-22 is as follow:-

Name of the Member	No. of meetings held	No. of meetings attended
Dr. Manisha Gupta	4	4
Dr. A. S. Sohi	4	3
Mr. Dinesh Gogna	4	4

**d. Name and Designation of Compliance Officer**

During year under review, Ms. Bhoomika has resigned from the designation of Company Secretary & Compliance Officer w.e.f. 31st May, 2021 and Ms. Disha Jindal was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 31st May, 2021.

**e. Details of Investors' complaints received/**

**resolved/not solved to the satisfaction of shareholders/ pending:**

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

No. of complaints received during the year: **4**

No. of complaints resolved during the year: **4**

No. of complaints not solved to the satisfaction of shareholder: **NIL**

No. of complaints pending as on 31st March, 2022: **NIL**

**f. Dedicated e-mail for Investor Grievance**

To enable investors to register their grievances, the Company has designated an exclusive e-mail id. i.e. [gredressalnplf@owmnahtar.com](mailto:gredressalnplf@owmnahtar.com)

**4. SHARE TRANSFER COMMITTEE**

The company has also constituted a share transfer committee comprising of four members under the Chairmanship of Mr. Dinesh Oswal, a Non-Executive Director of the Company. Mr. Dinesh Gogna, a Non-Executive Director, Dr. Yash Paul Sachdeva, an Independent Directors and Ms. Disha Jindal, Company Secretary of the Company are other three members of the committee. Dr. Inder Mohan Chhibba, Independent Director shown his unwillingness to attend the meetings of the Committee. Accordingly, the Board decided to reconstitute the Committee and included Mr. Yash Paul Sachdeva w.e.f. 03rd February, 2022 in place of Dr. Inder Mohan Chhibba as member of the Committee. Further Ms. Bhoomika had resigned from the designation of Company Secretary & Compliance Officer w.e.f. 31st May, 2021 therefore she ceased to be member of Committee w.e.f. 31st May, 2021. Ms. Disha Jindal has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 31st May, 2021 and also member of the Committee. The committee is responsible for approving the transfer and transmission of securities, dematerialization of shares, and issuance of duplicate share Certificate. The Committee met Twenty Four Times during the year under review i.e. 02nd

April, 2021, 30th April, 2021, 05th May, 2021, 01st June, 2021, 15th June, 2021, 30th June, 2021, 15th July, 2021, 31st July, 2021, 13th August, 2021, 24th August, 2021, 31st August, 2021, 13th September, 2021, 17th September, 2021, 16th October, 2021, 30th October, 2021, 17th November, 2021, 30th November, 2021, 17th December, 2021, 31st December, 2021, 15th January, 2022, 31st January, 2022, 15th February, 2022, 28th February, 2022 and 15th March, 2022. The attendance of the members is as follows:

Name of the member	No. of meetings held	No. of meetings attended
Mr. Dinesh Oswal	24	24
Mr. Dinesh Gogna	24	24
*Mr. Inder Mohan Chhibba	21	21
*Mr. Yash Paul Sachdeva	3	3
**Ms. Bhoomika	3	3
**Ms. Disha Jindal	21	21

\*Mr. Yash Paul Sachdeva was included as member of the Committee w.e.f. 03.02.2022 in place of Mr. Inder Mohan Chhibba.

\*\*Ms. Bhoomika had resigned from the designation of Company Secretary & Compliance Officer w.e.f. 31st May, 2021 therefore she ceased to be member of Committee w.e.f. May 31, 2021. Ms. Disha Jindal has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 31st May, 2021 and also member of the Committee

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

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

As per SEBI circular no. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002 the company has appointed M/s. Alankit Assignments Ltd, as Registrar

for Share Transfer and Electronic Connectivity. Accordingly, all the shareholders, investors, members of stock exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer, Demat, Remat, Change of Address etc. to our Registrar, whose address and telephone no. etc. have already been mentioned in Director's Report.

## 5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

### a. Composition

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

### b. Meetings and Attendance

During the year under review, the Committee met two times i.e. on 31st July, 2022 and 29th January, 2022. The attendance record of members at the meeting held during the year 2021-22 is as follow:-

Name of the member	No. of meetings held	No. of meetings attended
Mr. Dinesh Oswal	2	2
Dr. S.K. Singla	2	2
Mr. Dinesh Gogna	2	2

The CSR report, as required under the Act for the year ended 31st March, 2022 is attached as 'Annexure I'

to the Director's Report.

#### 6. RISK MANAGEMENT COMMITTEE:

As per the provisions of Regulation 21 of SEBI (LODR) (Second Amendment) Regulations, 2021, Top 1000 listed entities determined on the basis of market capitalization as at the end of immediate previous financial year are required to constitute a Risk Management Committee. We would like to inform you that as on 31st March, 2022, Company falls under the said category hence the Board of Directors in their Meeting held on 25th May, 2022 have constituted Risk Management Committee. The main term of reference of the Committee is to review and monitor the risks associated with Company's business and suggest measures for mitigation of the same as per Company's Risk Management Policy. However, no business is free from Normal Business Risks i.e. Financial Risk, Exchange Risk, Policy Risk, Global Risk etc. Earlier, the Audit Committee was taking care of the Company's risk management policies but with the constitution of Risk Management Committee it will be reviewed in its meeting so that the Company could face the challenges and risk associated with the Business successfully and become a Global competitive Company. The Risk Management Committee is comprised of three Directors under the chairmanship of Mr. Sambhav Oswal, Executive Director of the Company. Mr. Anchal Kumar Jain and Mr. Yash Paul Sachdeva are other two members of the Committee.

#### IV. GENERAL BODY MEETINGS

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

Financial Year	Location	Date	Time
2018-19	Premises Nahar Industrial Enterprises Ltd.	30.09.2019	12:30 PM
2019-20	Through Video Conferencing / Other Audio Visual Means	29.09.2020	03:30 PM
2020-21	Through Video Conferencing / Other Audio Visual Means	29.09.2021	11:30 AM

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

2018-19	1. To consider the re-appointment of Mr. Satish Kumar Sharma (DIN: 00402712) as an Executive Director of the company.
2019-20	2. To consider the appointment of Mr. Sambhav Oswal (DIN: 07619112) as an Executive Director of the company.
2020-21	1. To approve continuation of holding of office as independent director by Dr. Amrik Singh Sohi, upon attaining the age of 75 years. 2. To approve continuation of holding of office as independent director by Dr. Vijay Asdhir, upon attaining the age of 75 years

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

No special resolution was passed during the financial year ended 31st March, 2022 through postal ballot.

##### d. Person who conducted the postal ballot exercise:

Not applicable as no special resolution was passed during the financial year ended 31st March, 2022 through postal ballot.

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

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

##### f. Procedure for postal ballot.

Not applicable, whenever any special resolution will be conducted through postal ballot, the procedure for postal ballot shall be as per the applicable provisions of Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### V. MEANS OF COMMUNICATION

##### a. Quarterly Results:

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

##### b. Newspapers wherein results normally published:

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



**c. Any website, where displayed:**

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

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

**d. Whether it also displays official news releases**

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

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

Whenever any presentation about Company's working is made to the Financial Institutional Investors or to the Analyst, the same is displayed on the Company's Website i.e. www.ownahar.com.

**VI. GENERAL SHAREHOLDERS INFORMATION**

**a. Annual General Meeting**

Date : 24th August 2022  
 Day : Wednesday  
 Time : 11:30 A.M.  
 \*Mode : Video Conferencing / other Audio Visual Mode  
 Remote E-Voting : 21st August, 2022 to 23rd August, 2022

*\*Pursuant to the circular of Ministry of Corporate Affairs dated 5th May, 2020 and General Circular No. 02/2022 dated 05th May 2022 for the holding of AGM through Video Conferencing or other audio visual means in the period of COVID-19, the company opted to hold its Annual General Meeting through Video Conferencing, details of which are provided in Notice of AGM.*

**b. Financial Year:** The Financial year of the company comprises of twelve months starting from 1st April of every year and ends at 31st March of next year. The current financial year of the company is from 1st April, 2021 to 31st March, 2022.

**c. Dividend Payment :** On or before 10th September, 2022

**d. Date of Book Closure :** 13th August 2022 to 16th August, 2022 (both days inclusive)

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

The BSE Limited 25th Floor, P.J. Towers, Dalal Street, Mumbai-400 001	The National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051
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The listing fees payable to BSE and NSE for 2022-23 have been paid in full by the Company.

**f. Stock Code :**

For trading at BSE: 523391

For trading at NSE: NAHARPOLY

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

The Annual Custodian Fees for the Financial Year 2022-23 have been paid to National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

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

The Company's equity shares are listed at BSE and NSE. Accordingly, the month wise High and Low stock prices from April, 2021 to March, 2022 are as follows:

Month	BSE		NSE	
	High	Low	High	Low
April, 2021	138.4	102	138.50	103.10
May, 2021	168.25	128.6	168.80	128.55
June, 2021	182	127.05	182.00	145.50
July, 2021	241.55	167	241.95	166.00
August, 2021	319.75	194.7	318.90	195.00
September, 2021	273	220.05	271.90	220.45
October, 2021	261.05	220	267.65	217.60
November, 2021	284.4	213	283.90	210.55
December, 2021	301.05	218.4	301.00	225.50
January, 2022	378	275	378.00	276.80
February, 2022	475	333.5	473.00	331.25
March, 2022	600	405.6	597.90	405.00

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

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

The Company's equity shares are listed at BSE and NSE. Accordingly, Comparison between



Nahar Poly Films Limited closing price variation and BSE Sensex in percentage from April, 2021 to March, 2022 is as under:

Financial year	Share Price of the Company				BSE Sensex			
	Highest (Rs)	Lowest (Rs)	Closing (Rs)	%age change over last moths closing	Highest (Rs)	Lowest (Rs)	Closing (Rs)	%age change over last moths closing
April, 2021	138.4	102	129.75	17.75%	50375.77	47204.5	48782.36	-1.47%
May, 2021	168.25	128.6	157.9	21.65%	52013.22	48028.07	51937.44	6.46%
June, 2021	182	127.05	172.25	9.08%	53126.73	51450.58	52482.71	1.05%
July, 2021	241.55	167	224.1	30.10%	53290.81	51802.73	52586.84	0.20%
August, 2021	319.75	194.7	230.75	2.97%	57625.26	52804.08	57552.39	9.44%
September, 2021	273	220.05	244.3	5.85%	60412.32	57263.9	59126.36	2.73%
October, 2021	261.05	220	233.6	-4.37%	62245.43	58551.14	59306.93	0.30%
November, 2021	284.4	213	226.5	-3.04%	61036.56	56382.93	57064.87	3.78%
December, 2021	301.05	218.4	279.15	23.24%	59203.37	55132.68	58253.82	2.08%
January, 2022	378	275	344.5	23.41%	61475.15	56409.63	58014.17	-0.41%
February, 2022	475	333.5	413.45	20.01%	59618.51	54383.2	56247.28	3.04%
March, 2022	600	405.6	560.85	35.65%	58890.92	52260.82	58568.51	4.13%

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

**j. In case the securities are suspended from trading, reason thereof**

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

**k. Registrar to an issue and Share Transfer Agents**

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

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

with demat holding. For this purpose, shareholders should approach their Depository Participant.

**l. Share Transfer System**

The company has constituted share transfer committee consisting of four members, namely Mr. Dinesh Oswal, a Non-Executive Director of the Company. Mr. Dinesh Gogna, a Non-Executive Director, Dr. Yash Paul Sachdeva, an Independent Directors and Ms. Disha Jindal, Company Secretary of the Company are other three members of the committee. Dr. Inder Mohan Chhibba, Independent Director shown his unwillingness to attend the meetings of the Committee so the company decided to reconstitute the Committee and included Mr. Yash Paul Sachdeva w.e.f. 03rd February, 2022 in place of Dr. Inder Mohan Chhibba as member of the Committee. Ms. Bhoomika had resigned from the designation of Company Secretary & Compliance Officer w.e.f. 31st May, 2021 therefore she ceased to be member of Committee w.e.f 31st May, 2021. Ms. Disha Jindal has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 31st May, 2021 and also member of the Committee. Normally Share transfer committee meets twice in a month to approve the transfer/transmission/transposition, issue of duplicate share certificates & dematerialization of shares and duly transferred shares are generally dispatched within the prescribed period under the Companies Act, 2013/SEBI LODR Regulations, 2015.

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

**m. Distribution of Shareholding**

As on 31st March, 2022, your Company had 23972 shareholders having a total of 24587991 equity shares. The following is the distribution of Shareholding.



No. of Shares held	No. of Shareholders	Percentage of Shareholders	Aggregate Shareholding	Percentage of Shareholding
1-500	22193	92.58	2286867	9.30
501-1000	1199	5.00	800686	3.26
1001-2000	307	1.28	442460	1.80
2001-3000	99	0.41	251698	1.02
3001-4000	40	0.17	138524	0.56
4001-5000	27	0.11	123215	0.50
5001-10000	56	0.23	424419	1.73
10001 & above	51	0.21	20120122	81.83
<b>TOTAL</b>	<b>23972</b>	<b>100.00</b>	<b>24587991</b>	<b>100.00</b>

**n. The Shareholding pattern as on 31st March, 2022 as follows:**

Shares held by	No. of Shares	Percentage of Shareholding
Promoters	17343802	70.54
Public	5917948	24.07
HUF	225580	0.92
Foreign Portfolio-Corp.	58486	0.24
Banks / Mutual Funds	2708	0.01
Foreign holdings (FII, NRIs)	151020	0.61
Body Corporate	248619	1.01
Clearing Member	27569	0.11
IEPF	612259	2.49
<b>TOTAL</b>	<b>24587991</b>	<b>100%</b>

**o. Dematerialization of Shares and Liquidity**

The Securities and Exchange Board of India (SEBI) has included Company's scrip in compulsory demat settlement for all type of investors. Thus, the dealing in company's equity shares can be in demat form only. To facilitate holding and trading of securities in electronic form, your Company has established connectivity with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). The investors have an option to dematerialize their equity shares with either of the Depositories. Shares held in demat and physical mode as on 31st March, 2022 is as follows:-

Category	Number of shares	% of total equity
Demat Mode	23728714	96.51%
Physical Mode	859277	3.49%
Total	24587991	100%

SEBI vide its notification dated June 08, 2018 amended the Regulation 40 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 whereby it has been provided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with the Depository. Hence, all members who are holding equity shares in physical form are requested to go for dematerialization of securities at the earliest.

Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 read together with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 has mandated for furnishing/ updating PAN, KYC details (Address, Mobile No., E-mail ID, and Bank Details) and Nomination details by all the holders of physical securities in listed company. Accordingly, the Company had already sent the letters to the shareholders holding shares in physical Form. The Company has also updated its website and same can be accessed at [http://www.ownahar.com/nahar\\_polyfilm/kyc\\_updation.php](http://www.ownahar.com/nahar_polyfilm/kyc_updation.php)

Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has decided that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for: 1. Issue of duplicate securities certificate; 2. Claim from Unclaimed Suspense Account; 3. Renewal / Exchange of securities certificate; 4. Endorsement; 5. Sub-division / Splitting of securities certificate; 6. Consolidation of securities certificates/folios; 7. Transmission; 8. Transposition.

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

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any Convertible In-



struments, which is likely to have any impact on the equity of the Company.

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

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

**r. Plant Location:**

- (a) Village Sarakian, Itayakalan, Distt. Raisen (M.P.)
- (b) Nahar Poly Films Limited Line-2 New Unit, Hoshangabad Road, Vill.Sarakia/Itayakalan Near Mandideep, Raisen, Raisen, Madhya Pradesh, 464993

**s. Address for Correspondence:**

“Nahar Tower”  
376, Industrial Area-A,  
Ludhiana - 141 003  
Phone No. : 0161-2600701 to 2600705  
Fax No. : 0161-2661180, 2222942  
E-mail ID: secnel@owmnaahar.com  
Website : www.owmnaahar.com

**t. Credit Ratings:**

We are pleased to inform you that M/s CARE Ratings has intimated the Company’s credit rating outlook through credit rating report in the month of January,2022 which is as under:

Facilities/ Instruments	Rating1	Rating Action
Long Term Bank Facilities	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed; Out- look revised from Stable
Short Term Bank Facilities	CARE A2+ (A Two Plus)	Reaffirmed

**VII. OTHER DISCLOSURES**

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

During the year, there are no material related party transactions made by the Company with Promoters,

Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. During the year, the Company had not entered into any contract / arrangement/ transaction with related parties which could be considered material in accordance with the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the details of transactions with the Related Parties/ Group Companies/ Associates Companies are disclosed in Notes to the Financial Statements as per applicable provisions.

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

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

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

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

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

**requirements:**

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

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

- i. Un-modified opinion(s) in audit report: The Company is already in a regime of financial statements with un-modified audit opinion.
- ii. Reporting of internal auditor: The internal auditor may report directly to the Audit Committee.

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

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

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

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

The Company has formulated the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, which can be accessed at [http://owmnaahar.com/naahar\\_polyfilm/pdf/RPT-NAHAR-POLY.pdf](http://owmnaahar.com/naahar_polyfilm/pdf/RPT-NAHAR-POLY.pdf).

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

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

not involved in any hedging activities.

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

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

**9. Certification from Company Secretary in Practice:**

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

**10. Recommendation of Committees:**

In the financial year 2021-22, the board has accepted all recommendations of the Committees.

**11. Fees paid to Statutory Auditors:**

The company has appointed M/s YAPL & Company, Chartered Accountants as Statutory Auditors of the company. The total fees for all services paid by the Company to the statutory auditors and all entities in the network firm/network entity of which the statutory auditors is a part, is Rs. 3,06,125 (Three Lacs Six Thousand One Hundred Twenty Five only).

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

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

**13. Prevention of Insider Trading:**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has accordingly amended its "Code of practices and procedures for fair dis-

closure of unpublished price sensitive information" and "Code of Conduct to regulate, monitor and report trading by insiders". The Codes help to regulate trading in securities by the designated persons. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary being the Compliance Officer is responsible for implementation of the Code.

#### **14. Dividend Distribution Policy:**

We are pleased to inform you that the Board of Directors had approved and adopted the Dividend Distribution Policy in their Meeting held on 31st May, 2021. The Policy set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders. Further, pursuant to the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) requires that top 1000 listed entities based on market capitalization as on 31st March, 2022 shall formulate a dividend distribution policy. We would like to inform you that your Company as on 31st March, 2022 falls in the list of top 1000 listed entities. The policy is already updated on the Company's website and the same is available at [http://www.owmnahar.com/nahar\\_polyfilm/pdf/NPF-dividend\\_distribution\\_policy.pdf](http://www.owmnahar.com/nahar_polyfilm/pdf/NPF-dividend_distribution_policy.pdf)

#### **15. Business Responsibility Report:**

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires that top 1000 listed entities based on market capitalization shall submit a Business Responsibility Report in the format as specified by SEBI or Business Responsibility and Sustainability Report voluntarily for the financial year 2021-22 in place of mandatory Business Responsibility Report. We would like to inform you that company as on 31 March, 2022 falls in list of top 1000 listed entities based on market capitalization. The Company has attached the Business Responsibility Report with the Director's Report.

#### **16. Insurance Policy for Directors and Officers:**

As per Regulation 25 (10) of Listing Regulations, as amended top 1000 listed entities are required to undertake Director and Officer Insurance Policy. We would like to inform you that your Company as on 31st March, 2022 falls in top 1000 list of listed entities. The Company has already taken Directors & Officers insurance ('D and O insurance') Policy.

#### **17. Reconciliation of Share Capital Audit:**

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

#### **18. CEO and CFO Certification:**

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Certificate duly signed by the Executive Director and Chief Financial Officer was placed at the meeting of Board of Directors held on 25th May, 2022.

#### **19. Disclosure by listed entity and its subsidiaries of 'loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount**

During the year, the Company has given Inter Corporate Loans to the Group Companies of Rs 1400.00 Lacs on arm Length Basis in normal course of business to utilize the surplus funds available with the Company. The details of transactions with the Group Companies are disclosed in Notes to the Financial Statements as per applicable provisions.

#### **VIII. Non-compliance of any requirement of Corporate Governance Report with reasons thereof:**

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

**IX. Disclosure of compliance with Corporate Governance requirements as specified in Regulation 17 to 27 and Regulation 46(2)(i)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

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

**X. CODE OF CONDUCT**

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

with this Code of Conduct is attached with this Report.

**XI. Disclosure with respect to demat suspense account /unclaimed suspense account:**

- a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil
- c. Number of shareholders to whom shares were transferred from suspense account during the year: Nil
- d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil
- e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

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

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : LUDHIANA**  
**DATED : 23<sup>rd</sup> July 2022**

**Sd/-**  
**JAWAHAR LAL OSWAL**  
**(CHAIRMAN)**  
**(DIN: 00463866)**





**EXECUTIVE DIRECTOR'S DECLARATION**

Pursuant to the requirement of Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all Board Members and Senior Management personnel of the company have affirmed compliance with Code of Conduct for Board of Directors and Senior Management Personnel for the year ended 31st March, 2022.

**Date: 23rd July, 2022**  
**Place : Ludhiana**

**SATISH KUMAR SHARMA**  
**(EXECUTIVE DIRECTOR)**  
**DIN: 00402712**

**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**  
**(Pursuant to Clause 10 of Part C of Schedule V of SEBI (LODR) Regulations, 2015)**

To  
The Members  
M/s Nahar Poly Films Limited  
Ludhiana

I have examined the relevant records of M/s NAHAR POLY FILMS LIMITED for the purpose of certifying compliance of requirements in Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March, 2022.

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

**For P.S. Bathla & Associates**  
**Company Secretaries**

**Place : Ludhiana**  
**Dated: 23rd July, 2022**  
**UDIN : F004391D000654656**

**P.S. Bathla**  
**(Proprietor)**  
**CP No. 2585**  
**Peer Review No. 1306/2021**

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**  
**(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To  
The Members,  
**Nahar Poly Films Limited**

We have examined the report of Corporate Governance presented by the Board of Directors of **NAHAR POLY FILMS LIMITED** for the year ended 31st March, 2022 as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the same.

