



# JINDAL POLY FILMS LTD.

Plot No. 12, Sector B-1,  
Local Shopping Complex,  
Vasant Kunj,  
New Delhi - 110070 (INDIA)  
Phone : 011-40322100  
Fax : (91-11) 40322129  
Web. : [www.jindalgroup.com](http://www.jindalgroup.com)

JPFL/DE-PT/SE/AGM/2020-21

September 8, 2020

The Manager (Listing)  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001  
(Script Code : JINDALPOLY)

The Manager (Listing)  
National Stock Exchange of India  
Ltd.  
Exchange Plaza, C-I, G Block,  
Bandra Kurla Complex  
Mumbai-400051  
(Script Code : 500227)

**Sub** Submission of 46<sup>th</sup> Annual Report of the Company

Dear Sir/Madam,

Please find enclosed herewith 46<sup>th</sup> Annual Report for the Financial Year 2019-20 as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly bring it to the notice of all concerned and take the same on your records.

Thanking you,

Yours truly,  
For JINDAL POLY FILMS LTD.

  
Sanjeev Kumar  
Company Secretary  
ACS: 18087



Encl. A/a

# ANNUAL REPORT 2019-20



**JINDAL POLY FILMS LIMITED**



## JINDAL POLY FILMS LIMITED

### COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	:	MR. R.K. PANDEY, CHAIRMAN & INDEPENDENT DIRECTOR
	:	MRS. SONAL AGARWAL INDEPENDENT DIRECTOR
	:	MR. RATHI BINOD PAL , NON EXECUTIVE DIRECTOR
	:	MR. SANJEEV SAXENA , WHOLE TIME DIRECTOR
	:	MR. SAGATO MUKERJI, WHOLE TIME DIRECTOR
	:	MRS. SHAKSHI GUPTA , NON EXECUTIVE DIRECTOR
<b>CHIEF EXECUTIVE OFFICER</b>	:	MR. ANIMESH BANERJEE
<b>CHIEF FINANCIAL OFFICER</b>	:	MR. VINAY JINDAL
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	:	MR. SANJEEV KUMAR
<b>AUDITORS</b>	:	SINGHI & CO CHARTERED ACCOUNTANTS, DELHI
<b>BANKERS</b>	:	PUNJAB NATIONAL BANK
	:	AXIS BANK LIMITED
	:	ICICI BANK LIMITED
	:	AKA AUSFUHRKREDIT-GESELLSCHAFT, MBH
	:	COMMERZ BANK AKTIENGESELLSCHAFT
	:	HDFC BANK LIMITED
	:	EXPORT IMPORT BANK OF INDIA
	:	SOUTH INDIAN BANK LTD
	:	RBL BANK LIMITED
	:	IDFC BANK LIMITED
	:	THE FEDERAL BANK LIMITED
	:	BAHRAIN AND KUWAIT B. S. C
	:	ING BANK, A BRANCH OF ING DIBA AG
	:	BAYERISCHE LANDESBANK
	:	STANDARD CHARTERED BANK
	:	CTBC BANK
<b>REGISTERED OFFICE</b>	:	19th K.M. HAPUR-BULANDSHAHR ROAD P.O. GULAOTHI, DISTT. BULANDSHAHR (U.P) – 203408
<b>CORPORATE OFFICE</b>	:	PLOT NO. 12, SECTOR B-1, VASANT KUNJ, LOCAL SHOPPING COMPLEX, NEW DELHI – 110070
<b>INTERNAL AUDITORS</b>	:	M/S B K SHROFF & CO. CHARTERED ACCOUNTANTS, DELHI.
<b>SECRETARIAL AUDITORS</b>	:	M/S DMK ASSOCIATES, PRACTISING COMPANY SECRETARIES, NEW DELHI,
<b>COST AUDITOR</b>	:	M/S. R.J. GOEL & CO., COST ACCOUNTANTS

### WORKS (Plants)

28th K.M., Nasik-Bombay Highway, Village Mundegaon, Igatpuri, Distt. Nashik, Maharashtra

**46th ANNUAL REPORT****2019-20****ANNUAL GENERAL MEETING**

On Wednesday 30, September , 2020  
AT 11:00 a.m. Through Video Conferencing ("VC")/  
Other Audio- Visual Means ("OAVM"),

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## JINDAL POLY FILMS LIMITED

### NOTICE

Notice is hereby given that the **46th Annual General Meeting** of the members of **JINDAL POLY FILMS LIMITED (CIN: L17111UP1974PLC003979)** is scheduled to be held on **Wednesday 30th September 2020** at **11:00 a.m (IST)** through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM"), to transact the following business:.