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

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

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

For P.S. Bathla & Associates

**For P.S. Bathla & Associates**  
**Company Secretaries**

**PLACE: LUDHIANA**  
**DATED: 23rd July, 2022**  
**UDIN : F004391D000654601**

**P.S. Bathla**  
**(Proprietor)**  
**FCS: 4391/CP No. 2585**  
**Peer Review No. 1306/2021**

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

The Global Economy started witnessing a sharp recovery after unprecedented disruptions in 2020-21 due to COVID-19 Pandemic. The enhanced vaccination of people and continued fiscal and monetary stimulus by the various countries, the Global Economy started its upwards journey towards growth. However, the growth prospects again weakened in the course of the year with the emergence of second wave of COVID-19 and unprecedented increase in the prices of commodities because of the ongoing conflict between Russia & Ukraine which has put breaks on the growth of the Global economies. The sharp rise in the fuel, high rate of inflation and tightening of monetary policy in several countries has further aggravated the problems for the Global Economies. In addition frequent and wider-ranging lockdown in china including in key manufacturing hubs have also slow down the economic activity and has thus caused new bottlenecks in Global supply chain. Because of the prevailing Economic and Business scenario, the International Monetary Fund's (IMF) in the World Economic Outlook published in April, 2022, has revised the Global growth prospects for the financial year 2022 and 2023 to 3.6%. This is 0.8% and 0.2% points lower for 2022 and 2023 than projected in January, 2022.

The Indian economy too has been severally impacted because of prevailing geopolitical situation which is not conducive for the Global Trade. The ongoing conflict between Russia and Ukraine and subsequent sanction by U.S. and European Union has affected India's exports. The rising risk of new Covid variant has the potential to prolong the Pandemic and thus causing fresh economic impact on the economy. As a result, India's GDP is expected to grow at a slower pace.

To put the economy on faster lane of growth and sustainable development, Government and Policy makers have introduced several path breaking initiatives and policies in the area of Health Care, Infrastructure and Social Welfare to support the economic activities. The government is also

encouraging private industries to invest through various PLI schemes. The government has also resumed negotiations with the European Unions (EU) for agreement on Trade and Investment which will help in tapping uncharted export markets. Thus, in the short term, the economic growth might appear to be weak but it is likely to stabilize and recover quickly. Despite these Global uncertainties on Trade front India is likely to register a reasonable growth in the current year.

We are also hopeful that the Government through its Monetary Policy and other policy initiatives will support the industry so that it could meet the challenges and emerge as a winner.

**INDUSTRY STRUCTURE AND DEVELOPMENTS**

BOPP films has emerged as one of the most popular raw materials used by the flexible packaging industry all over the world. The demand for BOPP Film is increasing both in developed as well as emerging markets due to its recyclable nature and applicability in various of non- food and food products. BOPP Films are preferred substrates for food packaging globally, owing to their inherent moisture barrier properties, sealability, high clarity and graphic reproduction, and shelf appeal. The global BOPP films market size is projected to grow from USD 24.2 billion in 2020 to USD 31.4 billion by 2025, at a CAGR of 5.3% from 2020 to 2025 (*Source: <https://www.marketsandmarkets.com/Market-Reports/bopp-films-market-249521924.html>*). The BOPP films market has been growing in tandem with the growth in the packaging industry, replacing traditional packaging types, such as metal cans and cartons.

The BOPP Films market is expected to grow due to the increasing demand from the food packaging sector and FMCG companies. The shift in trend from rigid packaging to flexible packaging will boost the demand for BOPP films. The films are increasingly adopted in the fields of applications, like packaging, labeling, and lamination. Moreover, growing consumer preferences for convenient packaging, growing demand from the food & beverage sector, ease of use, and lightweight nature, will further push the demand for BOPP films packaging.



Beside, boom in e-commerce especially in food and beverages, modernization of retail business, urbanization of cities, rising income levels and changes in consumption pattern of the consumers will further drive the demand for flexible packaging. The environmental regulations are also paving the way for flexible packaging requirements and thus driving the market with remarkable benefits to the environment, too.

Seeing the bright future of the Indian BOPP film industry, your Company's has put up 2nd BOPP line with a capacity of 30000 Tonnes per annum. The Commercial production from the new plant has started in February 2022. Thus as on date the Company installed capacity of BOPP Films stand increased to 60000 Tonnes Per Annum and thus the Company will be able to reap the benefits of the economies of scale.

#### **OPPORTUNITIES AND THREATS**

Globally BOPP films are the most commonly used and fastest growing segment in the food & Confectionery market. The BOPP film helps in protecting the food products from contamination because of its high moisture barrier properties, thus making them ideal for usage in food & beverage packaging. The key driver for the growth of BOPP films market is the growing demand of packed foods like biscuits, chocolates, cakes, candies, snacks & other confectionery products. Apart from food & confectionery segment, BOPP films has shown growth in Pharmaceutical, Lamination, Decorative Ply, Cosmetics and Labels segment.

The recent outbreak of COVID-19 have made people conscious of the food products they consume. Accordingly, the food industry has increased its focus towards better and safe packaging, resulting robust demand for packaging material. The BOPP Films market is also expected to grow further due to increased demand from the food packaging sector and FMCG companies. Moreover, shift in trend from rigid packaging to flexible packaging will further boost the demand for the BOPP films. The rise of e-commerce in food & beverages coupled with the improved economic environment and increased disposable income, will lead to increased consumption of the packaged goods, which will result into higher demand for BOPP packaging. The acceptance of BOPP films

packaging is rising in as they are cost-effective and 100% recyclable, which makes them environment friendly.

Though, BOPP Films industry continues to witness a reasonable growth on account of favorable factors but it is not immune from normal business threats and challenges. Because of the continuous increase in capacities, Industry faces stiff competition both from domestic as well as international manufacturers. Also, the main raw material "Polypropylene" a derivative of crude oil and steep increase in the prices of crude oil can severally impact fortunes of the Industry. Apart from these operational risks other factors such as fluctuation in Foreign exchange rates, Regulatory risks, Government Policy etc may also impact the Company's performance. Your Management is of the opinion that none of identified risk is such that which may threaten the existence of the Company.

#### **FUTURE OUTLOOK**

The future of the global BOPP films market looks promising because of continuous growth in the packaged foods market around the world. The rapid expansion in e-commerce especially in food and beverages, modernization of retail business, urbanization of cities, rising income levels and changes in consumption pattern of the consumers will give further push to the demand for flexible packaging.

Post COVID-19 Pandemic, new trends have emerged and adopted by various companies in the packaging industry. From smart packaging to sustainable and safe packaging with innovation and artistic touch, the packaging trends have gained a lot of prominence in the food, pharmaceutical, beverage, cosmetic and other FMCG industries. Moreover, due to the upsurge in the demand for packaged food and rise in e-commerce amid the covid crisis, the Packaging sector took an exponential rise, which helps the BOPP Films market to sustain and grow. We are hopeful that with the increased economic activity and growth of the Global economies, the demand for BOPP Films will grow significantly both in Domestic as well as Globally, over the coming years. Also, the growth in Food & Beverages, Pharmaceuticals, Personal Care, Electrical & Electronics and other sectors will give a further boost to the BOPP film industry.



The BOPP film industry is continuously upgrading its technology to develop fresh new prospects in the packaging industry and maintain its core competence and convert it into the competitive edge over others.

### **RISK AND CONCERNS**

The raw material which plays a major component in the cost of making Bopp Film is "Polypropylene". Any changes in the raw material prices and falls in finished good product prices may affect the performance of the company. Though the Company has endeavored to monitor and mitigate these risks.

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

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company is maintaining an efficient and effective system of Internal Financial Control for facilitating accurate compilation of financial statements. The company's Internal Control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with procedures, laws and regulations. The Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal Financial Control system commensurate with the nature of its business and the size of its operations. In order to further strengthen the Internal control system and to automate the various processes of the business, the company is making use of SAP S4 HANA application, which is based on SAP Hana database. It keeps all the data processing that is magnitude faster than that of disk based system, allowing for advanced, real time analytics.

The Company has also appointed Piyush Singla & Associates, Chartered Accountants Firm, as Internal Auditors of the Company. The Company is

also having Internal Audit Department to test the adequacy and effectiveness of Internal Control Systems laid down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management. During the year, Company's Internal Controls were tested and no reportable weakness in the system was observed.

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

### **SEGMENT WISE OR PRODUCT WISE PERFORMANCE AND FINANCIAL/OPERATIONAL PERFORMANCE**

The Company is operating in single segment i.e. BOPP Films as such disclosure requirements of Ind AS-108, issued by the Institute of Chartered Accountants of India are not applicable on the company. During the year under review, the Company's performance have been excellent. The Company has achieved a total income of Rs. 49533.35 Lakhs with a net profit of Rs. 8768.11 Lakhs. The detailed performance has already been discussed in the Directors' Report under the column "Financial Performance".

### **MATERIAL DEVELOPMENTS IN 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 continued its policy of attracting and recruiting the best available talent so that it can face business challenges ahead. The Company also offers attractive compensation packages to retain and motivate the professionals so that they can give their best.

We would also like to inform you that during the challenging period of COVID-19 pandemic, Company has taken all possible steps to take care



of the safety, security and health of the workers/ employees. The Company provided masks, hand sanitizer, regular body temperature checkup facility at the factory as well as office premises. Your management also arranged Vaccination camps at the factories and offices of the company so that each and every employee/staff gets vaccinated. The Company has also ensured that Company's factories and offices are sanitized at regular interval to safeguard its worker/ employees. The total permanent employee's strength of the Company was 310 as on 31st March, 2022. The industrial relation continued to remain cordial during the year.

### SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

(In %)

Ratio	31.03.2022	31.03.2021
Interest Coverage Ratio	42.71	208.94
Debt Equity Ratio (times)	0.27	0.21
Debt Service Coverageratio (times)	6.87	158.45
Return on Capital Employed	14.45	20.15
Return on Investments	1.25	0.35

**Interest Coverage Ratio:** Due to increase in term Loans for the purpose of setting up of new BOPP film unit, the interest coverage ratio has increased.

**Debt/ Equity Ratio:** Debt/ Equity Ratio have been changed due to increase in term loans for setting up a new BOPP Film unit.

**Debt Service Coverage:** The Debt Service Coverage is changed due to increase in repayment of term loans and interest for setting up a new BOPP Film unit.

**Return on Capital Employed:** The Return on Capital Employed changes due to increase in term loans for setting up a new BOPP Film unit.

**Return on investment:** The Return on investment changes due to Dividend not declared/paid by some of the companies in period of COVID-19

### CAUTIONARY STATEMENT

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

FOR AND ON BEHALF OF THE BOARD

sd/-

JAWAHAR LAL OSWAL

(CHAIRMAN)

(DIN: 00463866)

PLACE : LUDHIANA

DATED: 23rd July, 2022





**Annexure-VII**

**BUSINESS RESPONSIBILITY REPORT**

[See Regulation 34(2)(f)]

**About Nahar Poly Films Limited**

Nahar Poly Films Limited is engaged in business of manufacturing of BOPP film. BOPP film which is mainly used in flexible packaging. Flexible packaging which is defined as any packaging or any part of a package whose shape can be readily changed. It can take on many shapes and sizes – bags, pouches, liners or overwraps. The company has put up two BOPP plants at Village Sarakian, Itayakalan, Distt. Raisen (M.P.) in the state of Madhya Pradesh. We supply these Bopp films to our customers in India as well as outside India.

**SECTION-A: GENERAL INFORMATION ABOUT THE COMPANY**

Sr.No.	PARTICULARS	INFORMATION
1.	Corporate Identify Number (CIN) of Listed Entity:	L17115PB-1988PLC008820
2.	Year of Incorporation	1988
3.	Name of Listed Entity	Nahar Poly Films Limited
4.	Registered office address	376, Industrial Area-A, Ludhiana, Punjab 141003 India
5.	Corporate address	376, Industrial Area-A, Ludhiana, Punjab 141003 India
6.	E-mail	secnel@owmnahar.com
7.	Telephone	01612600701- 705
8.	Website	www.owmnahar.com
9.	Financial Year for which Reporting is being done	2021-22
10.	Name of stock exchange(s) where shares are listed	BSE Ltd & National Stock Exchange of India Limited
11.	Paid up capital	Rs 1229.40 Lakhs
12.	Sector(s) that the Company is engaged in (industrial activity code-wise)	The company is engaged in the Manufacturing of BOPP Films (Code 22209).

13	List three key products/ services that the Company manufactures/provides (as in balance sheet)	BOPP Films includes: 1.BOPP Film Plain 2.BOPP Film Metallized
14.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	<ul style="list-style-type: none"> <li>• Number of International locations: Nil</li> <li>• Number of National locations: 2 1. Village Sarakian, Itayakalan, Distt. Raisen (M.P.) 2. Nahar Poly Films Limited Line-2 New Unit, Hoshangabad Road, Vill. Sarakia/Itayakalan Near Mandideep, Raisen, Raisen, Madhya Pradesh, 464993</li> </ul>
15	Markets served by the Company	The company serves Local / State / National / International markets

**SECTION B: FINANCIAL DETAILS OF THE COMPANY**

- 1. Paid up Capital (INR)** Rs. 1229.40 Lakhs
- 2. Total Turnover (INR)** Rs. 48714.43 Lakhs
- 3. Total profit after taxes (INR)** Rs. 8768.11Lakhs
- 4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** During the year 2021-22, the company spent Rs 83.00 Lakhs (being two percent of the average net profits of the company made during the three immediately preceding financial years) on CSR activities.
- 5. List of activities in which expenditure in 4 above has been incurred:-** The Board on the recommendation of CSR Committee decided to contribute an amount of Rs 83.00 Lakhs to the Oswal Foundation for undertaking Health care projects as approved by the consortium of the Group Companies formed to undertake CSR activities through Oswal Foundation. The

foundation is going to undertake "Health Care Project of modernization of Linear Accelerator", as approved by the consortium at approximate cost of Rs. Four crores, at Mohan Dai Oswal Cancer Hospital and Research Foundation, Ludhiana. **The details of the CSR initiatives undertaken by your Company are set out in the Annexure I to the Directors' Report included in the Annual Report.**

### SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company / Companies?** : The Company does not have any Subsidiary or joint venture company. The Company has only one associate company i.e. M/s Nahar Capital and Financial Services Limited.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)** : NA
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, more than 60%]:** At present, the BR initiatives have been undertaken at company level. Other Entities viz. suppliers, distributors etc. with whom the Company does business do not participate in the Business Responsibility initiatives of the Company.

### SECTION D: BUSINESS RESPONSIBILITY INFORMATION

#### 1. Details of Director/Directors responsible for BR

(a) Details of the Director / Director responsible for implementation of the BR policy / policies

1. **DIN Number:** : 07619112
2. **Name:** Mr. Sambhav Oswal
3. **Designation:** Executive Director

(b) **Details of the BR head**

No.	Particulars	Details
1	DIN Number (if applicable)	07619112
2	Name	Mr. Sambhav Oswal
3	Designation	Executive Director
4	Telephone number	01612600701- 705
5	e-mail id	sambhавoswal@owm-nahargroup.com

#### 2. Principle-wise(as per NVGs) BR Policy / policies:

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P.No.	Name of Principle
P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote Human rights.
P6	Businesses should respect, protect, and make efforts to restore the environment.
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in the responsible manner.

**(a) Details of compliance (Reply in Y/N)**

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders? <b>Refer Note 1</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? <b>Refer Note 2</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director? <b>Refer Note 3</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy? <b>Refer Note 4</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	The policies have been posted on the website of the company at <a href="http://www.ownnahar.com">www.ownnahar.com</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders? <b>Refer Note 5</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy / policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address 'stakeholders' grievances related to the policy / policies? <b>Refer Note 6</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency? <b>Refer Note 7</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y

**Notes:-**

- All the policies have been formulated in consultation with relevant stakeholders. While there may not be formal consultation with all the external stakeholders, relevant policies / procedures have been evolved over a period of time by taking inputs from concerned stakeholders.
- The policies are based on and are in compliance with the applicable regulatory requirements and national/international level standards. The spirit and content of the Code of Conduct and all the applicable laws and standards are captured in the policies articulated by the Company.
- The policies approved and adopted by the Company are in conformity with the applicable rules and regulations and signed by authorised person on behalf of Board.
- The company does not have any specified committee of the board but Directors and senior management of the Company monitors various aspects of the social, environmental, governance and economic responsibilities on continuous basis.
- The policies will be communicated to key internal/external stakeholders of the Company. The BR policies are communicated through this report and also through the website of the Company.
- Any grievance/feedback related to policies can be sent to the Company at [gredressalnpfl@ownnahar.com](mailto:gredressalnpfl@ownnahar.com) by the stakeholders.
- The Policies are evaluated internally and updated/amended as per the changed business scenario.



(a) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick upto 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	<b>NOT APPLICABLE</b>								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

**3. Governance related to BR**

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Pursuant to the SEBI (LODR) Regulations, 2015, top 1000 companies based on market capitalization are required to have "Business Responsibility Report" (BRR) as part of their Annual Report. The company has been included in the list of top 1000 listed companies on the basis of market capitalization as on 31st March, 2022. Accordingly, this is the first year of implementation. However, the Business Responsibility performance is assessed periodically by the management.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company is publishing Business Responsibility Report first time in the current financial year 2021-2022 as a part of Annual Report. The link for viewing the Business Responsibility Report is available on the company's website. It will be published annually in the Annual Report.

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability**

• **Governance:**

The Company continues to practice the principle of good Corporate Governance. It is Company's firm belief that good CORPORATE GOVERNANCE is a key to success of business. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour in the organisation. The Company has a Code of Conduct for its Directors, Senior Management Personnel. Their affirmation to the Code of Conduct is communicated to all stakeholders by Director, through a declaration in the Annual Report. The Company's Employees also abide by the Code of Conduct, which prohibits abusive, corrupt and unfair practices.

The Company communicates about the access of information about any decision that may impact any of the relevant stakeholders and fairly discloses all necessary legal and financial disclosures and disseminates it to the stakeholders through the Stock Exchanges, Company's website, Annual Report,

Newspapers, etc.

To ensure accountability and monitoring, the Board has constituted various committees such as the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee. These committees meet periodically during the year to supervise, review performance and advice for corrective direction.

- **Vigil mechanism:**

The Company has established a whistleblower policy/vigil mechanism to address the issues relating to ethics, bribery, corruption, sexual harassment or any discrimination.

Vigil mechanism empowers the employees and other stakeholders who have concerns about suspected misconduct, unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or ethics policy, to come forward and express their concerns without fear of punishment or unfair treatment. The mechanism promotes responsible and secure whistleblowing and provides adequate safeguards to the whistleblower.

The Company treats any act of fraud, bribery and corruption very seriously and expects its business partners to adopt the same approach. There were no complaints received during the reporting year under Whistle Blower Policy of the Company.

- **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information:**

The Company has established a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and is cognizant of its responsibility towards protecting and maintaining the confidentiality and disclosure of price-sensitive information in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information not only conforms to the regulatory requirements but also instils a sense of

responsibility among the designated persons for protecting and maintaining confidentiality.

- **Grievance redressal mechanism:**

The Company has effective grievance redressal mechanism for receiving and dealing with the concerns, complaints of its stakeholders. The buyer / consumers can raise their concerns through emails, call or personal meetings.

The Committee on Prevention of Sexual Harassment (POSH) addresses all sexual harassment complaints. The Company has received no complaints on sexual harassment during the reporting year.

Nahar Poly Films Limited has designated email id [gredressalnplf@owmnahtar.com](mailto:gredressalnplf@owmnahtar.com) for receiving and addressing investor grievances. The Company has received four shareholders grievances during the year under review and no investor grievance was pending as on March 31, 2022.

**Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

**1. List up to three of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

- (a) The Company had installed of 1.2 MW roof top solar plants at its unit at Mandideep which became operational in September 2021. The Solar plant helps us to save 882873 units of electricity from September 2021 to March 2022 and thus helping in sustaining the environment.
- (b) The Company continued its efforts to adopt more sustainable raw material and processed to expand the offering of sustainable products. Emphasis is given on manufacturing sustainable products. The Company is strategically focusing on development of products that supports our customers in being environment friendly. BOPP films offer better yield, hence enabling reduced consumption of plastics.
- (c) The Company uses Sewage treatment Process to treat the Discharged water from various sources and use the same in gardens for gardening. Moreover, the Company has a ded-

icated, experienced design team comprising of professional closely tracking the global trend.

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

The company is committed towards sustainable economic development and plays a key-role in addressing the challenges facing the environment. We approach these challenges in a holistic manner by pursuing innovative approaches and adopting the global best practices. Continued efforts to address the environmental concerns are visible, inter alia, in the selection of state-of-the-art power generation technologies for implementation of the projects, use of higher efficiency power generation technologies, ultra-modern technologies make evident our commitment towards sustainable development.

- The Company had installed of 1.2 MW roof top solar plants at its unit at Mandideep which became operational in September 2021. The Solar plant helps us to save 882873 units of electricity.
- The company is recycling and using the entire treated sewage water in process house like humidification plants and flushing of toilets.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so**

Yes, the company has procedure of sustainable sourcing under available scope on meeting technical parameter of products. Procurement practices and selection criteria by the Company are focused on protection of environment, societal interest and cost effective procurement seeking resources efficiency, improving the quality of products and services and ultimately optimising the cost. As example of procuring more than 50% different packing material from sustainable sources. Such as Raw materials,

highly consumable packing materials, electrical, mechanical & store spares

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

Yes, Our Company always promotes local supply of goods and services, based on meeting of the quality requirement under innovative management.

**(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company is developing their capacity and capability on ground of providing Drawing, Design and Samples with technical parameter support and taking trial of the products. The objective is to focus on indigenous suppliers, mutual collaboration and partnership for long term growth. The Company has always given preference to local vendors when it comes to sourcing materials. Most of packaging materials, engineering stores and spares and services like security, canteen, employee transportation, housekeeping, repairs & maintenance, material movement etc. are sourced from local vendors/contractors.

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Yes. We are recycling approx 10.99% of the products and side trimming. In the process of the production, waste of the products and cutting are generated and these recycled into the RPG

**Principle 3: Business should promote the well-being of all employees**

Beyond Balance Sheet, Company's 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 continued its policy of attracting and recruiting the best available talent so that it can face business challenges ahead. The Company

also offers attractive compensation packages to retain and motivate the professionals so that they can give their best.

The Company's continuous endeavor is to provide a safe, productive and positive environment for our employees that are free from any form of discrimination, including but not limited to sexual harassment. The company always supports its workforce so that they can maintain a healthy work-life balance and develop their professional as well as personal skills.

The Company endeavors to provide equal opportunity to each individual by evaluating him/her on its performance and ensure that there is no discrimination amongst its employees based on caste, creed, religion, disability, gender, age, sexual orientation, race, colour, ancestry, marital status and medical background. The Company has received no complaints related to Sexual harassment, Discriminatory employment, child labour, forced labour or any form of involuntary work.

Employees Strength of Company as on March 31, 2022, was as under:

Total Strength	No. of Male Employees	No. of Female Employees
310	308	2

The HR policies of Company ensure that there is no child labour, forced labour or any form of involuntary work, at any of its premises. The company always recognizes the right to freedom of association and does not discourage collective bargaining. The Company periodically updates and familiarises employees on the following:

1. The company's Code of Conduct which covers aspects such as Corporate Governance & Good Corporate Citizenship
2. Whistleblower Policy of the Company.

The detail of Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year is as under:

No.	Category	No of complaints filed during the Financial year	No of complaints pending as on end of Financial year
1	Child labour/ forced labour/ involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

**Principle 4 - Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

The Company has mapped its internal as well as external stakeholders and carries out engagements with investors, employees, clients and business partners, etc.

- **Engaging with Investors / stakeholders**

The interaction with the stakeholders and investors is done through result announcement, Annual Reports and meeting. The company website is quite useful for communication with the stakeholders and investors. Moreover, the Annual General Meeting (AGM) provides the Shareholders an opportunity to engage directly with the Directors and the Management. During AGM, the Directors engage with Shareholders and answer their queries on varied subjects. The internal stakeholders, like employees of the Company, are identified through surveys and regular engagements.

- **Engaging with Government and Regulators:**

Your Company interacts with various Government authorities and statutory bodies as and when required, during the course of its business and maintains statutory records and ensure compliances of the applicable Laws, Rules and Regulations.

- **Employee Engagement:**

Your Company engages with its employees irrespective of rank and organizes various programs and activities to boost their morale, provide equal opportunities for them to nurture talent and develop their creativity.



- **Disadvantaged, Vulnerable & Marginalized Stakeholders:**

The Company is committed to the welfare of disadvantaged, vulnerable and marginalized section of the society. The Company itself and in association with M/s Oswal Foundation has taken special initiatives for the benefit of local communities and other disadvantaged and marginalized stakeholders. The Company's endeavor is to help them in Healthcare, Education, and Sustainable Livelihood etc. All the projects undertaken CSR activities are based on the needs of the communities. The Company's vision, in a nutshell, epitomizes inclusive growth and dignifying the lives of the underprivileged.

**Principle 5: Business should respect and promote Human rights**

The Company advocates the supremacy of human rights, and all its policies acknowledge the same principle. Your Company's Human Rights policy recognizes the following priority issues:

Compliance with applicable labour laws, zero tolerance to the child, forced or compulsory labour in operations and supply chains, equal opportunity, provide opportunities for all employees to express concerns and seek redressal, health and safety of our employees.

No complaints were received regarding human rights violation during the financial year under review.

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

As a responsible corporate entity, company is fully aware of its obligation and responsibility to maintain highest standard of Environmental Management, as the Climate changes and Global Warming are posing great threat to the global environment and to the Human kind.

- **Clean Technology**

The Company endeavors to impact the environment positively with cleaner production methods, use of energy-efficient and environment-friendly technologies. We are continually investing in new technologies, implementing process improvements and

innovating. At Nahar Poly Films Limited, the company is investing in new technology and ultra modern machinery and equipment having low energy consumption.

- **Energy Efficiency / Renewal Energy**

The Company had installed of 1.2 MW roof top solar plants at its unit at Mandideep which became operational in September 2021. The Solar plant helps us to save 882873 units of electricity from September 2021 to March 2022 and thus helping in sustaining the environment. These solar plants have contributed in sustaining the environment. The other initiatives taken by the Company for energy efficiency are detailed in Annexure IV to the 'Directors' Report included in the Annual Report for FY 2021-22.

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

(a) **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

No, the Company is not a member of any trade and chamber or association.

(b) **Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).**

The Company is not member of any trade and chamber or association. However, we believe in promoting public policies and regulatory framework that serve the common good of the society. We believe the phenomenal geology, skilled workforce, simple and transparent progressive policies create significant opportunities for poverty eradication and employment creation, should relevant stakeholders be willing to explore the full potential of the natural resources sector and open up the sector to attract investment. We are therefore working to directly and indirectly

support government authorities to catalyse sustainable development of the sector.

**Principle 8: Businesses should support inclusive growth and equitable development**

As a responsible organization focused on inclusive growth, your Company has followed a proactive approach towards Corporate Social Responsibility (CSR).

The Company has a detailed CSR policy in place, and the CSR activities are monitored by the Board appointed CSR committee. The company has been undertaking CSR projects through Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields. The key focus areas of Company's CSR programs are the promotion of education, preventive healthcare, rural development, skill enhancement, environment protection and other areas as defined in Schedule VII of the Companies Act 2013. During the year, the Company has contributed an amount of Rs. 83.00 lakhs to the Oswal Foundation which will be spent for undertaking "Health Care Project of modernization of Linear Accelerator", as prescribed under Schedule VII of the Companies Act, 2013 and as approved at cost of Rs. four crores, at Mohan Dai Oswal Cancer Hospital and Research Foundation, Ludhiana.

**The details of the CSR initiatives undertaken by your Company are set out in the Annexure I to the Directors' Report included in the Annual Report.**

The Company internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

**Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner**

The Company places its customers at the centre of all its business policies and conducts. The

Company strive to continue growth by adopting national and international standards and embracing ethical means in harmony with the environment, ensuring customer delight, stakeholder trust and social responsibility.

Customers' satisfaction is the Company's goal, which motivates the Company to keep its products as per the consumers requirements. To understand the customers better, the Company adopts several procedures including customer surveys, customer audits and direct feedback.

The Company organizes buyer meets for better market research and customer service. Feedback is also taken by the management during the visit of Customers at the manufacturing facilities. This helps the Company in preparing and planning the future business policies / programmes / strategies. We deliver value by anticipating changes in customer's desired needs.

1. Pending complaints at the end of financial year is Nil
2. The company discloses all the product information on our labels in compliance with the legal requirements and the requirements of our customers as per the applicable law in the country.
3. There is no case pending against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years.
4. The company always engages with its customers and carries out the consumer surveys for company's products to know their satisfaction level so that corrective action / steps if any may be taken to enhance their satisfaction level.

**FOR AND ON BEHALF OF THE BOARD**

PLACE: LUDHIANA  
DATED: 23rd July, 2022

JAWAHAR LAL OSWAL  
(CHAIRMAN)  
DIN: 00463866



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NAHAR POLY FILMS LIMITED**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone Financial Statements of NAHAR POLY FILMS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, but does not include the standalone financial statements and our auditors report thereon. The Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

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

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

### **Management's Responsibility for the Financial Statements**

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

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate,

to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss



including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing

or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**v. As stated in the standalone financial statements**

- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
  - (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**(CA Sakshi Garg)**  
Partner  
M.No.553997  
UDIN: 22553997AJOVFQ4785  
Dated: 25.05.2022  
Place: Ludhiana

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

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

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **NAHAR POLY FILMS LIMITED** (“the Company”) as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditor’s Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material

weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the Standalone Financial Statements.

**Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control



stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For YAPL & Co.**

**Chartered Accountants**

**Firm Regn.No.017800N**

**(CA Sakshi Garg)**

**Partner**

**M.No.553997**

**UDIN: 22553997AJOVFQ4785**

**Dated: 25.05.2022**

**Place: Ludhiana**

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us and based on the examination of records of the company, conveyance deed etc., we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for such class of inventory were noticed
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks on the basis of security of current assets. The stock statements has been filed with banks by the company during the year are in agreement with books of accounts of the company.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has provided loans or advances in the nature of loans to one of its related party named M/S Nahar Spinning Mills Limited for amounting to Rs.1400 Lacs during the year. Balance of loan as on 31.03.2022 is NIL.
  - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
  - (c) The company has not granted loans as per stipulation for repayment of principal and interest of loan. Hence reporting under clause 3(iii)(c) is not applicable for the company
  - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
  - (f) The Company has granted loan or any advances in the nature of loan repayable on demand or without specifying any terms or period of repayment to one of its related party named M/S Nahar Spinning Mills Limited for amounting to Rs.1400 Lacs during the year. The same loan is 100 % of the total loan provided by the company during the year.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as

at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

- vi. We have broadly reviewed the cost records maintained by the company pursuant to the sub section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that prima facie, the prescribed records have been maintained. We have, however not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
  - Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2022 on account of dispute are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Unpaid) Rs.(in Lacs)
Vat Act	CST	Divisional Deputy Commissioner	A.Y. 2016-17	18.69
The Income Tax Act, 1961	Income Tax	NFAC, Delhi	A.Y. 2018-19	20.81

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings from any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us and based on examination of records of the company, the Company has been applied the term loans for the purpose for which loans were obtained

- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate companies.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its associate companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to information and explanation given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) The management has represented us that no whistle blower complaints has been received by the Company during the year (and up to the date of this report).
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.



- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  
 (b) According to information and explanations given to us, there is one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Company has no unspent amount under CSR at the end of the financial year, hence reporting under clause 3(xx) (a) and (b) is not applicable to the company

**For YAPL & Co.  
 Chartered Accountants  
 Firm Regn.No.017800N  
 (CA Sakshi Garg)**

**Partner**

**M.No.553997**

**UDIN: 22553997AJOVFQ4785**

**Dated: 25.05.2022**

**Place: Ludhiana**





**Balance Sheet as at 31st March 2022**

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Notes	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	1	29,261.77	2,820.06
Capital work-in-progress		185.19	17,171.17
Financial assets			
Investments	2.1	43,389.01	12,247.47
Other Non-Current Financial Assets	2.2	325.38	219.66
Deferred tax assets (net)	3	-	36.25
		<b>73,161.35</b>	<b>32,494.61</b>
<b>Current assets</b>			
Inventories	4	6,206.16	2,059.70
Financial assets			
Trade receivables	5.1	2,835.71	1,129.71
Cash and Cash equivalents	5.2	61.53	94.28
Other bank balances	5.3	38.38	31.46
Loans	5.4	4.77	4.06
Other financial asset	5.5	108.51	2,217.15
Current tax assets (net)	6	148.57	149.04
Other current assets	7	3,777.40	2,736.82
		<b>13,181.03</b>	<b>8,422.22</b>
<b>Total Assets</b>		<b>86,342.38</b>	<b>40,916.83</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share capital	8.1	1,257.77	1,257.77
Other equity	8.2	61,960.21	26,874.98
		<b>63,217.98</b>	<b>28,132.75</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	9	14,527.50	4,280.49
Deferred tax liabilities (net)	10	3,216.12	-
		<b>17,743.62</b>	<b>4,280.49</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	11.1	2,787.66	1,559.04
Trade and other payables	11.2		
- To Micro, Small and Medium Enterprises		183.15	155.95
- To Others		691.17	5,993.85
Other financial liabilities	11.3	165.64	122.60
Other current liabilities	12	1,437.21	632.40
<b>Provisions</b>			
- Provision for Gratuity	13	4.13	-
- Current tax liabilities (Net of advance tax)		111.82	39.75
		<b>5,380.78</b>	<b>8,503.59</b>
<b>Total Equity and liabilities</b>		<b>86,342.38</b>	<b>40,916.83</b>

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

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

**For YAPL & Company**

**For Nahar Poly Films Limited**

Chartered Accountants

FRN:017800N

**Sakshi Garg**

(Partner)

M.No.553997

Place : Ludhiana

Date : 25.05.2022

UDIN : 22553997AJOVFQ4785

**Rakesh Jain**

(Chief Financial

Officer)

**Disha Jindal**

(Company Secretary)

**Sambhav Oswal**

Executive Director

(DIN - 07619112)

**Dinesh Oswal**

Director

(DIN - 00607290)



**Statement of Profit and Loss for the year ended 31st March 2022**

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Notes	Current Year	Previous Year
<b>INCOME</b>			
Revenue from operations	14	48,894.09	30,348.23
Other Income	15	639.26	513.05
<b>Total Income</b>		<b>49,533.35</b>	<b>30,861.28</b>
<b>EXPENSES</b>			
Cost of materials consumed	16	31,067.93	19,002.03
Purchase Stock in trade		-	-
Change in inventories of finished goods, stock in trade and work -in-progress	17	(891.18)	(19.93)
Employee benefit expense	18	1,548.19	1,098.56
Finance costs	19	294.34	33.86
Depreciation and amortisation expense	1	643.80	187.05
Other expenses	20	5,236.01	3,706.86
<b>Total Expenses</b>		<b>37,899.09</b>	<b>24,008.43</b>
<b>Profit/(loss) before Tax Expenses</b>		<b>11,634.26</b>	<b>6,852.85</b>
Tax expense:	21		
- Current tax		(2,401.54)	(1,639.69)
- Deferred tax (credit)/Charge		(464.61)	(69.53)
<b>Profit for the year</b>		<b>8,768.11</b>	<b>5,143.63</b>
<b>Other comprehensive income (OCI)</b>			
Items that will not be reclassified to profit or loss			
-Re-measurement gains/(losses) on defined benefit plans		6.54	1.34
-Current Tax relating to re-measurement gains/(losses) on defined benefit plans		(1.68)	(0.34)
-Equity investments through other comprehensive income		29,515.60	5,577.48
-Income tax relating to items that will not be reclassified to profit or loss		(2,793.20)	-
<b>Items that will be reclassified to profit or loss</b>			
-Investments through other comprehensive income		(46.77)	20.25
-Deferred Tax relating to items that will be reclassified to profit or loss		5.45	(2.36)
<b>Other Comprehensive Income for the year</b>		<b>26,685.94</b>	<b>5,596.37</b>
<b>Total Comprehensive Income for the year</b>		<b>35,454.05</b>	<b>10,740.00</b>
<b>Earnings per equity share of ₹ 5 each</b>			
Basic and Diluted		35.66	20.92

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

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

**For YAPL & Company**

Chartered Accountants

FRN:017800N

**For Nahar Poly Films Limited**

**Sakshi Garg**

(Partner)

M.No.553997

Place : Ludhiana

Date : 25.05.2022

UDIN : 22553997AJOVFQ4785

**Rakesh Jain**

(Chief Financial

Officer)

**Disha Jindal**

(Company Secretary)

**Sambhav Oswal**

Executive Director

(DIN - 07619112)

**Dinesh Oswal**

Director

(DIN - 00607290)



**Cash flow statement for the year ended 31st March 2022**

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Current Year	Previous Year
<b>Cash flow from operating activities:</b>		
<b>Profit/(loss) before Tax Expenses</b>	11,634.24	6,852.85
Add: Adjustment for Non-Cash & Non-operating items		
Depreciation and amortisation expense	643.80	187.05
Finance Costs	294.34	33.86
Interest Income	(135.66)	(383.04)
Dividend Income	(405.42)	(33.06)
(Profit)/loss on sale of investments (net)	(1.95)	(2.16)
Fair valuation of Investments through Profit and gains	(40.49)	(67.32)
Employment expenses through OCI	6.54	1.34
(Profit)/loss on sale of fixed assets (net)	-	(1.06)
Provision for Employee Benefits	4.13	(42.73)
<b>Operating profit before working capital changes (A)</b>	<b>11,999.53</b>	<b>6,545.73</b>
Adjustments for movement in:		
Changes in Trade Receivables and other receivables	(1,705.99)	(199.14)
Changes in Inventories	(4,146.47)	(126.12)
Changes in Loans (long term)	(105.72)	(17.53)
Changes in Loans (Short term)	(0.71)	(0.33)
Changes in other current assets	(1,040.59)	(2,061.23)
Changes in other financial assets	108.65	-
Changes in Trade and other payables	(5,275.48)	5,754.83
Changes in other financial liabilities	(1,906.60)	17.12
Changes in other current liabilities	804.82	160.01
Changes in Current borrowings	1,228.62	978.86
<b>Cash flow from operating activities before taxes</b>	<b>(12,039.47)</b>	<b>4,506.47</b>
Direct taxes paid (net of refunds & demands)	(2,330.68)	(1,634.12)
<b>Net cash flow from operating activities (B)</b>	<b>(14,370.15)</b>	<b>2,872.35</b>
<b>Cash flow from investing activities:</b>		
Purchase of fixed assets (including capital advances)	(10,099.53)	(15,218.13)
Proceeds from sale of fixed assets	-	1.53
Purchase of Investments	(1,966.54)	(824.11)
Proceeds from sale of Investments	336.29	752.16
Loan Given (ICD's)	(1,400.00)	(1,650.00)
Loan Received Back (ICD's)	3400.00	2950.00
Interest Income	135.66	383.04
Dividend Income	405.42	33.06
<b>Net cash flow (used) in investing activities (C)</b>	<b>(9,188.70)</b>	<b>(13,572.45)</b>
<b>Cash flow from financing activities:</b>		
Interest paid	(294.34)	(33.86)
Repayment of long term borrowings	(1,117.50)	-
Proceeds from long term borrowings	13,314.15	4,501.76
Dividend Paid	(368.82)	(245.88)
<b>Net cash flow (used) in financing activities (D)</b>	<b>11,533.49</b>	<b>4,222.02</b>
<b>Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)</b>	<b>(25.83)</b>	<b>67.65</b>
Cash and cash equivalents at the beginning of the year	125.74	58.09
<b>Closing cash and cash equivalents</b>	<b>99.91</b>	<b>125.74</b>
Cash and cash equivalents include:		
<b>Cash and Cash equivalents</b>	61.53	94.28
Other bank balances	38.38	31.46
<b>Cash and bank balances</b>	<b>99.91</b>	<b>125.74</b>

**Notes to Cash flow Statement**

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

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

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

**For YAPL & Company**

Chartered Accountants

FRN:017800N

**Sakshi Garg**

(Partner)

M.No.553997

Place : Ludhiana

Date : 25.05.2022

UDIN : 22553997AJOVFQ4785

**Rakesh Jain**

(Chief Financial Officer)

**Disha Jindal**

(Company Secretary)

**Sambhav Oswal**

Executive Director

(DIN - 07619112)

**Dinesh Oswal**

Director

(DIN - 00607290)

**For Nahar Poly Films Limited**



**Notes forming part of Standalone financial statements for the year ended 31st March 2022**

(All amounts ₹ in Lakhs, unless stated otherwise)

**Note-1 Property, plant and equipment**

Particulars	Freehold land	Building	Plant and machinery	Vehicle	Office equipment	Furniture and fixtures	Total
<b>Gross Carrying Value</b>							
Balance as at 01 April 2021	176.53	2,459.42	14,112.94	105.92	71.26	15.39	16,941.46
Additions	-	3,754.51	23,148.74	155.69	20.85	5.72	27,085.51
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31st March 2022</b>	<b>176.53</b>	<b>6,213.93</b>	<b>37,261.68</b>	<b>261.61</b>	<b>92.11</b>	<b>21.11</b>	<b>44,026.97</b>
<b>Accumulated Depreciation</b>							
Balance as at 01 April 2021	-	926.62	13,084.20	44.87	52.43	13.28	14,121.40
Additions	-	89.73	533.33	14.87	5.41	0.46	643.80
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31st March 2022</b>	<b>-</b>	<b>1,016.35</b>	<b>13,617.53</b>	<b>59.74</b>	<b>57.84</b>	<b>13.74</b>	<b>14,765.20</b>
CWIP as at 31st March 2022	-	-	-	-	-	-	185.19
CWIP as at 31st March 2021	-	-	-	-	-	-	17,171.17
<b>Net carrying amount</b>							
Balance as at 31st March 2022	176.53	5,197.58	23,644.15	201.87	34.27	7.37	29,446.96
Balance as at 31st March 2021	176.53	1,532.80	1,028.74	61.05	18.83	2.11	19,991.23

**Capital work-in-progress ageing schedule for the year ended 31st March 2022 and 31st March 2021 is as follows:**

Amount in CWIP for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Current Year	185.19	--	--	--	--
Previous Year	15,093.00	2078.17	--	--	--

**Note :**

**a) Finance leases**

Company does not have any finance / operating lease.