#### ORDINARY BUSINESS

##### 1. Adoption of the Audited Standalone and Consolidated Financial Statements of the Company

To receive, consider and adopt

- a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 including the Audited Balance Sheet as at March 31, 2020 and the Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 including the Audited Consolidated Balance Sheet as at March 31, 2020 and the Consolidated Statement of Profit & Loss for the year ended on that date together with the Reports of the Auditors thereon.
2. To declare dividend of Re. 1 per equity share, for financial year 2019-20 on the equity shares of the Company.
  3. To appoint a Director in place of Mrs. Shakshi Gupta, Director (DIN 07388012) who retires by rotation and being eligible, offers herself for re-appointment.
  4. To appoint a Director in place Mr.Sagato Mukerji, Whole Time Director (DIN 06465901) who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS

##### ITEM NO. 5. RATIFICATION OF REMUNERATION TO THE COST AUDITORS.

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. R.J. Goel & Co., Cost Accountants (Firm Registration No.000026), appointed as the Cost Auditors of the Company by the Board of Directors, to conduct the audit of the cost records of the Company for the financial year 2020-21 at a remuneration of Rs 2,00,000 (Rupees Two Lakh Only) plus Goods & Services Tax, and reimbursement of travelling and other out-of-pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.

By order of the Board of Directors

Sd/-

**Sanjeev Kumar**

Company Secretary

ACS: 18087

Place : New Delhi

Dated : August 31, 2020



### NOTES :

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. **DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website <https://www.jindalpoly.com/download-reports>, 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, and on the website of Company's Registrar and Transfer Agent, KFin Technologies Private Limited ("KFinTech") at [https:// evoting.karvy.com](https://evoting.karvy.com)
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent via registered email of the shareholder to email address of the Company-[investorgrievances.jpfl@Jindalgroup.com](mailto:investorgrievances.jpfl@Jindalgroup.com) or [suresh.d@kfintech.com](mailto:suresh.d@kfintech.com)
5. The Members can join the AGM in the VC/OAVM mode 30 minutes before 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 available on first come first served basis.
6. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website at <https://www.jindalpoly.com/download-reports> and 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, and on the website of e-voting agency M/s KFin Technologies Private Limited at the website address <https://evoting.karvy.com/>.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
9. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice
10. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 24, 2020 to Wednesday, September 30, 2020 (Both days inclusive).
11. To support the 'Green Initiative', those shareholders who have registered/not registered their mail address and mobile no. including address and bank details may please contact and validate/update their details with the Depository Participant in case of shares held in electronic form and with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited in case the shares held in physical form.





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12. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
13. Pursuant to Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them. Shareholders desirous of making nominations are requested to send their requests in Form SH 13 (which will be made available on request) to the RTA in case the shares are held in physical form and to their DP in case the shares are held by them in electronic form.
14. 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.
15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before September 28, 2020 through email on [cs\\_jpoly@jindal-group.com](mailto:cs_jpoly@jindal-group.com). The same will be replied by the Company suitably.
16. All unpaid or unclaimed dividends upto the year ended 31st March, 2012 have been transferred to Investor Education and Protection Fund (IEPF) established by the Central Govt.
17. Dividend for the financial year ended March 31, 2013 and thereafter, which remains unclaimed for a period of 7 years will be transferred by the Company to Investor Education and Protection Fund established by the Central Govt. Shareholders who have not encashed the dividend warrant(s) are requested to seek issue of duplicate dividend warrants by writing to the Company. The details of the unpaid/unclaimed amounts lying with the Company as on 31st March, 2020 are available on the website of the Company at <https://www.jindalpoly.com/download-reports>.
18. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, the Company had transferred 12,848 equity shares of Rs. 10 each to the IEPF Account on which the dividends remained unpaid or unclaimed for seven consecutive years after following the prescribed procedure. Further, all the shareholders who have not claimed/ encashed their dividends in the last seven consecutive years from 2013 are requested to claim the same by 24th October, 2020. In case valid claim is not received by that date, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. In this regard, the Company shall individually inform the shareholders concerned and also publish notice in the newspapers as per the IEPF Rules. The details of such shareholders and shares due for transfer shall be uploaded at the "Investors Relations Section" on the website of the Company at <https://www.jindalpoly.com/download-reports>.
19. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company / KFinTech has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
20. Voting through electronic means: Detail instructions are given separately.
- 21. Other Instructions:**
  - i. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
  - ii. The result declared along with the Scrutinizer's Report shall be placed on the Company's website at <https://www.jindalpoly.com/download-reports> and on the website of e-voting agency M/s KFin Tech-