**b) Contractual obligations**

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

**c) Borrowing Cost Capitalised**

The company has capitalised term loan interest amounting to Rs.929.25 Lakhs and processing charges Rs.3.82 lakhs during the year (Previous year NIL)

**Note:-2.1 Non-current Investments**

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of units	Amount	No. of units	Amount
<b>Investments in Associates</b>				
<b>At Cost</b>				
<b>Quoted</b>				
Nahar Capital & Financial Services Limited (Equity Shares of ₹5 each fully paid-up)	66,11,632	3,673.16	66,11,632	3,673.16
<b>Sub total (a)</b>	<b>66,11,632</b>	<b>3,673.16</b>	<b>66,11,632</b>	<b>3,673.16</b>
<b>Investments in Equity Instruments</b>				
<b>At fair value through other comprehensive income</b>				
<b>Quoted</b>				
Nahar Spinning Mills Limited	69,02,244	35,218.70	69,02,244	7,181.78
<b>Sub total (b)</b>	<b>69,02,244</b>	<b>35,218.70</b>	<b>69,02,244</b>	<b>7,181.78</b>
<b>Investments Bonds</b>				
<b>At fair value through other comprehensive income to be reclassify at the time of sale</b>				
<b>Quoted</b>				
IRFC Tax Free Bond	11,757	117.57	11,757	143.49
Nabard Tax Free Bonds	10,020	100.20	10,020	121.04
<b>Sub total (c)</b>	<b>21,777</b>	<b>217.77</b>	<b>21,777</b>	<b>264.53</b>


**Investments in Mutual Funds, Debentures and Bonds**
**At fair value through profit and loss**
**Quoted**

Nippon India Banking & PSU Debt Fund (PY Reliance)	-	-	20,35,996	334.34
Idfc Bond Fund Short Term Plan	3,80,915	186.64	3,80,915	178.50
Kotak Bond Short Term Plan	5,50,229	251.43	5,50,229	239.23
L & T Short Term Bond Fund	5,47,031	123.69	5,47,031	118.43
Axis Mutual Fund Axis AAA Bond Plus SDL ETF-2026	25,00,000	263.00	-	-
Edelweiss Recently Listed IPO Fund	11,26,956	212.29	-	-
SBI Magnum Ultra Short Duration Fund Direct Growth	8,172	400.20	-	-
HDFC Liquid Fund	11,951	500.10	-	-
State Bank of In SR I 7.72 BD Perpetual FVRS1CR	3	305.85	-	-
Adani Enterprises Limited BR NCD	10	100.00	-	-
Piramal enterprises BR NCD	20	200.00	-	-

**Sub total (d)**

<b>51,25,286</b>	<b>2,543.20</b>	<b>35,14,171</b>	<b>870.50</b>
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**Unquoted Investments**
**Equity shares of Sankheshwar Holdings Limited**

95,750	1,736.18	95,750	257.50
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95,750	1,736.18	95,750	257.50
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<b>Grand Total (a+b+c+d+e)</b>	<b>43,389.01</b>		<b>12,247.47</b>
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<b>Aggregate amount of quoted investments</b>	41,652.83		11,989.97
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<b>Aggregate amount of unquoted investments</b>	1,736.18		257.50
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<b>Aggregate amount of impairment in value of investments</b>	-		-
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**Particulars**

	As at 31st March 2022	As at 31st March 2021
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**Note:-2.2 Other Non-Current financial assets**

(Unsecured considered good, unless otherwise stated)

Security deposits (Unsecured, considered good)	325.38	219.66
--	--------	--------

<b>325.38</b>	<b>219.66</b>
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**Note:-3 Deferred Tax Asset/Liability (Net)**

On account of Depreciation differences, Change in rate of tax &amp; Ind As Adjustments

-	25.10
---	-------

On Account of allowance u/s 43B

-	11.15
---	-------

<b>-</b>	<b>36.25</b>
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**Note:-4 Inventories**

(Valued at Cost or Net Realisable Value Whichever is Lower)

Raw Materials	3,699.21	555.39
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Work in Process	1,476.86	705.52
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Finished Goods	321.51	207.74
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Waste & Rejections	11.97	5.91
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Stores & Spares	696.61	585.14
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<b>6,206.16</b>	<b>2,059.70</b>
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**Note:- 5.1 Trade receivables**

(Unsecured, considered good unless otherwise stated)

Considered good

2,835.71	1,129.71
----------	----------

<b>2,835.71</b>	<b>1,129.71</b>
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**Note:-5.2 Cash and bank balances**

Balance with banks	59.20	93.54
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Cash in hand including stamps	2.33	0.74
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<b>61.53</b>	<b>94.28</b>
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**Note:-5.3 Other bank balances**

Unpaid Dividend Account	37.64	28.67
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Deposits with original maturity more than three months but less than twelve months	0.74	2.79
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<b>38.38</b>	<b>31.46</b>
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**Notes:**

(i) Cash and cash equivalents include ₹ 37.64 lakhs (as at 31st March 2021 ₹ 28.67 lakhs) held in dividend accounts which is not available for use by the company.

**Note:- 5.4 Loans (Current)**

(Unsecured considered good, unless otherwise stated)

Loan to Employees	4.77	4.06
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<b>4.77</b>	<b>4.06</b>
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Particulars	As at 31st March 2022	As at 31st March 2021
<b>Note:- 5.5 Other financial assets</b>		
Interest accrued but not due on fixed deposits	4.14	-
Sale Tax Incentive receivable	104.37	217.15
Intercompany Deposits (Related Party)	-	2,000.00
	<b>108.51</b>	<b>2,217.15</b>
Intercompany deposits (current year balance NIL) were given to M/s Nahar Spinning Mills Limited (Refer note34)		
<b>Note:- 6. Other Current assets</b>		
Advance income tax (Net of Provisions)	148.57	149.04
	<b>148.57</b>	<b>149.04</b>
<b>Note:- 7. Other Current assets</b>		
Advances to suppliers	1,206.17	249.45
Prepaid expenses	139.85	68.22
Balances with statutory and government authorities	1,476.05	1,438.84
License in hands	88.80	552.13
Others recoverable	866.53	428.18
	<b>3,777.40</b>	<b>2,736.82</b>
<b>Note:-8.1 Equity Share Capital</b>		
Authorised capital		
900 Lakh Equity Shares of ₹ 5- each (Previous Year Same)	<b>4,500.00</b>	<b>4,500.00</b>
	<b>4,500.00</b>	<b>4,500.00</b>
Issued, subscribed and Fully paid up.		
24,587,991 Equity Shares of ₹ 5/- each (Previous Year Same)	1,229.40	1,229.40
Add:- Amount paid up on forfeited Shares	28.37	28.37
<b>Total</b>	<b>1,257.77</b>	<b>1,257.77</b>

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

	31st March 2022		31st March 2021	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	2,45,87,991	1229.40	2,45,87,991	1229.40
Issued during the year	-	-	-	-
Equity shares at the end of the year	2,45,87,991	1,229.40	2,45,87,991	1,229.40

**b) Rights, Preferences and restrictions attached to shares**

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

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

	31st March 2022		31st March 2021	
	No of shares	% holding	No of shares	% holding
Nahar Capital & Financial Services Limited	1,20,87,671	49.16%	1,20,87,671	49.16%
Nahar Spinning Mills Limited	43,09,056	17.53%	42,48,813	17.28%

**d) Shareholding of promoter**

Share Held by promoters Name of Promoter	As on 31st March 2022		As on 31st March 2021		Change
	No of shares	% holding	No of shares	% holding	
Dinesh Oswal	105273	0.43%	105273	0.43%	0.00%
Jawahar Lal Oswal	21214	0.09%	21214	0.09%	0.00%
Kamal Oswal	31500	0.13%	31500	0.13%	0.0%
Sambhav Oswal	1000	0.00%	1000	0.00%	0.00%
Tanvi Oswal	1000	0.00%	1000	0.00%	0.00%
Ritu Oswal	1000	0.00%	1000	0.00%	0.00%



Manisha Oswal	500	0.00%	500	0.00%	0.00%
Sanjana Oswal	500	0.00%	500	0.00%	0.00%
Rishabh Oswal	500	0.00%	500	0.00%	0.00%
Abhinav Oswal	500	0.00%	500	0.00%	0.00%
<b>Promoter Group</b>					
Nahar Spinning Mills Limited	4309056	17.53%	4248813	17.28%	0.25%
Nahar Capital & Financial Services Ltd.	12087671	49.16%	12087671	49.16%	0.00%
Sankeshwar Holding Co.Ltd.	784088	3.19%	784088	3.19%	0.00%

**e) Shares Forfeited**

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

**Note:- 8.2 Other Equity**

**(a) Securities premium account**

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

**(b) General Reserve**

Opening Balance as per last Balance Sheet	14,660.18	10,160.18
Add : Additions during the year	7,500.00	4,500.00
<b>Balance as at the year end</b>	<b>22,160.18</b>	<b>14,660.18</b>

**(c) Retained Earnings**

Opening Balance as per last Balance Sheet	7,736.80	1,742.68
Profit for the year	8,768.11	5,143.63
Other Comprehensive Income for the year (net of tax)	26,685.94	5,596.37
Dividends	(368.82)	(245.88)
Transfer to General Reserve	(7,500.00)	(4,500.00)
<b>Balance as at the year end</b>	<b>35,322.03</b>	<b>7,736.80</b>
<b>Total Other Equity (a+b+c)</b>	<b>61,960.21</b>	<b>26,874.98</b>

**Nature and purpose of reserves**

**Securities premium account**

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

**General reserve**

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

**Retained Earnings**

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

**Statement of Changes in Equity**

PARTICULARS	Balance	Change During	Balance As at
	As at 01.04.2021	2021-2022	31.03.2022
Equity Share Capital	1,229.40	-	1,229.40
Securities premium account	4,478.00	-	4,478.00
General Reserve	14,660.18	7,500.00	22,160.18
Retained Earnings: -	7,736.80		
Profit for the year		8,768.11	
Other Comprehensive Income for the year (net of tax)		26,685.94	
Dividends		(368.82)	
Transfer to General Reserve		(7,500.00)	35,322.03





Particulars	As at 31st March 2022	As at 31st March 2021
<b>Note:- 9 Non-Current borrowings</b>		
Term Loan from Banks		
- Punab National Bank	8,937.50	-
- Bank of Maharashtra	5,590.00	4,280.49
	<b>14,527.50</b>	<b>4,280.49</b>
Both the term loans are repayable in 32 quarterly installments starting from quarter ending December 2021 is secured by way of first pari passu charge on entire fixed assets of the company (present and future) including equitable mortgage on factory land and building and is personally guaranteed by a director of the company. It is further secured by second charge on current assets of the company.		
Rate of Interest applicable as on last day of the year	7.80%	8.35%
<b>Note:-10 Deferred Tax Asset/Liability (Net)</b>		
On account of Depreciation differences, Change in rate of tax & Ind As Adjustments	3,230.96	-
On Account of allowance u/s 43B	(14.84)	-
	<b>3,216.12</b>	<b>-</b>
<b>Note:- 11.1 Current borrowings</b>		
<b>Secured</b>		
Working Capital Loans repayable on demand from Banks	552.66	1,273.67
Current maturities of long term debts	2,235.00	285.37
	<b>2,787.66</b>	<b>1,559.04</b>
Working capital facilities under consortium arrangement are secured by way of first pari passu charge on Current Assets, second pari passu charge on fixed assets including equitable mortgage of factory land and building of the company and is personally guaranteed by a director of the company.		
Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.		
<b>Note:- 11.2 Trade and other payables</b>		
<b>Trade Payables:</b>		
- To micro, small and medium enterprises (refer note 27)*	183.15	155.95
- To others	691.17	506.26
- Trade Payables for Capital Goods	-	5,487.59
	<b>874.32</b>	<b>6,149.80</b>
* To the extent information provided/available with the company.		
Not Due	823.12	678.52
0-6 Months due	27.35	5465.90
6 Months to 1 Year due	19.53	0.00
1 year to 2 Years due	4.32	1.92
2 year to 3 Years due	0.00	0.16
More than 3 years due	0.00	3.30
<b>Total</b>	<b>874.32</b>	<b>6149.80</b>
<b>Note:- 11.3 Other financial liabilities</b>		
Employee related payables	123.95	93.93
Unpaid Dividend (refer note (a) below)	37.64	28.67
Retention Money	4.05	-
	<b>165.64</b>	<b>122.60</b>
<b>Note:</b> (a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.		
<b>Note:- 12 Other current liabilities</b>		
Advances from customers	828.07	300.13
Dues to director	244.22	115.94
Statutory Dues	71.06	53.11
Other Payables	293.86	163.22
	<b>1,437.21</b>	<b>632.40</b>
<b>Note:- 13. Provisions</b>		
Provision for gratuity (refer note 25)	4.13	-
Current Tax Liability (Net of Advance Tax)	111.82	39.75
	<b>115.95</b>	<b>39.75</b>

**Movement in provisions: Provision for gratuity**

Opening Balance	-	42.73
Add : Provision recognised during the year	4.13	-
Less : Provision utilised during the year	-	42.73
<b>Closing Balance</b>	<b>4.13</b>	<b>-</b>

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Note:- 14 Revenue from operations</b>		
Sale of products		
Export	3,164.54	1,254.51
Domestic	45,549.89	29,020.11
	<b>48,714.43</b>	<b>30,274.62</b>
Other operating revenue		
Sale-scrap	140.68	68.43
Export incentives	19.45	2.58
Claims received	19.44	2.58
Others	0.09	0.02
	<b>48,894.09</b>	<b>30,348.23</b>
<b>Note :- 15 Other Income</b>		
Interest income	135.66	383.04
Dividend Income	405.42	33.06
Profit on sale of investments (net)*	1.95	2.16
Profit on sale of Fixed Assets	-	1.06
Exchange fluctuation gain (net)	33.00	19.99
Fair valuation of investments through profit and loss	40.49	67.32
Net MTM Gain on Forward Contracts	5.57	-
Miscellaneous income	17.17	6.42
	<b>639.26</b>	<b>513.05</b>

\*Profit on sale of investments is Rs.86.29 out of which profit of Rs.84.34 already considered in Fair Valuation upto the end of previous year.

**Note:- 16 Cost of materials consumed**

Opening stock of raw materials	555.39	646.20
Add : Purchases of raw materials during the year	34,211.75	18,911.22
	34,767.14	19,557.42
Less : Closing stock of raw materials	3,699.21	555.39
	<b>31,067.93</b>	<b>19,002.03</b>

**Note:- 17 Changes in inventories of finished goods, work-in-process and traded goods**

Opening stock		
-Finished Goods / Stock in Trade	213.64	31.79
-Work-in-Progress	705.52	867.44
	919.16	899.23
Closing Stock		
-Finished Goods / Stock in Trade	333.48	213.64
-Work-in-Progress	1,476.86	705.52
	1,810.34	919.16
	<b>(891.18)</b>	<b>(19.93)</b>

**Note:- 18 Employee benefit expense**

Salary, Wages and other Allowances	1,373.86	955.40
Contribution to Provident and other funds	120.42	87.54
Staff Welfare Expenses	53.91	55.62
	<b>1,548.19</b>	<b>1,098.56</b>



Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Note:- 19 Finance cost</b>		
Interest Expense		
- On working capital loans	76.56	28.14
- On term loans	207.52	-
- Others	0.95	0.53
Other Borrowings Cost	9.31	5.19
	<b>294.34</b>	<b>33.86</b>
<b>Note:- 20 Other expenses</b>		
Power & Fuel Consumed	2,087.43	1,690.91
Electricity Expenses	5.06	1.21
Packing Expenses	856.25	574.16
Consumption of stores & spares	2.24	2.60
Rent	33.12	9.98
Repair and Maintenance		
-Building Repair	7.63	5.74
-Plant & machinery	546.76	250.31
-General Repair	28.09	15.96
Insurance	98.25	79.44
Legal & Professional expenses	22.99	19.55
Rates & Taxes	13.53	7.97
Travelling and Conveyance	51.13	23.43
Brokerage and Commission	43.78	26.65
Freight & Forwarding	1,259.55	902.38
Other manufacturing expenses	7.04	4.71
Payments to auditors	3.06	2.27
Communication Expenses	8.22	7.33
Donation/CSR Expenses	83.00	42.21
Loss on MTM on Forward Contracts	-	-
Others	78.88	40.05
	<b>5,236.01</b>	<b>3,706.86</b>
<b>Note:- 21 Tax Expense</b>		
(1) Current Tax		
Provision for Taxation for the year	2,438.32	1,679.66
Income Tax Adjustment of earlier years	(36.79)	(39.97)
(2) Deferred Tax	464.61	69.53
	<b>2,866.14</b>	<b>1,709.22</b>
<b>Note:- 21.1 Income Tax Expenses</b>		
<b>Tax expense recognized in the Statement of Profit and Loss</b>		
<b>Current tax</b>		
Current Tax on taxable income for the year	2,438.33	1,679.66
<b>Total current tax expense</b>	<b>2,438.33</b>	<b>1,679.66</b>
<b>Deferred Tax</b>		
Deferred tax charge/(credit)	464.61	69.53
<b>Total Deferred Income tax expense/(benefits)</b>	<b>464.61</b>	<b>69.53</b>
<b>Income Tax for Current Period</b>	<b>2,902.94</b>	<b>1,749.19</b>
Tax in respect of earlier years	(36.79)	(39.97)
<b>Total income tax expense (Including deferred tax)</b>	<b>2,866.15</b>	<b>1,709.22</b>



**(A) Reconciliation of tax liability on book profit vis-à-vis actual tax liability**

Accounting profit before income tax	11,634.26	6,852.85
Statutory income tax rate	25.168%	25.626%
Current tax expenses on profit before tax at the statutory income tax rate in India	2,928.11	1,756.08
Tax on other permanent differences	(25.17)	(6.89)
Income taxed on different tax rate	-	-
Charge/(credit) in respect of earlier years	(36.79)	(39.97)
Unrecognised tax assets (net)	-	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>2,866.15</b>	<b>1,709.22</b>

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

	Balance Sheet		Statement of profit and loss		Other Comprehensive Income	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Accelerated depreciation for tax purposes and other Ind AS adjustments	(3,230.96)	25.10	468.82	70.04	2,787.75	2.36
Expenditure incurred u/s 43B	14.84	11.15	(4.20)	(0.51)		
	<b>(3,216.12)</b>	<b>36.25</b>	<b>464.62</b>	<b>69.53</b>	<b>2,787.75</b>	<b>2.36</b>

**Net Deferred tax assets/(liabilities)**

Reflected in balance sheet as follows: -

Deferred tax assets	-	36.25
Deferred tax liabilities	(3,216.12)	-
<b>Deferred tax assets/(liabilities) (net)</b>	<b>(3,216.12)</b>	<b>36.25</b>

Reconciliation of deferred tax assets/ (liabilities), net

	31st March 2022	31st March 2021
<b>Opening Balance</b>	36.25	108.14
Tax Income/(expense) during the year recognised in profit or loss	(464.62)	(69.53)
Tax Income/(expense) during the year recognised in Other comprehensive income	(2,787.75)	(2.36)
<b>Closing Balance</b>	<b>(3,216.12)</b>	<b>36.25</b>

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

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

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

**(C) Tax Assets and Liabilities**

	As at 31st March 2022	As at 31st March 2021
Income tax assets (net of tax provision)	148.57	149.04
Income tax liabilities (net of advance tax)	111.82	39.75



## 22.1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### i) Company Overview

Nahar Poly Films Limited CIN:L17115PB1988PLC008820 ('the company') is into the business of manufacturing and selling of BOPP films. The company is a public limited company incorporated and domiciled in India and has registered office in Ludhiana, Punjab, India and the manufacturing facility is located Near Mandideep, Bhopal, MP, India. The company has its listing of equity shares on BSE Limited and National Stock Exchange of India Limited.

The financial statements are approved for issue by the company's Board of Directors on 25-May-2022

### ii) SIGNIFICANT ACCOUNTING POLICIES:

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

#### a) Basis of Presentation:

##### i) Compliance with IndAS

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

The Financial statements of the company for the year ended 31st March 2022 have been approved by the Board of Directors at their meetings held on 25-May-2022

##### ii) Accounting Convention

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

##### iii) Rounding of amounts

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

##### iv) Current/Non-current classification

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

### b) Foreign currency translation

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

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

### c) Revenue recognition

#### (i) Revenue arises mainly from the sale of manufactured and traded goods.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

"Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc.

"Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers

#### Sale of goods

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

#### Rendering of services

Revenue from services is recognised as and when the services are rendered and on the basis of contractual terms with the parties.

- (ii) Export Incentives- Export incentives are recognised on post export basis.
- (iii) Interest income - Interest income is recognised on accrual basis.
- (iv) Dividend income - Dividends are recognised in profit or loss only when the right to receive payment is established
- (v) Rental Income- Rental income is accounted for on accrual basis.
- (vi) Scrap (i.e empties, miscellaneous scrap etc. ) is accounted for on sale basis.
- (vii) Income and other Claims -Revenue in respect of claims is recognised when no Significant uncertainty exists with regard to the amount to be realised and ultimate Collection thereof.

### d) Government Grants:

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the



company will comply with all attached conditions.

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

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

**e) Income Tax:**

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

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

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

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

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

**f) Trade Receivables:**

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

**g) Cash and cash Equivalents:**

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

**h) Inventories**

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

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

**i) INVESTMENT AND OTHER FINANCIAL ASSETS**

**I) Classification**

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

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

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

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

**II) Measurement**

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

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

**iii) Impairment of financial assets**

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

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



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

**iv) De-recognition of Financial Assets: Financial asset is derecognised only when**

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

**v) Income Recognition:**

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

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

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

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

**j) Impairment of Non-Financial assets**

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

**k) Non- Current Assets Held for Sale:**

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

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

**l) Derivatives that are not designated as hedges**

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

**m) Property, plant and equipment**

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

**Depreciation methods, estimated useful lives and residual value**

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

**n) Intangible assets**

**Computer software**

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

**Amortisation methods and periods**

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

**o) Trade and other payables**

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

**p) Borrowings**

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

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

**q) Borrowing costs**

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

**r) Provisions and contingent liabilities**

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

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

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



s) **Employee benefits**

(i) **Short term obligations**

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

(ii) **Other long term employee benefit obligations**

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

(iii) **Post-employment obligations**

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

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

(iv) **Defined contribution plans**

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

t) **Estimates and judgements**

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

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable.
- Designation of financial assets /liabilities through FVTPL.
- Estimation of defined benefit obligation.
- Recognition of deferred tax assets for carried forward tax losses.

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

u) **Ind As 116-Leases:**

On 30 March 2019, MCA has notified IndAS 116, Leases. IndAS 116 sets out the principals for the recognition, measurement, presentation and disclosure of leases and requires leases to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for leases - leases of 'low-value' assets and short term leases (i.e., leases with lease term of 12 months or less). At commencement date of the lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-to-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expenses on the right-to-use asset. Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-to-use asset. It has no impact on the company.

**22.2. Significant accounting judgements, estimates & assumptions**

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

**Judgements**

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

**Estimates and assumptions**

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

**Defined benefit plans (gratuity benefits)**

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





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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note:-25 .

**Fair value measurement of financial instruments**

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

**Impairment of non-financial assets**

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

Particulars	As at 31st March 2022	As at 31st March 2021
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**Note 23: - Contingent Liabilities not provided for, capital and other commitments:**

**- Contingent Liabilities:**

**Direct and Indirect Tax Authorities have raised demands of Rs.58.75 Lakhs (Previous Year Rs.58.75) out of Which a sum of Rs. 19.24 Lakhs (Previous Year Rs.9.70) has been deposited against said demand. Further these demands have been contested in appeal and no Provision has been made in the financial statement.**

**- Capital and Other Commitments**

**a) Capital Commitments**

- Letter of credits outstanding in favour of suppliers (net of advances)	-	5,887.17
- Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	-	2,187.28

**b) Other Commitments**

- Bank Guarantee	-	-
- Letter of credits outstanding in favour of suppliers (net of advances)	856.84	151.22
- Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	0.80	14.69

857.64	8,240.36
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**Note:- 24 Earnings per share (EPS) (Ind AS 33)**

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

Earnings Per Share has been computed as under:

Profit for the year attributable to the Equity holders of the Company	8,768.11	5,143.63
Weighted-average number of equity shares for basic EPS	245.88	245.88
Earnings Per Share (Rs.) - Basic (Face value of Rs. 5 per share)	35.66	20.92

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

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

**Note:-25 Post Retirement Benefits Plans (Ind AS 19)**

**Defined Benefit Plan**

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



Particulars	"As at 31st March 2022"	"As at 31st March 2021"
<b>(i) Changes in Defined Benefit Obligation</b>		
Present value obligation as at the start of the year	195.70	171.18
Current service cost	23.89	18.81
Interest cost	13.09	11.53
Past Service Cost Plan Amendment	-	-
Actuarial loss/(Gains) - Experience Changes	(5.29)	(19.18)
Actuarial loss / (Gains) Financial Assumption	(2.45)	16.66
Benefits paid	(11.89)	(3.30)
Present value obligation as at the end of the year	<b>213.05</b>	<b>195.70</b>
<b>(ii) Change in fair value of plan assets</b>		
Fair value of plan assets as at the start of the year	205.71	128.45
Interest income on plan assets	13.87	11.03
Employer Contributions	2.43	70.71
Benefits paid	(11.89)	(3.30)
Return on plan assets greater/(lesser) than discount Rates	(1.20)	(1.18)
Fair value of plan assets as at the end of the year	<b>208.92</b>	<b>205.71</b>
<b>(iii) Breakup of Actuarial gain/loss:</b>		
Actuarial (gain)/loss on arising from change in financial assumption	(2.45)	16.66
Actuarial (gain)/loss on arising from experience adjustment	(5.29)	(19.18)
Return on plan assets (greater)/less than discount rate	1.20	1.18
	<b>(6.54)</b>	<b>(1.34)</b>
<b>(iv) Net Asset / (Liability) recognised in the Balance Sheet</b>		
Present value obligation as at the end of the year	(213.05)	(195.70)
Fair value of plan assets as at the end of the year	208.92	205.71
Net Asset / (Liability) in the Balance Sheet	<b>(4.13)</b>	<b>10.01</b>
<b>(v) Amount recognized in the statement of profit and loss</b>		
Current service cost	23.89	18.81
Interest cost	13.09	11.53
Interest income on plan assets	(13.87)	(11.03)
(Income)/Expense recognised in the statement of profit and loss	<b>23.11</b>	<b>19.31</b>
<b>(vi) Remeasurements recognised in the statement of Other Comprehensive Income (OCI)</b>		
Changes in Financial Assumptions	(2.45)	16.66
Experience Adjustments	(5.29)	(19.18)
Return on plan assets (greater)/less than discount rate	1.20	1.18
Amount recognised in Other Comprehensive Income	<b>6.54</b>	<b>1.34</b>
<b>(vii) Actuarial assumptions</b>		
Discount Rate (p.a)	7.20%	6.90%
Salary Escalation Rate (p.a)	7.00%	7.00%
Employee Turnover rate	1% to 3%	1% to 3%
Mortality Rate	"Indian Assured Lives Mortality (2006-08) (modified) Ult"	"Indian Assured Lives Mortality (2006-08) (modified) Ult"

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

**(viii) Sensitivity analysis for gratuity liability**

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

Present value of obligation at the end of the year

Impact of the change in Discount rate (p.a)		
<b>Impact due to decrease of 0.50%</b>	13.04	12.80
Impact due to increase of 0.50%	(11.74)	(11.49)
<b>Impact of change in Salary Escalation rate (p.a)</b>		
Impact due to increase of 0.50%	12.39	12.15
Impact due to decrease of 0.50%	(11.24)	(11.05)



(ix) Expected future cash flows

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

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

<b>Gratuity</b>	<b>14 years</b>	<b>14 years</b>
The followings are the expected future benefit payments for the defined benefit plan :		
March 31, 2022	-	29.06
March 31, 2023	29.49	3.98
March 31, 2024	11.81	11.87
March 31, 2025	12.83	13.13
March 31, 2026	5.93	6.37
March 31, 2027	7.72	-
March 31, 2027 to March 31, 2031	-	114.26
March 31, 2028 to March 31, 2032	129.2	-

**Note-26 Corporate Social Responsibility**

To meet its CSR Obligation under Sec 135 of Companies Act, 2013 and as per the company's CSR policy approved and adopted by the Board of Directors, company joined hands with Group Companies under one umbrella, to undertake the CSR Projects through Oswal Foundation. Oswal Foundation is a Registered Society formed in the year 2006 having its charitable objects in various fields. It has already registered itself with the Ministry of Corporate Affairs with vide Registration no. CSR0000145 for undertaking CSR activities.

During the year 2021-22 company is required to spend Rs. 83.00 lakhs (Previous year Rs.42.21 lakhs) being two percent of the average net profits of the company made during the three immediately preceding financial years on CSR activities.

Accordingly to fulfil its obligation under CSR, Board on the recommendation of CSR Committee decided to contribute an amount of Rs. 83.00 lakhs (Previous year Rs.42.21 lakhs) to the Oswal Foundation for undertaking Health care projects as approved by the consortium of the Group Companies formed to undertake CSR activities through Oswal Foundation.

The foundation is going to undertake "Health Care Project of Linear Accelerator", as approved by the consortium at approximate cost of Rs. Four crores, at Mohn Dai Oswal Cancer Hospital and Research Foundation, Ludhiana.

**Note:-27 Dues to micro and small suppliers**

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

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

**Note:-28 Government Grants**

At the beginning of the year	217.15	217.15
Provided during the year	-	-
Received during the year	112.78	-
At the end of the year	104.37	217.15
Current	104.37	217.15
Non-Current	-	-

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



**Note:-29 Fair value measurements**

(a) Financial Instruments by category

Particulars	31st March 2022			31st March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
-Equity Instruments*	-	36,954.88	-	-	7,439.28	-
-Bonds	-	217.77	-	-	264.53	-
-MF, Debentures & Bonds	2,543.20	-	-	870.50	-	-
Security Deposits	-	-	325.38	-	-	219.66
Intercorporate Loans	-	-	-	-	-	2,000.00
Trade receivables	-	-	2,835.71	-	-	1,129.71
Cash and cash equivalents	-	-	61.53	-	-	94.28
Other Bank Balances	-	-	38.38	-	-	31.46
Loan to employees	-	-	4.77	-	-	4.06
Other financial assets	-	-	108.51	-	-	217.15
<b>Total</b>	<b>2,543.20</b>	<b>37,172.65</b>	<b>3,374.28</b>	<b>870.50</b>	<b>7,703.81</b>	<b>3,696.32</b>
<b>Financial Liabilities</b>						
Non-current Borrowings	-	-	16,762.50	-	-	4,280.49
Current Borrowings	-	-	2,787.66	-	-	1,559.04
Trade payable	-	-	874.32	-	-	6,149.80
Other financial liabilities (Current)	-	-	165.64	-	-	122.60
<b>Total</b>	<b>-</b>	<b>-</b>	<b>20,590.12</b>	<b>-</b>	<b>-</b>	<b>12,111.93</b>

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

(b) Fair value hierarchy

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

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

Particulars	31st March 2022			31st March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Investments at FVTPL						
-MF, Debentures & Bonds	2,543.20	-	-	870.50	-	-
-Equity Instruments	-	-	-	-	-	-
Investments at FVOCI						
-Equity Instruments	35,218.70	1,736.18	-	7,181.78	257.50	-
-Bonds	217.77	-	-	264.53	-	-
<b>Total financial assets</b>	<b>37,979.67</b>	<b>1,736.18</b>	<b>-</b>	<b>8,316.81</b>	<b>257.50</b>	<b>-</b>

**Valuation process and technique used to determine fair value**

- The fair value of investments in government securities, debentures and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.
- The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

**Financial assets and liabilities measured at amortised cost.**

Particulars	31st March 2022			31st March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Security Deposits	-	-	325.38	-	-	219.66
Intercorporate Loans	-	-	-	-	-	2,000.00
Trade receivables	-	-	2,835.71	-	-	1,129.71
Cash and cash equivalents	-	-	61.53	-	-	94.28
Other Bank Balances	-	-	38.38	-	-	31.46



Loan to employees	-	-	4.77	-	-	4.06
Other financial assets			108.51			217.15
<b>Total financial assets</b>	-	-	<b>3,374.28</b>	-	-	<b>3,696.32</b>
<b>Financial liabilities</b>						
Non-current Borrowings			16,762.50			4,280.49
Current Borrowings	-	-	2,787.66	-	-	1,559.04
Trade payable	-	-	874.32	-	-	6,149.80
"Other financial liabilities (Current)"	-	-	165.64	-	-	122.60
<b>Total financial liabilities</b>	-	-	<b>20,590.12</b>	-	-	<b>12,111.93</b>

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

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

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

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

**Particulars**

Particulars	31st March 2022		31st March 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>				
Non-current assets	325.38	325.38	219.66	219.66
<b>Total financial assets</b>	<b>325.38</b>	<b>325.38</b>	<b>219.66</b>	<b>219.66</b>
<b>Financial liabilities</b>				
Non-current liabilities	14,527.50	14,527.50	4,280.49	4,280.49
<b>Total financial liabilities</b>	<b>14,527.50</b>	<b>14,527.50</b>	<b>4,280.49</b>	<b>4,280.49</b>

**d) Measurement of fair values**

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

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

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

**Note:- 30. Financial risk management objectives and policies**

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

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

**A) Market risk**

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

**a) Market risk- Interest rate risk**

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

	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
Variable rate borrowings	19,550.16	5,839.53
Fixed rate borrowings	-	-
<b>Total Borrowings</b>	<b>19,550.16</b>	<b>5,839.53</b>



**Interest rate sensitivity**

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

50 bps decrease would Increase the profit before tax by	97.75	29.20
50 bps increase would decrease the profit before tax by	(97.75)	(29.20)

**b) Market risk- Foreign currency risks**

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

Particulars	As at 31st March 2022		As at 31st March 2021	
	Foreign Currency	INR	Foreign Currency	INR
<b>Trade receivables</b>				
-USD	171378	129.87	213889	156.36
-GBP	-	-	-	-
<b>Trade payables</b>				
-USD	-	-	-	-
-GBP	3463	3.52	5937000	5369.46
<b>Total Exposure (net)</b>				
-USD - Receivable (Payable)	171378	129.87	213889	156.36
-GBP - Receivable (Payable)	-3463	-3.52	-5937000	-5369.46

**Foreign currency sensitivity**

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

**Foreign Currency Sensitivity**

5% decrease in USD rate would Increase (decrease) the profit before tax by	-6.49	-7.82
5% increase in USD rate would Increase (decrease) the profit before tax by	6.49	7.82
5% decrease in GBP rate would Increase (decrease) the profit before tax by	0.18	268.47
5% increase in GBP rate would Increase (decrease) the profit before tax by	-0.18	-268.47

**EUR Sensitivity**

5% decrease would Increase the profit before tax by  
5% increase would decrease the profit before tax by

**JPY Sensitivity**

5% decrease would Increase the profit before tax by  
5% increase would decrease the profit before tax by

**c) Foreign Currency Exposure (Forward Booking)**

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

Forward Contrace against exports

- USD	8.00 Lakhs	--
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**d) Market risk- Price risks**

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

**Price sensitivity**

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

- Impact on total comprehensive income		
500 bps in BSE Sensex 30 increase would Increase the profit before tax by	1,760.94	359.09
500 bps in BSE Sensex 30 decrease would decrease the profit before tax by	(1,760.94)	(359.09)

**(B) Credit risk**

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

**(a) Credit risk management**

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

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

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

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

**Financial assets that expose the entity to credit risk –**

	As at 31st March 2022	As at 31st March 2021
Low credit risk on reporting date		
Trade receivables	2,835.71	1,129.71
Cash and cash equivalents	61.53	94.28
Other bank balances	38.38	31.46
Loans(current)	4.77	4.06
Loans(non-current)	325.38	219.66
Other financial asset (current)	108.51	2,217.15

**Cash & cash equivalents and bank deposits**

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

**Trade receivables**

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

Gross carrying amount of trade receivables	As at 31st March 2022	As at 31st March 2021
Not due nor impaired	2835.48	1129.59
0-90 days past due	0.00	0.01
90-180 days past due	0.23	0.00
180-365 days past due	0.00	0.00
More than one year	0.00	0.11
<b>Total</b>	<b>2835.71</b>	<b>1129.71</b>

**Loans and Other financial assets measured at amortised cost**

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

**(C) Liquidity risk**

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



**(a) Financing arrangements**

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

Floating rate	As at 31st March 2022	As at 31st March 2021
(i) Expiring within one year		
Secured		
-Working Capital	1412.34	2640.96
(ii) Expiring beyond one year		
Secured		
-Rupees term loan from banks		14719.51

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

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 years	Total
<b>Year ended 31st March 2022</b>					
Contractual maturities of borrowings	5,296.50	2,235.00	6,705.00	2,235.00	16,471.50
Contractual maturities of Trade payables and other payables	874.32	-	-	-	874.32
Contractual maturities of other financial liabilities	165.64	-	-	-	165.64
<b>Total</b>	<b>6,336.46</b>	<b>2,235.00</b>	<b>6,705.00</b>	<b>2,235.00</b>	<b>17,511.46</b>

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 years	Total
<b>Year ended 31st March 2021</b>					
Contractual maturities of borrowings	2,461.17	2,375.00	7,125.00	8,312.50	20,273.67
Contractual maturities of Trade payables and other payables	6,149.80	-	-	-	6,149.80
Contractual maturities of other financial liabilities	122.60	-	-	-	122.60
<b>Total</b>	<b>8,733.57</b>	<b>2,375.00</b>	<b>7,125.00</b>	<b>8,312.50</b>	<b>26,546.07</b>

**Note:- 31 Dividend distribution made**

Rs. 1.50 per share (Previous Year Re. 1.00 per share)

As at 31st March 2022

As at 31st March 2021

368.82

245.88

**368.82**

**245.88**

**Note:- 32 Reconciliation of changes in financial liabilities**

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

Particulars	Current Year		Previous Year	
	Borrowings (Non-current) (including current maturities)	Borrowings (Current)	Borrowings (Non-current) (including current maturities)	Borrowings (Current)
<b>A. Borrowings from Banks</b>				
Balance at the beginning of the period	4,565.86	1,559.04	64.09	294.82
Add:/Less Changes during the period				
(a) Changes from financing cash flows	12,196.64	1,228.62	4,501.77	1,264.22
(b) Changes arising from obtaining or losing control of subsidiaries or other business				
(c) the effect of changes in foreign exchange rates				
(d) changes in fair values				
(e) other Changes				
Balance at the end of the period	16,762.50	2,787.66	4,565.86	1,559.04
<b>B. Deposits from body corporates</b>				
Balance at the beginning of the period	-	-	-	-
Add:/Less Changes during the period				
(a) Changes from financing cash flows (Net)	-	-	-	-
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-	-	-
(c) the effect of changes in foreign exchange rates	-	-	-	-





(d) changes in fair values	-	-	-	-
(e) other Changes	-	-	-	-
Balance at the end of the period	-	-	-	-

**Note:- 33 Capital Management**

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

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

	As at 31st March 2022	As at 31st March 2021
Borrowings	19,550.16	6,124.90
Trade payables	874.32	6,149.80
Less: Cash and cash equivalents	(61.53)	(94.28)
Less: Other bank balances	(38.38)	(31.46)
<b>Net debt</b>	<b>20,324.57</b>	<b>12,148.96</b>
Equity	63,217.98	28,132.75
<b>Capital and net debt</b>	<b>83,542.55</b>	<b>40,281.71</b>
<b>Gearing ratio</b>	<b>24.33%</b>	<b>30.16%</b>

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

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2022 and 31st March 2021.

**Note:- 34 Related party disclosure as per Ind AS 24**

Disclosure of related parties and relationship between the parties

Nature of relationship

**(i) Associates**

M/s Nahar Capital and Financial Services Ltd.

**(ii) Key Management Personnel**

Mr.Sambhav Oswal & Mr. S. K. Sharma (Executive Directors), Rakesh Jain (Chief Financial Officer) and Disha Jindal (Company Secretary)

**(iii) Directors & their relatives**

Mr. Jawahar Lal Oswal (Chairman), Mr.Kamal Oswal (Director), Mr.Dinesh Oswal (Director), Mr.Dinesh Gogna, Mr. S.K.Singla, Mr.Y.P.Sachdeva, Mr.A.S. Sohi, Mr.Vijay Asdhir, Mr.I.M.Chhibba, Mr.Komal Jain, Dr.Mrs.Manisha Gupta and Mrs. Ritu Oswal.

**(iv) Other Group companies over which key Management Personnel and their relatives are able to exercise significant influence**

Nahar Spinning Mills Ltd., Sankheshwar Holding Company Limited., Oswal Foundation

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

**Detail of Related party Transactions**

Sr. No.	PARTICULARS	Associates		Enterprises over which KMP is able to exercise significant influence		Key Management personnels & their relatives	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Intercorporate Loans Given	-	-	1,400.00	1,650.00	-	-
2	Intercorporate Loans Received Back	-	-	3,400.00	2,950.00	-	-
3	Interest Received	-	-	105.13	355.15	-	-
4	Director's Sitting Fees	-	-	-	-	3.90	3.80
5	Director's Remuneration	-	-	-	-	448.64	256.51
6	Salary	-	-	-	-	15.94	-
7	Rent Paid	-	-	2.62	2.48	30.50	7.50
8	License Purchased	-	-	137.49	112.91	-	-
9	License Sale	-	-	0.83	-	-	-
10	Reimbursements Received	0.01	-	0.04	0.07	-	-
11	Reimbursements Paid	-	-	33.03	23.85	-	-
12	Sales	-	-	20.04	6.16	-	-
13	Purchase of Goods/Services	-	-	3.15	3.07	-	-
14	Contribution towards CSR Expenses	-	-	83.00	42.20	-	-



15	Purchase of Investments	-	-	-	74.11	-	-
16	Balance as on 31.03.2022						
	- ICD's Receivable	-	-	-	2,000.00	-	-
	- Due to directors	-	-	-	-	246.22	115.93

Note: - Salary paid to Chief Financial Officer and Company Secretary is shown in the director's report and is not included in the above list of transactions.

**Note:-35 Others**

- On account of Covid-19 pandemic, the Government of India imposed a complete nation-wide lockdown on March 24, 2020 leading to temporarily shut down of company's activities and operations for some period during year ended 31st March, 2021. Hence, results of the year ended 31st March, 2022 are not comparable with corresponding year ended 31st March, 2021.
- Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.
- The company's expansion plan of setting up of new BOPP project having 30000 MT annual capacity has been implemented in full with the commencement of commercial production on February 04, 2022. Hence, financials for the year ended 31st March, 2022 are not comparable with corresponding year ended 31st March, 2021.
- The Schedule III to the Companies Act, 2013 has been amended in respect of the Certain regrouping/disclosures vide notification dated 24th March 2021 which are applicable w.e.f 1st April 2021, the figures has been presented in the above financial results after considering the said amendemnts. The figures of the corresponding previous year have been regrouped whichever considered neccessery to correspond to curent year disclosures.

**Note:- 36 Ratios**

The following are analytical ratios for the year ended 31st March 2022 and 31st March 2021

Particulars	Numirator	Denominator	31st March 2022	31st March 2021	Variance
Current Ratio	Current assets	Current Liabilities	2.45	2.79	-12.28%
Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.27	0.21	31.95%
Debt Service Coverage Ratio	Earnings available for debt service <sup>(1)</sup>	Debt Service <sup>(2)</sup>	6.87	158.45	-95.66%
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	19.20%	22.48%	-14.59%
Trade receivables turnover ratio	Revenue	Average Trade Receivable	24.66	29.46	-16.29%
Trade payables turnover ratio	Cost of Goods Sold <sup>(3)</sup>	Average Trade Payables (Other than for Capital Goods)	44.98	40.32	11.56%
Inventory Turnover ratio	Cost of Goods Sold	Average Inventories	8.36	10.93	-23.53%
Net capital turnover ratio	Operating Revenue	Working Capital	6.27	5.61	11.66%
Net profit ratio	Net Profit (Before Tax)	Operating Revenue	23.79%	22.58%	5.36%
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed <sup>(4)</sup>	14.45%	20.15%	-28.31%
Return on Investment (ROI)	Income generated from investments <sup>(5)</sup>	Average Investments <sup>(6)</sup>	1.25%	0.35%	256.96%

(1) Net Profit after taxes + Non-cash operating expenses + Interest

(2) Loan repayments for the current year

(3) Revenue from Operations minus EBIDTA

(4) Equity + Longterm debt

(5) Income accounted in other comprehensive income is not considered

(6) Calculated on cost of investments

**Reason for Variance of ratios: -**

- Debt equity : Due to increase in term loans for setting up a new unit.
- Debt Service Coverage : Due to increase in repayment of term loans and interest for setting up a new unit.
- Return on capital employe : Due to increase in term loans for setting up a new unit.
- Return on Investment : Dividend not declared/paid by some of the companies due to COVID-19.