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nologies Private Limited at the website address <https://evoting.karvy.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. 5

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records conducted by a Cost Accountant. The Board has, on the recommendation of the Audit Committee, approved the appointment of M/s. R.J. Goel & Co., Cost Accountants (Firm Registration No. 000026), Delhi, as Cost Auditors to conduct Cost Audits relating to Plastics and Polymers of the Company for the year ending 31st March, 2021, at a remuneration of Rs 2 lakhs plus applicable taxes and out-of-pocket expenses.

M/s. R.J. Goel & Co., Cost Accountants have the necessary experience in the field of cost audit, and have submitted a certificate regarding their eligibility for appointment as Cost Auditors of the Company. In accordance with the provisions of Section 148 of the Act read with per Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. The Board commends the remuneration of Rs 2 lakhs plus applicable taxes and out-of-pocket expenses to M/s. R.J. Goel & Co., Cost Accountants as the Cost Auditors and the approval of the Members is sought for the same by an Ordinary Resolution.

None of the Directors or KMP of the Company and their respective relatives is, in any way, concerned or interested in the Resolution at Item No. 5 of the Notice.

By order of the Board of Directors

Sd/-

Place : New Delhi  
Dated: 31st August, 2020

Sanjeev Kumar  
Company Secretary  
ACS:18087

#### PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

The Company will provide VC / OAVM facility to its Members for participating at the AGM.

- a) **Members will be able to attend the AGM through VC / OAVM or view the live webcast at <https://emeetings.kfintech.com> by using their e-voting login credentials. Members are requested to follow the procedure given below:**
  - i. Launch internet browser (chrome/firefox/safari) by typing the URL: <https://emeetings.kfintech.com>
  - ii. Enter the login credentials (i.e., User ID and password for e-voting).
  - iii. After logging in, click on "Video Conference" option
  - v. Then click on camera icon appearing against AGM event of Jindal Poly Films Limited, to attend the Meeting.
- b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the E-voting instructions.
- c) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in.

The Speaker Registration will be open during Saturday, September 26, 2020 to Monday, September 28, 2020. Only those members who are registered will be allowed to express their views or ask questions.





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The Company reserves the right to restrict the number of questions and number of speakers depending upon availability of time as appropriate for smooth conduct of the AGM.

- d) Members will be allowed to attend the AGM through VC / OAVM on first come first served basis.
- e) Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
- f) Members who need assistance before or during the AGM, can contact KFinTech on [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or call on toll free numbers 040-6716 2222 / 1800-345-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.
- g). In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
- h). Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
- i). Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.

### PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, the Company is providing to its members facility to exercise their right to vote on resolutions proposed to be passed at AGM by electronic means ("**e-voting**").

Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("**remote e-voting**").

Further, the facility for voting through electronic voting system will also be made available at the Meeting ("**Insta Poll**") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

The Company has engaged the services of KFinTech as the agency to provide e-voting facility.

The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting: **9:00 a.m. on Sunday, September 27, 2020.**

End of remote e-voting: **5:00 p.m. on Tuesday, Sept 29, 2020.**

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFinTech upon expiry of the aforesaid period.

**Voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to his share in the paid-up equity share capital of the Company as on the cut-off date, i.e., Wednesday, Sept 23, 2020.**

The Board of Directors of the Company has appointed Mr. Deepak Kukreja (FCS-4140), Practicing Company Secretary (CP No. 8265) Partner of M/s DMK Associates, Company Secretaries, New Delhi and in case of failing him, Mrs. Monika Kohli (FCS 5480), Practicing Company Secretary (CP No.4936) Partner of M/s DMK Associates, Company Secretaries, New Delhi, as Scrutinizer to scrutinize the e-voting process in fair and transparent manner to scrutinise the remote e-voting and Insta Poll process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.