This is the notes referred to in our report of even date

**For YAPL & Company**

Chartered Accountants  
FRN:017800N

**Sakshi Garg**  
(Partner)  
M.No.553997  
Place : Ludhiana  
Date : 25.05.2022  
UDIN : 22553997AJOVFQ4785

**Rakesh Jain**  
(Chief Financial Officer)

**Disha Jindal**  
(Company Secretary)

**Sambhav Oswal**  
Executive Director  
(DIN - 07619112)

**Dinesh Oswal**  
Director  
(DIN - 00607290)

**For Nahar Poly Films Limited**



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF NAHAR POLY FILMS LIMITED Report on the Consolidated Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated Ind AS financial statements of **Nahar Poly Films Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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

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

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

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

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

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

#### **Management's Responsibility for the Consolidated Ind AS Financial Statements**

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate

with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our



information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements.
- ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) (a) The Management has represented that, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) As stated in the Consolidated financial statements
  - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
  - (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its associates included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For YAPL & Co.**

Chartered Accountants  
Firm Regn.No.017800N

**(CA Sakshi Garg)**

Partner  
M.No.553997  
UDIN: 22553997AJPJQF4743  
Dated: 25.05.2022  
Place : Ludhiana

**Annexure - A to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of Nahar Poly Films Ltd ("the Company") as of 31 March 2022 in conjunction with our audit of the consolidated Ind AS Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the

extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Holding Company and its associate company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

#### **For YAPL & Co.**

Chartered Accountants  
Firm Regn.No.017800N

#### **(CA Sakshi Garg)**

Partner  
M.No.553997  
UDIN: 22553997AJPJQF4743  
Dated: 25.05.2022  
Place: Ludhiana





**Consolidated Cash flow statement for the year ended 31st March 2022**

(All amounts ₹ in Lakhs, unless stated otherwise)

Particulars	Current Year	Previous Year
<b>Cash flow from operating activities:</b>		
<b>Profit/(loss) before Tax Expenses</b>	12,637.22	7,970.64
Add: Adjustment for Non-Cash & Non-operating items		
Income (loss) from associates	(1,201.30)	(1,150.86)
Depreciation and amortisation expense	643.80	187.05
Finance Costs	294.34	33.86
Interest Income	(135.66)	(383.04)
Dividend Income	(207.08)	-
(Profit)/loss on sale of investments (net)	(1.95)	(2.16)
Fair valuation of Investments through Profit and gains	(40.49)	(67.32)
Employment expenses through OCI	6.54	1.34
(Profit)/loss on sale of fixed assets (net)	-	(1.06)
Provision for Employee Benefits	4.13	(42.73)
<b>Operating profit before working capital changes (A)</b>	<b>11,999.53</b>	<b>6,545.73</b>
Adjustments for movement in:		
Changes in Trade Receivables and other receivables	(1,705.99)	(199.14)
Changes in Inventories	(4,146.47)	(126.12)
Changes in Loans (long term)	(105.72)	(17.53)
Changes in Loans (Short term)	(0.71)	(0.33)
Changes in other current assets	(1,040.58)	(2,061.23)
Changes in other financial assets	108.65	-
Changes in Trade and other payables	(5,275.48)	5,754.83
Changes in other financial liabilities	(1,906.60)	17.12
Changes in other current liabilities	804.82	160.01
Changes in Current borrowings	1,228.62	978.86
<b>Cash flow from operating activities before taxes</b>	<b>(12,039.47)</b>	<b>4,506.47</b>
Direct taxes paid (net of refunds & demands)	(2,330.68)	(1,634.12)
<b>Net cash flow from operating activities (B)</b>	<b>(14,370.15)</b>	<b>2,872.35</b>
<b>Cash flow from investing activities:</b>		
Purchase of fixed assets (including capital advances)	(10,099.53)	(15,218.13)
Proceeds from sale of fixed assets	-	1.53
Purchase of Investments	(1,966.54)	(824.11)
Proceeds from sale of Investments	336.29	752.16
Loan Given (ICD's)	(1,400.00)	(1,650.00)
Loan Received Back (ICD's)	3400.00	2950.00
Interest Income	135.66	383.04
Dividend Income	405.42	33.06
<b>Net cash flow (used) in investing activities (C)</b>	<b>(9,188.70)</b>	<b>(13,572.45)</b>
<b>Cash flow from financing activities:</b>		
Interest paid	(294.34)	(33.86)
Repayment of long term borrowings	(1,117.50)	-
Proceeds from long term borrowings	13,314.15	4,501.76
Dividend Paid	(368.82)	(245.88)
<b>Net cash flow (used) in financing activities (D)</b>	<b>11,533.49</b>	<b>4,222.02</b>
<b>Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)</b>	<b>(25.83)</b>	<b>67.65</b>
Cash and cash equivalents at the beginning of the year	125.74	58.09
<b>Closing cash and cash equivalents</b>	<b>99.91</b>	<b>125.74</b>
Cash and cash equivalents include:		
<b>Cash and Cash equivalents</b>	61.53	94.28
Other bank balances	38.38	31.46
<b>Cash and bank balances</b>	<b>99.91</b>	<b>125.74</b>

**Notes to Cash flow Statement**

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

**The accompanying notes are an integral part of these Consolidated financial statements**

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

**For YAPL & Company**

Chartered Accountants

FRN:017800N

**Sakshi Garg**

(Partner)

M.No.553997

Place : Ludhiana

Date : 25.05.2022

UDIN : 22553997AJPJQF4743

**Rakesh Jain**

(Chief Financial

Officer)

**Disha Jindal**

(Company Secretary)

**Sambhav Oswal**

Executive Director

(DIN - 07619112)

**Dinesh Oswal**

Director

(DIN - 00607290)


**Consolidated Balance Sheet as at 31st March 2022**
*(All amounts ₹ in Lakhs, unless stated otherwise)*

Particulars	Notes	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	1	29,261.77	2,820.06
Capital work-in-progress		185.19	17,171.17
Financial assets			
Investments	2.1	71,453.62	36,630.94
Other Non-Current Financial Assets	2.2	325.38	219.66
Deferred tax assets (net)	3	-	36.25
		<b>101,225.96</b>	<b>56,878.08</b>
<b>Current assets</b>			
Inventories	4	6,206.16	2,059.70
Financial assets			
Trade receivables	5.1	2,835.71	1,129.71
Cash and Cash equivalents	5.2	61.53	94.28
Other bank balances	5.3	38.38	31.46
Loans	5.4	4.77	4.06
Other financial asset	5.5	108.51	2,217.15
Current tax assets (net)	6	148.57	149.04
Other current assets	7	3,777.40	2,736.82
		<b>13,181.03</b>	<b>8,422.22</b>
<b>Total Assets</b>		<b>114,406.99</b>	<b>65,300.30</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share capital	8.1	1,257.77	1,257.77
Other equity	8.2	90,024.82	51,258.45
		<b>91,282.59</b>	<b>52,516.22</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	9	14,527.50	4,280.49
Deferred tax liabilities (net)	10	3,216.12	-
		<b>17,743.62</b>	<b>4,280.49</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	11.1	2,787.66	1,559.04
Trade and other payables	11.2		
- To Micro, Small and Medium Enterprises		183.15	155.95
- To Others		691.17	5,993.85
Other financial liabilities	11.3	165.64	122.60
Other current liabilities	12	1,437.21	632.40
<b>Provisions</b>			
- Provision for Gratuity	13	4.13	-
- Current tax liabilities (Net of advance tax)		111.82	39.75
		<b>5,380.78</b>	<b>8,503.59</b>
<b>Total Equity and liabilities</b>		<b>114,406.99</b>	<b>65,300.30</b>

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

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

**For YAPL & Company**
**For Nahar Poly Films Limited**

Chartered Accountants

FRN:017800N

**Sakshi Garg**

(Partner)

M.No.553997

Place : Ludhiana

Date : 25.05.2022

UDIN : 22553997AJPJQF4743

**Rakesh Jain**

(Chief Financial

Officer)

**Disha Jindal**

(Company Secretary)

**Sambhav Oswal**

Executive Director

(DIN - 07619112)

**Dinesh Oswal**

Director

(DIN - 00607290)




**Consolidated Statement of Profit and Loss for the year ended 31st March 2022**
*(All amounts ₹ in Lakhs, unless stated otherwise)*

Particulars	Notes	Current Year	Previous Year
<b>INCOME</b>			
Revenue from operations	14	48,894.09	30,348.23
Other Income	15	440.92	479.98
<b>Total Income</b>		<b>49,335.01</b>	<b>30,828.21</b>
<b>EXPENSES</b>			
Cost of materials consumed	16	31,067.93	19,002.03
Purchase Stock in trade		-	-
Change in inventories of finished goods, stock in trade and work -in-progress	17	(891.18)	(19.93)
Employee benefit expense	18	1,548.19	1,098.56
Finance costs	19	294.34	33.86
Depreciation and amortisation expense	1	643.80	187.05
Other expenses	20	5,236.01	3,706.86
<b>Total Expenses</b>		<b>37,899.09</b>	<b>24,008.43</b>
<b>Profit/(loss) before Tax Expenses</b>		<b>11,435.92</b>	<b>6,819.78</b>
Tax expense:	21		
- Current tax		(2,401.54)	(1,639.69)
- Deferred tax (credit)/Charge		(464.61)	(69.53)
<b>Profit for the year</b>		<b>8,569.78</b>	<b>5,110.56</b>
Share and profit (loss) from associates under equity method		1,201.30	1,150.86
Profit for the year after share of profit from associates		<b>9,771.08</b>	<b>6,261.42</b>
<b>Other comprehensive income (OCI)</b>			
Items that will not be reclassified to profit or loss			
-Re-measurement gains/(losses) on defined benefit plans		6.54	1.34
-Current Tax relating to re-measurement gains/(losses) on defined benefit plans		(1.68)	(0.34)
-Equity investments through other comprehensive income		29,515.60	5,577.48
-Income tax relating to items that will not be reclassified to profit or loss		(2,793.20)	-
<b>Items that will be reclassified to profit or loss</b>			
-Investments through other comprehensive income		(46.77)	20.25
-Deferred Tax relating to items that will be reclassified to profit or loss		5.45	(2.36)
Share of other comprehensive income from associate under equity method		2,678.17	1,852.97
<b>Other Comprehensive Income for the year</b>		<b>29,364.11</b>	<b>7,449.34</b>
<b>Total Comprehensive Income for the year</b>		<b>39,135.19</b>	<b>13,710.76</b>
<b>Earnings per equity share of ₹ 5 each</b>			
Basic and Diluted		39.74	25.47

**The accompanying notes are an integral part of these Consolidated financial statements**

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

**For YAPL & Company**

Chartered Accountants

FRN:017800N

**For Nahar Poly Films Limited**
**Sakshi Garg**

(Partner)

M.No.553997

Place : Ludhiana

Date : 25.05.2022

UDIN : 22553997AJPJQF4743

**Rakesh Jain**

(Chief Financial

Officer)

**Disha Jindal**

(Company Secretary)

**Sambhav Oswal**

Executive Director

(DIN - 07619112)

**Dinesh Oswal**

Director

(DIN - 00607290)


**Notes forming part of Consolidated financial statements for the year ended 31st March 2022**
*(All amounts ₹ in Lakhs, unless stated otherwise)*
**Note-1 Property, plant and equipment**

Particulars	Freehold land	Building	Plant and machinery	Vehicle	Office equipment	Furniture and fixtures	Total
<b>Gross Carrying Value</b>							
Balance as at 01 April 2021	176.53	2,459.42	14,112.94	105.92	71.26	15.39	16,941.46
Additions	-	3,754.51	23,148.74	155.69	20.85	5.72	27,085.51
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31st March 2022</b>	<b>176.53</b>	<b>6,213.93</b>	<b>37,261.68</b>	<b>261.61</b>	<b>92.11</b>	<b>21.11</b>	<b>44,026.97</b>
<b>Accumulated Depreciation</b>							
Balance as at 01 April 2021	-	926.62	13,084.20	44.87	52.43	13.28	14,121.40
Additions	-	89.73	533.33	14.87	5.41	0.46	643.80
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31st March 2022</b>	<b>-</b>	<b>1,016.35</b>	<b>13,617.53</b>	<b>59.74</b>	<b>57.84</b>	<b>13.74</b>	<b>14,765.20</b>
CWIP as at 31st March 2022	-	-	-	-	-	-	185.19
CWIP as at 31st March 2021	-	-	-	-	-	-	17,171.17
<b>Net carrying amount</b>							
Balance as at 31st March 2022	176.53	5,197.58	23,644.15	201.87	34.27	7.37	29,446.96
Balance as at 31st March 2021	176.53	1,532.80	1,028.74	61.05	18.83	2.11	19,991.23

**Capital work-in-progress ageing schedule for the year ended 31st March 2022 and 31st March 2021 is as follows:**

Amount in CWIP for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Current Year	185.19	--	--	--	--
Previous Year	15,093.00	2078.17	--	--	--

**Note :**
**a) Finance leases**

Company does not have any finance / operating lease.

**b) Contractual obligations**

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

**c) Borrowing Cost Capitalised**

The company has capitalised term loan interest amounting to Rs.929.25 Lakhs and processing charges Rs.3.82 lakhs during the year (Previous year NIL)

**Note:-2.1 Non-current Investments**

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of units	Amount	No. of units	Amount
<b>Investments in Associates</b>				
<b>At Cost</b>				
<b>Quoted</b>				
Nahar Capital & Financial Services Limited (Equity Shares of ₹5 each fully paid-up)	66,11,632	31,737.77	66,11,632	28,056.64
<b>Sub total (a)</b>	<b>66,11,632</b>	<b>31,737.77</b>	<b>66,11,632</b>	<b>28,056.64</b>
<b>Investments in Equity Instruments</b>				
<b>At fair value through other comprehensive income</b>				
<b>Quoted</b>				
Nahar Spinning Mills Limited	69,02,244	35,218.70	69,02,244	7,181.78
<b>Sub total (b)</b>	<b>69,02,244</b>	<b>35,218.70</b>	<b>69,02,244</b>	<b>7,181.78</b>
<b>Investments Bonds</b>				
<b>At fair value through other comprehensive income to be reclassify at the time of sale</b>				
<b>Quoted</b>				
IRFC Tax Free Bond	11,757	117.57	11,757	143.49
Nabard Tax Free Bonds	10,020	100.20	10,020	121.04
<b>Sub total (c)</b>	<b>21,777</b>	<b>217.77</b>	<b>21,777</b>	<b>264.53</b>


**Investments in Mutual Funds, Debentures and Bonds**
**At fair value through profit and loss**
**Quoted**

Nippon India Banking & PSU Debt Fund (PY Reliance)	-	-	20,35,996	334.34
Idfc Bond Fund Short Term Plan	3,80,915	186.64	3,80,915	178.50
Kotak Bond Short Term Plan	5,50,229	251.43	5,50,229	239.23
L & T Short Term Bond Fund	5,47,031	123.69	5,47,031	118.43
Axis Mutual Fund Axis AAA Bond Plus SDL ETF-2026	25,00,000	263.00	-	-
Edelweiss Recently Listed IPO Fund	11,26,956	212.29	-	-
SBI Magnum Ultra Short Duration Fund Direct Growth	8,172	400.20	-	-
HDFC Liquid Fund	11,951	500.10	-	-
State Bank of In SR I 7.72 BD Perpetual FVRS1CR	3	305.85	-	-
Adani Enterprises Limited BR NCD	10	100.00	-	-
Piramal enterprises BR NCD	20	200.00	-	-

**Sub total (d)**

<b>51,25,286</b>	<b>2,543.20</b>	<b>35,14,171</b>	<b>870.50</b>
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**Unquoted Investments**
**Equity shares of Sankheshwar Holdings Limited**

95,750	1,736.18	95,750	257.50
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95,750	1,736.18	95,750	257.50
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<b>Grand Total (a+b+c+d+e)</b>	<b>71453.62</b>		<b>36630.94</b>
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<b>Aggregate amount of quoted investments</b>	69717.44		36373.45
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<b>Aggregate amount of unquoted investments</b>	1,736.18		257.50
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<b>Aggregate amount of impairment in value of investments</b>	-		-
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<b>Particulars</b>	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
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**Note:-2.2 Other Non-Current financial assets**

(Unsecured considered good, unless otherwise stated)

Security deposits (Unsecured, considered good)	325.38	219.66
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<b>325.38</b>	<b>219.66</b>
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**Note:-3 Deferred Tax Asset/Liability (Net)**

On account of Depreciation differences, Change in rate of tax &amp; Ind As Adjustments

-	25.10
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On Account of allowance u/s 43B

-	11.15
---	-------

<b>-</b>	<b>36.25</b>
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**Note:-4 Inventories**

(Valued at Cost or Net Realisable Value Whichever is Lower)

Raw Materials	3,699.21	555.39
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Work in Process	1,476.86	705.52
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Finished Goods	321.51	207.74
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Waste & Rejections	11.97	5.91
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Stores & Spares	696.61	585.14
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<b>6,206.16</b>	<b>2,059.70</b>
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**Note:- 5.1 Trade receivables**

(Unsecured, considered good unless otherwise stated)

Considered good

2,835.71	1,129.71
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<b>2,835.71</b>	<b>1,129.71</b>
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**Note:-5.2 Cash and bank balances**

Balance with banks	59.20	93.54
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Cash in hand including stamps	2.33	0.74
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<b>61.53</b>	<b>94.28</b>
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**Note:-5.3 Other bank balances**

Unpaid Dividend Account	37.64	28.67
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Deposits with original maturity more than three months but less than twelve months	0.74	2.79
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<b>38.38</b>	<b>31.46</b>
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**Notes:**

(i) Cash and cash equivalents include ₹ 37.64 lakhs (as at 31st March 2021 ₹ 28.67 lakhs) held in dividend accounts which is not available for use by the company.

**Note:- 5.4 Loans (Current)**

(Unsecured considered good, unless otherwise stated)

Loan to Employees	4.77	4.06
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<b>4.77</b>	<b>4.06</b>
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Particulars	As at 31st March 2022	As at 31st March 2021
<b>Note:- 5.5 Other financial assets</b>		
Interest accrued but not due on fixed deposits	4.14	-
Sale Tax Incentive receivable	104.37	217.15
Intercompany Deposits (Related Party)	-	2,000.00
	<b>108.51</b>	<b>2,217.15</b>
Intercompany deposits (current year balance NIL) were given to M/s Nahar Spinning Mills Limited (Refer note34)		
<b>Note:- 6. Other Current assets</b>		
Advance income tax (Net of Provisions)	148.57	149.04
	<b>148.57</b>	<b>149.04</b>
<b>Note:- 7. Other Current assets</b>		
Advances to suppliers	1,206.17	249.45
Prepaid expenses	139.85	68.22
Balances with statutory and government authorities	1,476.05	1,438.84
License in hands	88.80	552.13
Others recoverable	866.53	428.18
	<b>3,777.40</b>	<b>2,736.82</b>
<b>Note:-8.1 Equity Share Capital</b>		
Authorised capital		
900 Lakh Equity Shares of ₹ 5- each (Previous Year Same)	<b>4,500.00</b>	<b>4,500.00</b>
	<b>4,500.00</b>	<b>4,500.00</b>
Issued, subscribed and Fully paid up.		
24,587,991 Equity Shares of ₹ 5/- each (Previous Year Same)	1,229.40	1,229.40
Add:- Amount paid up on forfeited Shares	28.37	28.37
<b>Total</b>	<b>1,257.77</b>	<b>1,257.77</b>

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

	31st March 2022		31st March 2021	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	2,45,87,991	1229.40	2,45,87,991	1229.40
Issued during the year	-	-	-	-
Equity shares at the end of the year	2,45,87,991	1,229.40	2,45,87,991	1,229.40

**b) Rights, Preferences and restrictions attached to shares**

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

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

	31st March 2022		31st March 2021	
	No of shares	% holding	No of shares	% holding
Nahar Capital & Financial Services Limited	1,20,87,671	49.16%	1,20,87,671	49.16%
Nahar Spinning Mills Limited	43,09,056	17.53%	42,48,813	17.28%



## d) Shareholding of promoter

Share Held by promoters Name of Promoter	As on 31st March 2022		As on 31st March 2021		Change
	No of shares	% holding	No of shares	% holding	
Dinesh Oswal	105273	0.43%	105273	0.43%	0.00%
Jawahar Lal Oswal	21214	0.09%	21214	0.09%	0.00%
Kamal Oswal	31500	0.13%	31500	0.13%	0.0%
Sambhav Oswal	1000	0.00%	1000	0.00%	0.00%
Tanvi Oswal	1000	0.00%	1000	0.00%	0.00%
Ritu Oswal	1000	0.00%	1000	0.00%	0.00%
Manisha Oswal	500	0.00%	500	0.00%	0.00%
Sanjana Oswal	500	0.00%	500	0.00%	0.00%
Rishabh Oswal	500	0.00%	500	0.00%	0.00%
Abhinav Oswal	500	0.00%	500	0.00%	0.00%
<b>Promoter Group</b>					
Nahar Spinning Mills Limited	4309056	17.53%	4248813	17.28%	0.25%
Nahar Capital & Financial Services Ltd.	12087671	49.16%	12087671	49.16%	0.00%
Sankeshwar Holding Co.Ltd.	784088	3.19%	784088	3.19%	0.00%