### Information and instructions relating to e-voting are as under:

- i. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- ii. A member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the Meeting (Insta Poll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".
- iii. A person, whose name is recorded in the register of members or in the register of beneficial owners-maintained by the depositories as on the cut-off date, i.e., Wednesday, September 23, 2020 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person who is not a member as on the cut off date, should treat the Notice for information purpose only.
- iv. Any person who becomes a member of the Company after despatch of the Notice of the Meeting and holding shares as on the cut off date may obtain the User ID and password from KFinTech in the manner as mentioned below:
  - (a) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: **MYEPWD** <space> E-Voting Event Number+Folio No. or DP ID Client ID to **9212993399**.  
**Example for NSDL:** MYEPWD <SPACE> IN12345612345678  
**Example for CDSL:** MYEPWD <SPACE> 1402345612345678  
**Example for Physical:** MYEPWD <SPACE> XXXX1234567890
  - (b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of [https:// evoting.karvy.com](https://evoting.karvy.com) the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - (c) Member may call on KFinTech's toll-free numbers 1800-345-4001 (from 9:00 a.m. to 6:00 p.m.)
  - (d) Member may send an e-mail request to [evoting@kfintech.com](mailto:evoting@kfintech.com) If the member is already registered with KFinTech's e-voting platform, then he can use his existing password for logging in.
- v. The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

### Information and instructions for remote e-voting:

- I. (A) In case a member receives an e-mail from the Company/KFinTech [for members whose e-mail addresses are registered with the Company/Depository Participant(s)]:
  - (a) Launch internet browser by typing the URL: <https://evoting.karvy.com>
  - (b) Enter the login credentials (User ID and password given in the e-mail).

The E-Voting Event Number Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFinTech for e-voting, you can use the existing password for logging in. If required, please visit <https://evoting.karvy.com> or contact toll-free numbers 1800-345-4001 (from 9:00 a.m. to 6:00 p.m.) for your existing password.
  - (c) After entering these details appropriately, click on "LOGIN".
  - (d) You will now reach Password. Change Menu wherein you are required to mandatorily change your



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password upon logging in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- (e) You need to login again with the new credentials.
- (f) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Jindal Poly Films Limited.

### **SHAREHOLDERS TO SELECT THE RESPECTIVE EVENS AND VOTE DEPENDING UPON THEIR SHAREHOLDING - FULLY PAID-UP OR PARTLY PAID-UP OR BOTH.**

- (g) On the voting page, enter the number of shares as on the cut-off date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR" / "AGAINST", but the total number under "FOR" / "AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose to "ABSTAIN" and vote will not be counted under either head.
- (h) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".
- (j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
- (k) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.
- (l) Once you confirm, you will not be allowed to modify your vote.
- (m) Corporate / Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc, together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e-mail id: [deepak.kukreja@dmkassociates.in](mailto:deepak.kukreja@dmkassociates.in) with a copy marked to at [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name Event No. "The documents should reach the Scrutinizer on or before 5:00 pm on Tuesday 29th September, 2020.

The naming format of the aforesaid legible scanned document shall be "Corporate Name event no."

### **(B) In case of a member whose e-mail address is not registered / updated with the Company / KFinTech / Depository Participant(s), please follow the following steps to generate your login credentials:**

- (a) Members holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to register / update the same by clicking on [https://ris.kfintech.Com/email\\_registration/](https://ris.kfintech.Com/email_registration/) or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [suresh.d@kfintech.com](mailto:suresh.d@kfintech.com) and [rajeshkumar@kfintech.com](mailto:rajeshkumar@kfintech.com)
- (b) Members holding shares in dematerialised mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register / update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.
- (c) After due verification, the Company / KFinTech will forward your login credentials to your registered email address.



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- (d) Follow the instructions at I.(A). (a) to (m) to cast your vote.
- II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).
- III. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- IV. In case of any query pertaining to e-voting, members may refer to the “Help” and “FAQs” sections / E-voting user manual available through a dropdown menu in the “Downloads” section of KFinTech’s website for e-voting: <https://evoting.karvy.com> or contact KFinTech as per the details given under sub-point no. V below.
- V. Members are requested to note the following contact details for addressing e-voting grievances:
- D Suresh Babu,  
Deputy Manager  
KFin Technologies Private Limited.  
Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad 500 032  
Phone No.: +91 040 6716 2222, Toll-free No.: 1800-345-4001  
E-mail: [evoting@kfintech.com](mailto:evoting@kfintech.com)

### Information and instructions for Insta Poll:

Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.