## e) Shares Forfeited

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

## Note:- 8.2 Other Equity

## (a) Securities premium account

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

## (b) Capital Reserve on acquisition of shares of associates

Opening Balance	10078.26	10078.26
Add: Additions during the year	-	-
	<b>10078.26</b>	<b>10078.26</b>

## (c) General Reserve

Opening Balance as per last Balance Sheet	14,660.18	10,160.18
Add : Additions during the year	7,500.00	4,500.00
<b>Balance as at the year end</b>	<b>22,160.18</b>	<b>14,660.18</b>

## (d) Retained Earnings

Opening Balance as per last Balance Sheet	22042.01	13077.13
Profit for the year	9771.08	6261.42
Other Comprehensive Income for the year (net of tax)	29364.11	7449.34
Dividends	(368.82)	(245.88)
Transfer to General Reserve	(7,500.00)	(4500.00)
<b>Balance as at the year end</b>	<b>53308.38</b>	<b>22042.01</b>
<b>Total Other Equity (a+b+c+d)</b>	<b>90024.82</b>	<b>51258.45</b>

## Nature and purpose of reserves

## Securities premium account

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

## General reserve

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

## Retained Earnings

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



Particulars	As at 31st March 2022	As at 31st March 2021
<b>Note:- 9 Non-Current borrowings</b>		
Term Loan from Banks		
- Punab National Bank	8,937.50	-
- Bank of Maharashtra	5,590.00	4,280.49
	<b>14,527.50</b>	<b>4,280.49</b>
<p>Both the term loans are repayable in 32 quarterly installments starting from quarter ending December 2021 is secured by way of first pari passu charge on entire fixed assets of the company (present and future) including equitable mortgage on factory land and building and is personally guaranteed by a director of the company. It is further secured by second charge on current assets of the company.</p>		
Rate of Interest applicable as on last day of the year	7.80%	8.35%
<b>Note:-10 Deferred Tax Asset/Liability (Net)</b>		
On account of Depreciation differences, Change in rate of tax & Ind As Adjustments	3,230.96	-
On Account of allowance u/s 43B	(14.84)	-
	<b>3,216.12</b>	<b>-</b>
<b>Note:- 11.1 Current borrowings</b>		
<b>Secured</b>		
Working Capital Loans repayable on demand from Banks	552.66	1,273.67
Current maturities of long term debts	2,235.00	285.37
	<b>2,787.66</b>	<b>1,559.04</b>
<p>Working capital facilities under consortium arrangement are secured by way of first pari passu charge on Current Assets, second pari passu charge on fixed assets including equitable mortgage of factory land and building of the company and is personally guaranteed by a director of the company.</p>		
<p>Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.</p>		
<b>Note:- 11.2 Trade and other payables</b>		
<b>Trade Payables:</b>		
- To micro, small and medium enterprises (refer note 27)*	183.15	155.95
- To others	691.17	506.26
- Trade Payables for Capital Goods	-	5,487.59
	<b>874.32</b>	<b>6,149.80</b>
<p>* To the extent information provided/available with the company.</p>		
Not Due	823.12	678.52
0-6 Months due	27.35	5465.90
6 Months to 1 Year due	19.53	0.00
1 year to 2 Years due	4.32	1.92
2 year to 3 Years due	0.00	0.16
More than 3 years due	0.00	3.30
<b>Total</b>	<b>874.32</b>	<b>6149.80</b>
<b>Note:- 11.3 Other financial liabilities</b>		
Employee related payables	123.95	93.93
Unpaid Dividend (refer note (a) below)	37.64	28.67
Retention Money	4.05	-
	<b>165.64</b>	<b>122.60</b>
<p><b>Note:</b> (a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.</p>		
<b>Note:- 12 Other current liabilities</b>		
Advances from customers	828.07	300.13
Dues to director	244.22	115.94
Statutory Dues	71.06	53.11
Other Payables	293.86	163.22
	<b>1,437.21</b>	<b>632.40</b>
<b>Note:- 13. Provisions</b>		
Provision for gratuity (refer note 25)	4.13	-
Current Tax Liability (Net of Advance Tax)	111.82	39.75
	<b>115.95</b>	<b>39.75</b>

**Movement in provisions: Provision for gratuity**

Opening Balance	-	42.73
Add : Provision recognised during the year	4.13	-
Less : Provision utilised during the year	-	42.73
<b>Closing Balance</b>	<b>4.13</b>	<b>-</b>

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Note:- 14 Revenue from operations</b>		
Sale of products		
Export	3,164.54	1,254.51
Domestic	45,549.89	29,020.11
	<b>48,714.43</b>	<b>30,274.62</b>
Other operating revenue		
Sale-scrap	140.68	68.43
Export incentives	19.45	2.58
Claims received	19.44	2.58
Others	0.09	0.02
	<b>48,894.09</b>	<b>30,348.23</b>
<b>Note :- 15 Other Income</b>		
Interest income	135.66	383.04
Dividend Income	207.08	-
Profit on sale of investments (net)*	1.95	2.16
Profit on sale of Fixed Assets	-	1.06
Exchange fluctuation gain (net)	33.00	19.99
Fair valuation of investments through profit and loss	40.49	67.32
Net MTM Gain on Forward Contracts	5.57	-
Miscellaneous income	17.17	6.42
	<b>440.92</b>	<b>479.99</b>

\*Profit on sale of investmens is Rs.86.29 out of which profit of Rs.84.34 already considered in Fair Valuation upto the end of previous year.

**Note:- 16 Cost of materials consumed**

Opening stock of raw materials	555.39	646.20
Add : Purchases of raw materials during the year	34,211.75	18,911.22
	34,767.14	19,557.42
Less : Closing stock of raw materials	3,699.21	555.39
	<b>31,067.93</b>	<b>19,002.03</b>

**Note:- 17 Changes in inventories of finished goods, work-in-process and traded goods**

Opening stock		
-Finished Goods / Stock in Trade	213.64	31.79
-Work-in-Progress	705.52	867.44
	919.16	899.23
Closing Stock		
-Finished Goods / Stock in Trade	333.48	213.64
-Work-in-Progress	1,476.86	705.52
	1,810.34	919.16
	<b>(891.18)</b>	<b>(19.93)</b>

**Note:- 18 Employee benefit expense**

Salary, Wages and other Allowances	1,373.86	955.40
Contribution to Provident and other funds	120.42	87.54
Staff Welfare Expenses	53.91	55.62
	<b>1,548.19</b>	<b>1,098.56</b>



Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Note:- 19 Finance cost</b>		
Interest Expense		
- On working capital loans	76.56	28.14
- On term loans	207.52	-
- Others	0.95	0.53
Other Borrowings Cost	9.31	5.19
	<b>294.34</b>	<b>33.86</b>
<b>Note:- 20 Other expenses</b>		
Power & Fuel Consumed	2,087.43	1,690.91
Electricity Expenses	5.06	1.21
Packing Expenses	856.25	574.16
Consumption of stores & spares	2.24	2.60
Rent	33.12	9.98
Repair and Maintenance		
-Building Repair	7.63	5.74
-Plant & machinery	546.76	250.31
-General Repair	28.09	15.96
Insurance	98.25	79.44
Legal & Professional expenses	22.99	19.55
Rates & Taxes	13.53	7.97
Travelling and Conveyance	51.13	23.43
Brokerage and Commission	43.78	26.65
Freight & Forwarding	1,259.55	902.38
Other manufacturing expenses	7.04	4.71
Payments to auditors	3.06	2.27
Communication Expenses	8.22	7.33
Donation/CSR Expenses	83.00	42.21
Loss on MTM on Forward Contracts	-	-
Others	78.88	40.05
	<b>5,236.01</b>	<b>3,706.86</b>
<b>Note:- 21 Tax Expense</b>		
(1) Current Tax		
Provision for Taxation for the year	2,438.32	1,679.66
Income Tax Adjustment of earlier years	(36.79)	(39.97)
(2) Deferred Tax	464.61	69.53
	<b>2,866.14</b>	<b>1,709.22</b>
<b>Note:- 21.1 Income Tax Expenses</b>		
<b>Tax expense recognized in the Statement of Profit and Loss</b>		
<b>Current tax</b>		
Current Tax on taxable income for the year	2,438.33	1,679.66
<b>Total current tax expense</b>	<b>2,438.33</b>	<b>1,679.66</b>
<b>Deferred Tax</b>		
Deferred tax charge/(credit)	464.61	69.53
<b>Total Deferred Income tax expense/(benefits)</b>	<b>464.61</b>	<b>69.53</b>
<b>Income Tax for Current Period</b>	<b>2,902.94</b>	<b>1,749.19</b>
Tax in respect of earlier years	(36.79)	(39.97)
<b>Total income tax expense (Including deferred tax)</b>	<b>2,866.15</b>	<b>1,709.22</b>





**(A) Reconciliation of tax liability on book profit vis-à-vis actual tax liability**

Accounting profit before income tax	11,634.26	6,852.85
Statutory income tax rate	25.168%	25.626%
Current tax expenses on profit before tax at the statutory income tax rate in India	2,928.11	1,756.08
Tax on other permanent differences	(25.17)	(6.89)
Income taxed on different tax rate	-	-
Charge/(credit) in respect of earlier years	(36.79)	(39.97)
Unrecognised tax assets (net)	-	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>2,866.15</b>	<b>1,709.22</b>

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

	Balance Sheet		Statement of profit and loss		Other Comprehensive Income	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Accelerated depreciation for tax purposes and other Ind AS adjustments	(3,230.96)	25.10	468.82	70.04	2,787.75	2.36
Expenditure incurred u/s 43B	14.84	11.15	(4.20)	(0.51)		
	<b>(3,216.12)</b>	<b>36.25</b>	<b>464.62</b>	<b>69.53</b>	<b>2,787.75</b>	<b>2.36</b>

**Net Deferred tax assets/(liabilities)**

Reflected in balance sheet as follows: -

Deferred tax assets	-	36.25
Deferred tax liabilities	(3,216.12)	-
<b>Deferred tax assets/(liabilities) (net)</b>	<b>(3,216.12)</b>	<b>36.25</b>

Reconciliation of deferred tax assets/ (liabilities), net

	31st March 2022	31st March 2021
<b>Opening Balance</b>	36.25	108.14
Tax Income/(expense) during the year recognised in profit or loss	(464.62)	(69.53)
Tax Income/(expense) during the year recognised in Other comprehensive income	(2,787.75)	(2.36)
<b>Closing Balance</b>	<b>(3,216.12)</b>	<b>36.25</b>

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

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

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

**(C) Tax Assets and Liabilities**

	As at 31st March 2022	As at 31st March 2021
Income tax assets (net of tax provision)	148.57	149.04
Income tax liabilities (net of advance tax)	111.82	39.75



## 22.1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### i) Company Overview

Nahar Poly Films Limited CIN:L17115PB1988PLC008820 ('the company') is into the business of manufacturing and selling of BOPP films. The company is a public limited company incorporated and domiciled in India and has registered office in Ludhiana, Punjab, India and the manufacturing facility is located Near Mandideep, Bhopal, MP, India. The company has its listing of equity shares on BSE Limited and National Stock Exchange of India Limited.

The financial statements are approved for issue by the company's Board of Directors on 25-May-2022

### ii) SIGNIFICANT ACCOUNTING POLICIES:

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

#### a) Basis of Presentation:

##### i) Compliance with IndAS

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

The Financial statements of the company for the year ended 31st March 2022 have been approved by the Board of Directors at their meetings held on 25-May-2022

##### ii) Accounting Convention

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

##### iii) Rounding of amounts

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

##### iv) Current/Non-current classification

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

### b) Foreign currency translation

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

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

### c) Revenue recognition

#### (i) Revenue arises mainly from the sale of manufactured and traded goods.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

"Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc.

"Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers

#### Sale of goods

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

#### Rendering of services

Revenue from services is recognised as and when the services are rendered and on the basis of contractual terms with the parties.

- (ii) Export Incentives- Export incentives are recognised on post export basis.
- (iii) Interest income - Interest income is recognised on accrual basis.
- (iv) Dividend income - Dividends are recognised in profit or loss only when the right to receive payment is established
- (v) Rental Income- Rental income is accounted for on accrual basis.
- (vi) Scrap (i.e empties, miscellaneous scrap etc. ) is accounted for on sale basis.
- (vii) Income and other Claims -Revenue in respect of claims is recognised when no Significant uncertainty exists with regard to the amount to be realised and ultimate Collection thereof.

### d) Government Grants:

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the



company will comply with all attached conditions.

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

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

**e) Income Tax:**

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

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

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

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

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

**f) Trade Receivables:**

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

**g) Cash and cash Equivalents:**

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

**h) Inventories**

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

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

**i) INVESTMENT AND OTHER FINANCIAL ASSETS**

**I) Classification**

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

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

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

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

**II) Measurement**

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

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

**iii) Impairment of financial assets**

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

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



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

**iv) De-recognition of Financial Assets: Financial asset is derecognised only when**

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

**v) Income Recognition:**

- Interest income – Interest income from debt instruments is recognised using the effective interest rate method.
- Dividend income - Dividends are recognised in profit or loss only when the right to receive payment is established.
- Rental Income - Rental income is accounted for on accrual basis.
- Scrap (i.e. empties, wastage etc. Other than production) is accounted for on sale basis.

**j) Impairment of Non-Financial assets**

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

**k) Non- Current Assets Held for Sale:**

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

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

**l) Derivatives that are not designated as hedges**

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

**m) Property, plant and equipment**

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

**Depreciation methods, estimated useful lives and residual value**

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

**n) Intangible assets**

**Computer software**

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

**Amortisation methods and periods**

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

**o) Trade and other payables**

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

**p) Borrowings**

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

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

**q) Borrowing costs**

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

**r) Provisions and contingent liabilities**

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

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

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

**s) Employee benefits****(i) Short term obligations**

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

**(ii) Other long term employee benefit obligations**

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

**(iii) Post-employment obligations**

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

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

**(iv) Defined contribution plans**

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

**t) Estimates and judgements**

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

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable.
- Designation of financial assets /liabilities through FVTPL.
- Estimation of defined benefit obligation.
- Recognition of deferred tax assets for carried forward tax losses.

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

**u) Ind As 116-Leases:**

On 30 March 2019, MCA has notified IndAS 116, Leases. IndAS 116 sets out the principals for the recognition, measurement, presentation and disclosure of leases and requires leases to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for leases - leases of 'low-value' assets and short term leases (i.e., leases with lease term of 12 months or less). At commencement date of the lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-to-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expenses on the right-to-use asset. Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-to-use asset. It has no impact on the company.

**22.2. Significant accounting judgements, estimates & assumptions**

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

**Judgements**

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

**Estimates and assumptions**

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

**Defined benefit plans (gratuity benefits)**

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



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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note:-25 .

**Fair value measurement of financial instruments**

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

**Impairment of non-financial assets**

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

Particulars	As at 31st March 2022	As at 31st March 2021
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**Note 23: - Contingent Liabilities not provided for, capital and other commitments:**

**- Contingent Liabilities:**

**Direct and Indirect Tax Authorities have raised demands of Rs.58.75 Lakhs (Previous Year Rs.58.75) out of Which a sum of Rs. 19.24 Lakhs (Previous Year Rs.9.70) has been deposited against said demand. Further these demands have been contested in appeal and no Provision has been made in the financial statement.**

**- Capital and Other Commitments**

**a) Capital Commitments**

- Letter of credits outstanding in favour of suppliers (net of advances)	-	5,887.17
- Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	-	2,187.28

**b) Other Commitments**

- Bank Guarantee	-	-
- Letter of credits outstanding in favour of suppliers (net of advances)	856.84	151.22
- Estimated amount of contracts remaining to be executed not provided for (net of advances and deposits)	0.80	14.69

857.64	8,240.36
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**Note:- 24 Earnings per share (EPS) (Ind AS 33)**

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

Earnings Per Share has been computed as under:

Profit for the year attributable to the Equity holders of the Company	9771.08	6261.42
Weighted-average number of equity shares for basic EPS	245.88	245.88
Earnings Per Share (Rs.) - Basic (Face value of Rs. 5 per share)	39.74	25.47

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

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

**Note:-25 Post Retirement Benefits Plans (Ind AS 19)**

**Defined Benefit Plan**

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



Particulars	"As at 31st March 2022"	"As at 31st March 2021"
<b>(i) Changes in Defined Benefit Obligation</b>		
Present value obligation as at the start of the year	195.70	171.18
Current service cost	23.89	18.81
Interest cost	13.09	11.53
Past Service Cost Plan Amendment	-	-
Actuarial loss/(Gains) - Experience Changes	(5.29)	(19.18)
Actuarial loss / (Gains) Financial Assumption	(2.45)	16.66
Benefits paid	(11.89)	(3.30)
Present value obligation as at the end of the year	<b>213.05</b>	<b>195.70</b>
<b>(ii) Change in fair value of plan assets</b>		
Fair value of plan assets as at the start of the year	205.71	128.45
Interest income on plan assets	13.87	11.03
Employer Contributions	2.43	70.71
Benefits paid	(11.89)	(3.30)
Return on plan assets greater/(lesser) than discount Rates	(1.20)	(1.18)
Fair value of plan assets as at the end of the year	<b>208.92</b>	<b>205.71</b>
<b>(iii) Breakup of Actuarial gain/loss:</b>		
Actuarial (gain)/loss on arising from change in financial assumption	(2.45)	16.66
Actuarial (gain)/loss on arising from experience adjustment	(5.29)	(19.18)
Return on plan assets (greater)/less than discount rate	1.20	1.18
	<b>(6.54)</b>	<b>(1.34)</b>
<b>(iv) Net Asset / (Liability) recognised in the Balance Sheet</b>		
Present value obligation as at the end of the year	(213.05)	(195.70)
Fair value of plan assets as at the end of the year	208.92	205.71
Net Asset / (Liability) in the Balance Sheet	<b>(4.13)</b>	<b>10.01</b>
<b>(v) Amount recognized in the statement of profit and loss</b>		
Current service cost	23.89	18.81
Interest cost	13.09	11.53
Interest income on plan assets	(13.87)	(11.03)
(Income)/Expense recognised in the statement of profit and loss	<b>23.11</b>	<b>19.31</b>
<b>(vi) Remeasurements recognised in the statement of Other Comprehensive Income (OCI)</b>		
Changes in Financial Assumptions	(2.45)	16.66
Experience Adjustments	(5.29)	(19.18)
Return on plan assets (greater)/less than discount rate	1.20	1.18
Amount recognised in Other Comprehensive Income	<b>6.54</b>	<b>1.34</b>
<b>(vii) Actuarial assumptions</b>		
Discount Rate (p.a)	7.20%	6.90%
Salary Escalation Rate (p.a)	7.00%	7.00%
Employee Turnover rate	1% to 3%	1% to 3%
Mortality Rate	"Indian Assured Lives Mortality (2006-08) (modified) Ult"	"Indian Assured Lives Mortality (2006-08) (modified) Ult"

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

**(viii) Sensitivity analysis for gratuity liability**

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

Present value of obligation at the end of the year

**Impact of the change in Discount rate (p.a)**

**Impact due to decrease of 0.50%**

Impact due to increase of 0.50%

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

Impact due to increase of 0.50%

Impact due to decrease of 0.50%

13.04	12.80
(11.74)	(11.49)
12.39	12.15
(11.24)	(11.05)



(ix) Expected future cash flows

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

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

<b>Gratuity</b>	<b>14 years</b>	<b>14 years</b>
The followings are the expected future benefit payments for the defined benefit plan :		
March 31, 2022	-	29.06
March 31, 2023	29.49	3.98
March 31, 2024	11.81	11.87
March 31, 2025	12.83	13.13
March 31, 2026	5.93	6.37
March 31, 2027	7.72	-
March 31, 2027 to March 31, 2031	-	114.26
March 31, 2028 to March 31, 2032	129.2	-

**Note-26 Corporate Social Responsibility**

To meet its CSR Obligation under Sec 135 of Companies Act, 2013 and as per the company's CSR policy approved and adopted by the Board of Directors, company joined hands with Group Companies under one umbrella, to undertake the CSR Projects through Oswal Foundation. Oswal Foundation is a Registered Society formed in the year 2006 having its charitable objects in various fields. It has already registered itself with the Ministry of Corporate Affairs with vide Registration no. CSR0000145 for undertaking CSR activities.

During the year 2021-22 company is required to spend Rs. 83.00 lakhs (Previous year Rs.42.21 lakhs) being two percent of the average net profits of the company made during the three immediately preceding financial years on CSR activities.

Accordingly to fulfil its obligation under CSR, Board on the recommendation of CSR Committee decided to contribute an amount of Rs. 83.00 lakhs (Previous year Rs.42.21 lakhs) to the Oswal Foundation for undertaking Health care projects as approved by the consortium of the Group Companies formed to undertake CSR activities through Oswal Foundation.

The foundation is going to undertake "Health Care Project of Linear Accelerator", as approved by the consortium at approximate cost of Rs. Four crores, at Mohn Dai Oswal Cancer Hospital and Research Foundation, Ludhiana.