The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser’s Report and submit the same to the Chairman of the meeting. The result of e-voting will be declared within forty-eight hours of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser’s Report, will be placed on the website of the Company: <https://www.jindalpoly.com/download-reports> and on the website of KFinTech at: <https://evoting.karvy.com>. The result will simultaneously be communicated to the stock exchanges.

Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Wednesday, September 30, 2020.

### PROCEDURE FOR INSPECTION OF DOCUMENTS:

1. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [csjpoly@jindalgroup.com](mailto:csjpoly@jindalgroup.com)
2. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, September 28, 2020 through email on [cs\\_jpoly@jindalgroup.com](mailto:cs_jpoly@jindalgroup.com). The same will be replied by the Company suitably.



## JINDAL POLY FILMS LIMITED

**Details of the Directors seeking Re-appointment in Annual General Meeting fixed on Wednesday 30th, September, 2020.**

Name of the Directors	Mrs. Shakshi Gupta	Mr. Sagato Mukerji
<b>Director Identification Number (DIN)</b>	07388012	06465901
<b>Date of Birth</b>	07/01/1989	12/04/1972
<b>Date of Appointment</b>	12/01/2016	28.08.2018
<b>Expertise in specific functional area</b>	Having approx. 11 years' experience in Account and finance.	<p>Packaging Industry Professional for more than 24 years. His expertise is in Turn around in Business Performance, Strategic Planning and achieving long term organizational goals, Strong Customer Relationships, Business Development and Client Acquisitions, Leadership, Team Building and People Development, Driving Operational Efficiency, Commercial Acumen &amp; Supply Chain Management, Project Management, Managed JV with Japanese JV Partner.</p> <p>Previously, he has worked with Sharp Industries Limited, Paharpur 3P, Rollatainers Ltd. Cosmo Films.</p>
<b>Qualification</b>	Chartered Accountant since November 2011.	PGDBM (Marketing) from XLRI, Jamshedpur B.Com (Hons.) from St. Xaviers College, Kolkata
<b>Relationship with other Directors, Manager and KMP</b>	None	None
<b>Terms &amp; Conditions of Appointment</b>	To be re-appointed as Non-Executive Director, liable to retire by rotation	To be re-appointed as Non-Executive Director, liable to retire by rotation
<b>No. of Board Meetings attended during the year</b>	6	7
<b>List of outside Directorship</b>	Nil	<ol style="list-style-type: none"> <li>1. J. And D. Speciality Films Private Ltd.</li> <li>2. Jindal Imaging Ltd.</li> </ol>
<b>Committee Membership of the Company</b>	<ol style="list-style-type: none"> <li>1. Stakeholders Relationship Committee.</li> <li>2. Nomination &amp; Remuneration Committee.</li> </ol>	Nil
<b>Shareholding in the Company</b>	2	Nil
<b>Committee Membership of the other Company</b>	Nil	Nil



## JINDAL POLY FILMS LIMITED

### BOARD'S REPORT

To The Members,

Your Directors have pleasure in presenting the 46th Annual Report on the business and operations of the Company together with Audited Financial Statements for the year ended 31st March, 2020.

The Standalone and Consolidated Financial Results for the year under review are given below:-

#### 1) FINANCIAL RESULTS

Amount (Rs. Lakhs)

Particulars	Standalone		Consolidated	
	2019-2020	2018-2019	2019-2020	2018-2019
<b>Profit from Operations (EBITDA) before Exceptional Items</b>	<b>72,161.10</b>	<b>52,948.30</b>	<b>74,080.46</b>	<b>51,284.49</b>
Add/ (Less) : Exceptional items*	(3,753.94)	(57,655.28)	(3,753.94)	(60,468.86)
Less: Finance Cost	5,378.40	4,156.65	5,767.63	4,503.59
Profit/ ( Loss) Before Depreciation and Tax	63,028.76	(8,863.63)	64,558.89	(13,687.95)
Less: Depreciation and amortization	11,561.95	10,218.46	11,835.28	10,392.17
<b>Profit/(Loss) before Tax</b>	<b>51,466.81</b>	<b>(19,082.09)</b>	<b>52,723.61</b>	<b>(24,080.12)</b>
Less: Income Tax	12,581.60	8,236.35	12,908.36	8,630.46
Less: Deferred Tax	(8,990.66)	7,982.49	(9,049.20)	8,154.26
<b>Profit /( Loss) After Tax</b>	<b>47,875.87</b>	<b>(35,300.92)</b>	<b>48,864.45</b>	<b>(40,864.84)</b>
Less : Profit attributable to Non Controlling Interests				
<b>Balance available for appropriation</b>	<b>47,875.87</b>	<b>(35,300.92)</b>	<b>48,864.45</b>	<b>(40,864.84)</b>
<b>APPROPRIATIONS</b>				
Dividend on Equity Shares	437.86	-	437.86	
Tax on Dividend	-	-	-	
<b>Balance/( Loss) carried forward</b>	<b>47,438.14</b>	<b>(35,300.92)</b>	<b>48,426.59</b>	<b>(40,864.84)</b>

\*Exceptional items comprise net of gain / (loss), being exchange differences on translation / settlement of long term foreign currency loans for acquiring property, plant and equipment ( FY 2019-2020 : Loss Rs 3,754 Lakhs, FY 2018-2019 : Loss Rs 57,655 Lakhs). For details, please refer Note no. 33 of Financial Statement.

#### 2) CONSOLIDATED FINANCIAL STATEMENTS

In pursuance of the provisions of the Companies Act, 2013, rules thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the applicable Accounting Standards, the Company has prepared Consolidated Financial Statements. The Audited Consolidated Financial Statements along with Auditor's Report and the Statement containing salient features of the financial statements of the Subsidiaries (Form AOC – 1) forms part of the Annual Report.

#### 3) DEMERGER

During the year under review, Hon'ble National Company Law Tribunal (NCLT) of Judicature Allahabad Bench vide their order dated 9th December 2019 Sanctioned the scheme of Arrangement ("Scheme") between Jindal Poly Films Limited (Demerged Company) and its wholly owned subsidiary Universus Photo Imaging Ltd. (Formerly known as Jindal Photo Imaging Ltd) (Resulting Company) for demerger of Photo





## JINDAL POLY FILMS LIMITED

Films Business (Demerged Undertaking as defined in the Scheme) w.e.f. appointed date 1st April, 2019. The scheme became effective upon filing of certified copies of the Orders of the NCLT with Registrar of Companies on 20th December 2019, which *inter alia* provides for demerger of Demerged Undertaking into Resulting Company, on a going-concern basis. Accordingly Financial Statements as at 31st March 2020 have been prepared incorporating the effect of the Scheme w.e.f. appointed date 1st April 2019. As per Scheme of Arrangement Strategic Investment held in JPF Netherland BV also transferred to Universus Photo Imagings Ltd., so, JPF Netherland BV is no more associated with Jindal Poly Films Ltd. w.e.f. 1st April, 2019.

### 4) OPERATIONS

Your Company is engaged in the manufacturing of Biaxially-Oriented Polyethylene Terephthalate (BOPET) and Biaxially Oriented Poly Propylene Films (BOPP films), Cast Poly Propylene Films (CPP films), Thermal Lamination Films and Non-Woven Products such as Interlining, Disposable Fabrics and Fabrics for Industrial Applications, etc. The manufacturing plant of the Company at Nasik, Maharashtra is the world's largest integrated facility for the production of BOPET and BOPP Films.

During the year under review, the Total Turnover/Sales of the Company was Rs. 351,588 Lacs as against Rs 3,62,595 Lacs (excluding Rs. 6,628 Lacs of Photo Films Division) during the previous Financial Year.

### 5) PERFORMANCE HIGHLIGHTS

The Profit before exceptional item and Tax was Rs. 55,221 Lakh as against Rs.38, 573 Lakh. The Company is taking various measures to retain and increase its market share and also improve margins.

Further during the year under review consolidated financial Turnover/Sales was Rs 3,53,172 Lakh and Net Profit after Tax (attributable to owners of the Parents) was Rs 48,864 Lacs.

Earnings per Equity Share (Consolidated) was Rs 111.60 per equity share.

### 6) DIVIDEND

The Board recommends dividend @Rs.1 per equity share of Rs. 10 each for the financial year ended March 31, 2020 out of Profits. The total outgo on this account will be Rs. 437.90 Lakhs.