**Note:-27 Dues to micro and small suppliers**

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

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

**Note:-28 Government Grants**

At the beginning of the year	217.15	217.15
Provided during the year	-	-
Received during the year	112.78	-
At the end of the year	104.37	217.15
Current	104.37	217.15
Non-Current	-	-

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





**Note:-29 Fair value measurements**

(a) Financial Instruments by category

Particulars	31st March 2022			31st March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
-Equity Instruments*	-	36,954.88	-	-	7,439.28	-
-Bonds	-	217.77	-	-	264.53	-
-MF, Debentures & Bonds	2,543.20	-	-	870.50	-	-
Security Deposits	-	-	325.38	-	-	219.66
Intercorporate Loans	-	-	-	-	-	2,000.00
Trade receivables	-	-	2,835.71	-	-	1,129.71
Cash and cash equivalents	-	-	61.53	-	-	94.28
Other Bank Balances	-	-	38.38	-	-	31.46
Loan to employees	-	-	4.77	-	-	4.06
Other financial assets	-	-	108.51	-	-	217.15
<b>Total</b>	<b>2,543.20</b>	<b>37,172.65</b>	<b>3,374.28</b>	<b>870.50</b>	<b>7,703.81</b>	<b>3,696.32</b>
<b>Financial Liabilities</b>						
Non-current Borrowings	-	-	16,762.50	-	-	4,280.49
Current Borrowings	-	-	2,787.66	-	-	1,559.04
Trade payable	-	-	874.32	-	-	6,149.80
Other financial liabilities (Current)	-	-	165.64	-	-	122.60
<b>Total</b>	<b>-</b>	<b>-</b>	<b>20,590.12</b>	<b>-</b>	<b>-</b>	<b>12,111.93</b>

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

(b) Fair value hierarchy

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

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

Particulars	31st March 2022			31st March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Investments at FVTPL						
-MF, Debentures & Bonds	2,543.20	-	-	870.50	-	-
-Equity Instruments	-	-	-	-	-	-
Investments at FVOCI						
-Equity Instruments	35,218.70	1,736.18	-	7,181.78	257.50	-
-Bonds	217.77	-	-	264.53	-	-
<b>Total financial assets</b>	<b>37,979.67</b>	<b>1,736.18</b>	<b>-</b>	<b>8,316.81</b>	<b>257.50</b>	<b>-</b>

**Valuation process and technique used to determine fair value**

- The fair value of investments in government securities, debentures and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.
- The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

**Financial assets and liabilities measured at amortised cost.**

Particulars	31st March 2022			31st March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Security Deposits	-	-	325.38	-	-	219.66
Intercorporate Loans	-	-	-	-	-	2,000.00
Trade receivables	-	-	2,835.71	-	-	1,129.71
Cash and cash equivalents	-	-	61.53	-	-	94.28
Other Bank Balances	-	-	38.38	-	-	31.46



Loan to employees	-	-	4.77	-	-	4.06
Other financial assets			108.51			217.15
<b>Total financial assets</b>	-	-	<b>3,374.28</b>	-	-	<b>3,696.32</b>
<b>Financial liabilities</b>						
Non-current Borrowings			16,762.50			4,280.49
Current Borrowings	-	-	2,787.66	-	-	1,559.04
Trade payable	-	-	874.32	-	-	6,149.80
"Other financial liabilities (Current)"	-	-	165.64	-	-	122.60
<b>Total financial liabilities</b>	-	-	<b>20,590.12</b>	-	-	<b>12,111.93</b>

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

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

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

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

Particulars	31st March 2022		31st March 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>				
Non-current assets	325.38	325.38	219.66	219.66
<b>Total financial assets</b>	<b>325.38</b>	<b>325.38</b>	<b>219.66</b>	<b>219.66</b>
<b>Financial liabilities</b>				
Non-current liabilities	14,527.50	14,527.50	4,280.49	4,280.49
<b>Total financial liabilities</b>	<b>14,527.50</b>	<b>14,527.50</b>	<b>4,280.49</b>	<b>4,280.49</b>

**d) Measurement of fair values**

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

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

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

**Note:- 30. Financial risk management objectives and policies**

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

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

**A) Market risk**

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

**a) Market risk- Interest rate risk**

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

	<b>As at 31st March 2022</b>	<b>As at 31st March 2021</b>
Variable rate borrowings	19,550.16	5,839.53
Fixed rate borrowings	-	-
<b>Total Borrowings</b>	<b>19,550.16</b>	<b>5,839.53</b>



**Interest rate sensitivity**

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

50 bps decrease would Increase the profit before tax by	97.75	29.20
50 bps increase would decrease the profit before tax by	(97.75)	(29.20)

**b) Market risk- Foreign currency risks**

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

Particulars	As at 31st March 2022		As at 31st March 2021	
	Foreign Currency	INR	Foreign Currency	INR
<b>Trade receivables</b>				
-USD	171378	129.87	213889	156.36
-GBP	-	-	-	-
<b>Trade payables</b>				
-USD	-	-	-	-
-GBP	3463	3.52	5937000	5369.46
<b>Total Exposure (net)</b>				
-USD - Receivable (Payable)	171378	129.87	213889	156.36
-GBP - Receivable (Payable)	-3463	-3.52	-5937000	-5369.46

**Foreign currency sensitivity**

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

**Foreign Currency Sensitivity**

5% decrease in USD rate would Increase (decrease) the profit before tax by	-6.49	-7.82
5% increase in USD rate would Increase (decrease) the profit before tax by	6.49	7.82
5% decrease in GBP rate would Increase (decrease) the profit before tax by	0.18	268.47
5% increase in GBP rate would Increase (decrease) the profit before tax by	-0.18	-268.47

**EUR Sensitivity**

5% decrease would Increase the profit before tax by  
5% increase would decrease the profit before tax by

**JPY Sensitivity**

5% decrease would Increase the profit before tax by  
5% increase would decrease the profit before tax by

**c) Foreign Currency Exposure (Forward Booking)**

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

Forward Contrace against exports

- USD	8.00 Lakhs	--
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**d) Market risk- Price risks**

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

**Price sensitivity**

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

- Impact on total comprehensive income		
500 bps in BSE Sensex 30 increase would Increase the profit before tax by	1,760.94	359.09
500 bps in BSE Sensex 30 decrease would decrease the profit before tax by	(1,760.94)	(359.09)



**(B) Credit risk**

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

**(a) Credit risk management**

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

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

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

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

**Financial assets that expose the entity to credit risk –**

	As at 31st March 2022	As at 31st March 2021
Low credit risk on reporting date		
Trade receivables	2,835.71	1,129.71
Cash and cash equivalents	61.53	94.28
Other bank balances	38.38	31.46
Loans(current)	4.77	4.06
Loans(non-current)	325.38	219.66
Other financial asset (current)	108.51	2,217.15

**Cash & cash equivalents and bank deposits**

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

**Trade receivables**

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

Gross carrying amount of trade receivables	As at 31st March 2022	As at 31st March 2021
Not due nor impaired	2835.48	1129.59
0-90 days past due	0.00	0.01
90-180 days past due	0.23	0.00
180-365 days past due	0.00	0.00
More than one year	0.00	0.11
<b>Total</b>	<b>2835.71</b>	<b>1129.71</b>

**Loans and Other financial assets measured at amortised cost**

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

**(C) Liquidity risk**

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



**(a) Financing arrangements**

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

Floating rate	As at 31st March 2022	As at 31st March 2021
(i) Expiring within one year		
Secured		
-Working Capital	1412.34	2640.96
(ii) Expiring beyond one year		
Secured		
-Rupees term loan from banks		14719.51

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

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 years	Total
<b>Year ended 31st March 2022</b>					
Contractual maturities of borrowings	5,296.50	2,235.00	6,705.00	2,235.00	16,471.50
Contractual maturities of Trade payables and other payables	874.32	-	-	-	874.32
Contractual maturities of other financial liabilities	165.64	-	-	-	165.64
<b>Total</b>	<b>6,336.46</b>	<b>2,235.00</b>	<b>6,705.00</b>	<b>2,235.00</b>	<b>17,511.46</b>

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 years	Total
<b>Year ended 31st March 2021</b>					
Contractual maturities of borrowings	2,461.17	2,375.00	7,125.00	8,312.50	20,273.67
Contractual maturities of Trade payables and other payables	6,149.80	-	-	-	6,149.80
Contractual maturities of other financial liabilities	122.60	-	-	-	122.60
<b>Total</b>	<b>8,733.57</b>	<b>2,375.00</b>	<b>7,125.00</b>	<b>8,312.50</b>	<b>26,546.07</b>

**Note:- 31 Dividend distribution made**

Rs. 1.50 per share (Previous Year Re. 1.00 per share)

As at 31st March 2022

As at 31st March 2021

368.82

245.88

**368.82**

**245.88**

**Note:- 32 Reconciliation of changes in financial liabilities**

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

Particulars	Current Year		Previous Year	
	Borrowings (Non-current) (including current maturities)	Borrowings (Current)	Borrowings (Non-current) (including current maturities)	Borrowings (Current)
<b>A. Borrowings from Banks</b>				
Balance at the beginning of the period	4,565.86	1,559.04	64.09	294.82
Add:/Less Changes during the period				
(a) Changes from financing cash flows	12,196.64	1,228.62	4,501.77	1,264.22
(b) Changes arising from obtaining or losing control of subsidiaries or other business				
(c) the effect of changes in foreign exchange rates				
(d) changes in fair values				
(e) other Changes				
Balance at the end of the period	16,762.50	2,787.66	4,565.86	1,559.04
<b>B. Deposits from body corporates</b>				
Balance at the beginning of the period	-	-	-	-
Add:/Less Changes during the period				
(a) Changes from financing cash flows (Net)	-	-	-	-
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-	-	-
(c) the effect of changes in foreign exchange rates	-	-	-	-



(d) changes in fair values	-	-	-	-
(e) other Changes	-	-	-	-
Balance at the end of the period	-	-	-	-

**Note:- 33 Capital Management**

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

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

	As at 31st March 2022	As at 31st March 2021
Borrowings	19,550.16	6,124.90
Trade payables	874.32	6,149.80
Less: Cash and cash equivalents	(61.53)	(94.28)
Less: Other bank balances	(38.38)	(31.46)
<b>Net debt</b>	<b>20,324.57</b>	<b>12,148.96</b>
Equity	63,217.98	28,132.75
<b>Capital and net debt</b>	<b>83,542.55</b>	<b>40,281.71</b>
<b>Gearing ratio</b>	<b>24.33%</b>	<b>30.16%</b>

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

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2022 and 31st March 2021.

**Note:- 34 Related party disclosure as per Ind AS 24**

Disclosure of related parties and relationship between the parties

Nature of relationship

**(i) Associates**

M/s Nahar Capital and Financial Services Ltd.

**(ii) Key Management Personnel**

Mr.Sambhav Oswal & Mr. S. K. Sharma (Executive Directors), Rakesh Jain (Chief Financial Officer) and Disha Jindal (Company Secretary)

**(iii) Directors & their relatives**

Mr. Jawahar Lal Oswal (Chairman), Mr.Kamal Oswal (Director), Mr.Dinesh Oswal (Director), Mr.Dinesh Gogna, Mr. S.K.Singla, Mr.Y.P.Sachdeva, Mr.A.S. Sohi, Mr.Vijay Asdhir, Mr.I.M.Chhibba, Mr.Komal Jain, Dr.Mrs.Manisha Gupta and Mrs. Ritu Oswal.

**(iv) Other Group companies over which key Management Personnel and their relatives are able to exercise significant influence**

Nahar Spinning Mills Ltd., Sankheshwar Holding Company Limited., Oswal Foundation

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

**Detail of Related party Transactions**

Sr. No.	PARTICULARS	Associates		Enterprises over which KMP is able to exercise significant influence		Key Management personnels & their relatives	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Intercorporate Loans Given	-	-	1,400.00	1,650.00	-	-
2	Intercorporate Loans Received Back	-	-	3,400.00	2,950.00	-	-
3	Interest Received	-	-	105.13	355.15	-	-
4	Director's Sitting Fees	-	-	-	-	3.90	3.80
5	Director's Remuneration	-	-	-	-	448.64	256.51
6	Salary	-	-	-	-	15.94	-
7	Rent Paid	-	-	2.62	2.48	30.50	7.50
8	License Purchased	-	-	137.49	112.91	-	-
9	License Sale	-	-	0.83	-	-	-
10	Reimbursements Received	0.01	-	0.04	0.07	-	-
11	Reimbursements Paid	-	-	33.03	23.85	-	-
12	Sales	-	-	20.04	6.16	-	-
13	Purchase of Goods/Services	-	-	3.15	3.07	-	-
14	Contribution towards CSR Expenses	-	-	83.00	42.20	-	-



15	Purchase of Investments	-	-	-	74.11	-	-
16	Balance as on 31.03.2022						
	- ICD's Receivable	-	-	-	2,000.00	-	-
	- Due to directors	-	-	-	-	246.22	115.93

Note: - Salary paid to Chief Financial Officer and Company Secretary is shown in the director's report and is not included in the above list of transactions.

**Note:-35 Others**

- On account of Covid-19 pandemic, the Government of India imposed a complete nation-wide lockdown on March 24, 2020 leading to temporarily shut down of company's activities and operations for some period during year ended 31st March, 2021. Hence, results of the year ended 31st March, 2022 are not comparable with corresponding year ended 31st March, 2021.
- Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.
- The company's expansion plan of setting up of new BOPP project having 30000 MT annual capacity has been implemented in full with the commencement of commercial production on February 04, 2022. Hence, financials for the year ended 31st March, 2022 are not comparable with corresponding year ended 31st March, 2021.
- The Schedule III to the Companies Act, 2013 has been amended in respect of the Certain regrouping/disclosures vide notification dated 24th March 2021 which are applicable w.e.f 1st April 2021, the figures has been presented in the above financial results after considering the said amendemnts. The figures of the corresponding previous year have been regrouped whichever considered neccessery to correspond to curent year disclosures.

**Note:-36 Details of Associates**

Section 129(3) of the Companies Act, 2013, requires preparation of consolidated financial statement of the Group and of all the associate companies in the same form and manner as that of its own. Indian Accounting Standard (Ind AS) 28 on Investments in Associates defines Associate Group as an entity over which the investor has significant influence. It mentions that if an entity holds, directly or indirectly through intermediaries, 20 percent or more of the voting power of the enterprise, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case.

**(a) Material associate is accounted for using the equity method in these consolidated financial statements.**

Name of Entity	% of Ownership interest	Relationship	Accounting method	Current Year	Previous Year
Nahar Capital & Financial Services Limited	39.481%	Associate	Equity Method	39.481%	39.481%
Total Equity Accounted Investment				31,737.77	28,056.64

**(b) Summarised Financial information for the associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statement of the relevant associates by using Equity method.**

Particulars	Current Year	Previous Yrat
Financial Assets	74,580.13	64,505.45
Non Financial Assets	7,227.19	8,625.15
<b>Total Assets</b>	<b>81,807.32</b>	<b>73,130.60</b>
<b>Financial Liabilities</b>	<b>655.69</b>	<b>1,455.10</b>
<b>Non-Financial Liabilities</b>	<b>764.18</b>	<b>611.85</b>
<b>Total Liabilities (a+b)</b>	<b>1,419.87</b>	<b>2,066.95</b>
<b>Net Assets</b>	<b>80,387.45</b>	<b>71,063.65</b>
<b>Proportion of Group ownership (%)</b>	<b>39.481%</b>	<b>39.481%</b>
<b>Proportion of Group ownership in Nahar Capital Financial Services Limited</b>	<b>31,737.77</b>	<b>28,056.64</b>

**Summarised statement of profit and loss**

Particulars	Current Year	Previous Yrat
Gross Revenue	3,674.91	4,759.52
Earning before interest, depreciation/amortisation	4,208.21	4,210.25
Depreciation and amortisation	102.40	83.30
Interest Expense	9.07	17.40
Tax Expense	1,054.00	1,142.65
Profit and loss for the period	3,042.74	2,966.90
Other Comprehensive Income	6,783.44	4,693.33
Total Comprehensive Income	9,826.18	7,660.23



Less: CSR amt. paid from reserves	-	(51.94)
	9,826.18	7,608.29
Proportion of ownership (%)	39.48%	39.48%
Proportion of Group ownership in Nahar Capital Financial Services Limited	3,879.47	3,003.83
Movement of Investment using equity Method		
Nahar Capital & Financial Services Limited		
Opening balance of interest in associates	28,056.64	25,085.87
Add:- Share of profit for the period	3,879.47	3,003.83
Less:-Dividend Received	(198.34)	(33.06)
Net Income from Associates	3,681.13	2,970.77
Closing Balance of interest in associates	31,737.77	28,056.64

**Additional Information as required Under Schedule III to companies Act, 2013 of entities Consolidated as Associates.**

Name of the Entity	Share of Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
<b>Parent</b>								
Nahar Poly films Limited								
<b>Associates*</b>								
Nahar Capital & Financial Services Ltd.								
-As on/For the Year Ending 31.03.22	39.48%	31,737.77	39.48%	1201.30	39.48%	2678.17	39.48%	3879.47
-As on/For the Year Ending 31.03.21	39.48%	28,056.64	39.48%	1150.86	39.48%	1852.97	39.48%	3003.83

\* Accounted as per equity method. Amounts given here in respect of associates are the share of the group in the net assets of the respective associates and the share of the group in the profit or loss of the respective associates.

**Material associate is accounted for using the equity method in these consolidated financial statements.**

**Note:- 37 Ratios**

The following are analytical ratios for the year ended 31st March 2022 and 31st March 2021

Particulars	Numirator	Denominator	31st March 2022	31st March 2021	Variance
Current Ratio	Current assets	Current Liabilities	2.45	2.79	-12.28%
Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.27	0.21	31.95%
Debt Service Coverage Ratio	Earnings available for debt service <sup>(1)</sup>	Debt Service <sup>(2)</sup>	6.87	158.45	-95.66%
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	19.20%	22.48%	-14.59%
Trade receivables turnover ratio	Revenue	Average Trade Receivable	24.66	29.46	-16.29%
Trade payables turnover ratio	Cost of Goods Sold <sup>(3)</sup>	Average Trade Payables (Other than for Capital Goods)	44.98	40.32	11.56%
Inventory Turnover ratio	Cost of Goods Sold	Average Inventories	8.36	10.93	-23.53%
Net capital turnover ratio	Operating Revenue	Working Capital	6.27	5.61	11.66%
Net profit ratio	Net Profit (Before Tax)	Operating Revenue	23.79%	22.58%	5.36%
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed <sup>(4)</sup>	14.45%	20.15%	-28.31%
Return on Investment (ROI)	Income generated from investments <sup>(5)</sup>	Average Investments <sup>(6)</sup>	1.25%	0.35%	256.96%

(1) Net Profit after taxes + Non-cash operating expenses + Interest





- (2) Loan repayments for the current year
- (3) Revenue from Operations minus EBIDTA
- (4) Equity + Longterm debt
- (5) Income accounted in other comprehensive income is not considered
- (6) Calculated on cost of investments

**Reason for Variance of ratios: -**

- Debt equity : Due to increase in term loans for setting up a new unit.
- Debt Service Coverage : Due to increase in repayment of term loans and interest for setting up a new unit.
- Return on capital employe : Due to increase in term loans for setting up a new unit.
- Return on Investment : Dividend not declared/paid by some of the companies due to COVID-19.

This is the notes referred to in our report of even date

**For YAPL & Company**

Chartered Accountants  
FRN:017800N

**For Nahar Poly Films Limited**

**Sakshi Garg**  
(Partner)  
M.No.553997  
Place : Ludhiana  
Date : 25.05.2022  
UDIN : 22553997AJPJQF4743

**Rakesh Jain**  
(Chief Financial  
Officer)

**Disha Jindal**  
(Company Secretary)

**Sambhav Oswal**  
Executive Director  
(DIN - 07619112)

**Dinesh Oswal**  
Director  
(DIN - 00607290)





**Form AOC-I  
NAHAR POLY FILMS LIMITED**

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

**Part "A" : Subsidiaries**

(Information in respect of each subsidiary to be presented with amount in Rs.)

1	Sl. No.	N.A.
2	Name of Subsidiary	N.A.
3	"Reporting period for the subsidiary concerned, if different from the holding company's reporting period"	N.A.
4	Reporting Currency and Exchange rate as on the last date of the relevant Financial Year in case of foreign subsidiaries	N.A.
5	Share Capital	N.A.
6	Reserves & Surplus	N.A.
7	Total Assets	N.A.
8	Total Liabilities	N.A.
9	Investments	N.A.
10	Turnover	N.A.
11	Profit before taxation	N.A.
12	Provision for taxation	N.A.
13	Profit after taxation	N.A.
14	Proposed Dividend	N.A.
15	% of Shareholding	N.A.

**Notes:** The following information shall be furnished at the end of the statement:

- |   |   |    |
|---|---|----|
| 1. Names of subsidiaries which are yet to commence operations               | : | NA |
| 2. Names of subsidiaries which have been liquidated or sold during the year | : | NA |

**Part "B" : Associates and Joint Ventures**

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	<b>Name of Associates/Joint Ventures</b>	<b>Nahar Capital &amp; Financial Services Limited</b>
1	Latest Audited Balance Sheet Date	31.03.2022
2	Shares of Associate/Joint Ventures held by the Company on the Year End	
	No. of Shares	6611632
	Amount of Investment in Associates/Joint Venture (Rs. In Lacs)	3673
	Extend of Holding %	39.48%
3	Description of how there is significant influence	More than 20% Shares held by the Company
4	Reason why the associate/joint venture is not consolidated	N.A.
5	Networth attributable to Total Shareholding as per latest audited Balance Sheet (Rs. In Lacs)	31738
	Profit/Loss for the year (Rs. In Lacs)	9826
6	i. Considered in Consolidation (Rs. In Lacs)	3879
	ii. Not Considered in Consolidation (Rs. In Lacs)	5947

**For YAPL & Company**

Chartered Accountants  
FRN:017800N

**Sakshi Garg**  
(Partner)  
M.No.553997  
Place : Ludhiana  
Date : 25.05.2022  
UDIN : 22553997AJPJQF4743

**Rakesh Jain**  
(Chief Financial Officer)

**Disha Jindal**  
(Company Secretary)

**Sambhav Oswal**  
Executive Director  
(DIN - 07619112)

**Dinesh Oswal**  
Director  
(DIN - 00607290)

**For Nahar Poly Films Limited**



Glimpse of CSR Project  
under taken by  
OSWAL FOUNDATION



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