### 7) CORPORATE GOVERNANCE REPORT AND CODE OF CONDUCT

Your Directors strive to maintain highest standards of Corporate Governance. The Corporate Governance Report is attached to this Report. The declaration of the Whole-Time Director confirming compliance with the 'Code of Conduct' of the Company and Auditor's Certificate confirming compliance with the conditions of Corporate Governance are enclosed with Corporate Governance Report to this Report.

### 8) SUBSIDIARIES

S . No	Subsidiary Companies u/s 2(87) of the Companies Act, 2013.	Turnover during 2019-20 (Rs. in lacs)	Percentage Contribution in consolidated Turnover
1	Jindal Films India Ltd. (CIN: U25199DL2010PLC210480)	12,984.18	3.66
2	Jindal Packaging Trading DMCC (Reg. No. DMCC64743)	NIL	NIL
3	Jindal Imaging Limited (CIN: U24299DL1999PLC099183)	NIL	NIL
4	J. And D. Speciality Films Pvt. Ltd. (CIN: U74999DL2018PTC341022 )	NIL	NIL



### 9) CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has formulated a long-term CSR Policy to contribute well being and development of the society through direct contribution as well as through BC Jindal Foundation. The CSR Policy is available on the Company's website at [https://www.jindalpoly.com/Uploads/image/110imguf\\_CSR-Policy.pdf](https://www.jindalpoly.com/Uploads/image/110imguf_CSR-Policy.pdf)

As a part of its CSR initiatives, the Company is working mainly in the areas of rural development, provision of various infrastructure facilities, provision of clean drinking water, education, environmental support, etc. The composition and terms of reference of Corporate Social Responsibility Committee are given in the Corporate Governance Report. The Annual Report on CSR activities as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure "A"** to this Report.

### 10) DIRECTORS

During the year under review, there is no change in the Board of Directors of the Company:

- i) Mr. Sagato Mukerji, Whole-Time Director (DIN 06465901) who retires by rotation and being eligible, offers himself for re-appointment.
- ii) Mrs. Shakshi Gupta, Director (DIN 07388012) who retires by rotation and being eligible, offers herself for re-appointment.

W.e.f 31st May, 2020, Mr. Rathi Binod Pal (DIN-0092049) is acting as Non-Executive Non Independent Director.

### 11) KEY MANAGERIAL PERSONNEL

In pursuance of the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as on March 31, 2020 Mr. Sanjeev Saxena and Mr. Sagato Mukerji, Whole-Time Director, Mr. Gaurang Desai, Chief Executive Officer (Up to 20th November, 2020) Mr. Vinay Jindal, Chief Financial Officer and Mr. Sanjeev Kumar, Company Secretary were Key Managerial Personnel of the Company.

During the year Mr. Sanjeev Kumar acted as Company Secretary till 18th December, 2019 and w.e.f 19th December, 2019 Mr. Amit Jain was appointed as Company Secretary.

Mr. Amit Jain resigned from the post of Company Secretary effective 6th June, 2020 and Mr. Sanjeev Kumar was reappointed as Company Secretary effective 12th June, 2020.

Further Mr. Animesh Banerjee has been appointed as Chief Executive Officer and Key Managerial Personnel of the Company effective 1st July, 2020.

### 12) INDEPENDENT DIRECTORS.

- i) Mr. R. K. Pandey (DIN 00190017) acting as an Independent Director and his tenure will come to end on 31st March, 2024.
- ii) Mrs. Sonal Agarwal (DIN 08212478) acting as an Independent Director and her tenure will come to end on 27th August, 2023.

### 13) INDEPENDENT DIRECTORS DECLARATION

Your Company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 14) CHANGE IN NATURE OF BUSINESS, IF ANY

There was no change in the nature of business during the year under review.



### 15) STATEMENT OF BOARD OF DIRECTORS

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company re-appointed during the year possesses integrity, relevant expertise and experience required to best serve the interest of the Company. The Independent Directors have confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014.

The Board meet eight times during the financial year 2019-20. Other information on the Directors and the Board Meetings is provided in the Corporate Governance Report attached to this Report.

#### I) DIVERSITY OF THE BOARD

The Company believes that diversity is important to the work culture at any organisation. In particular, a diverse Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications and professional experience for achieving sustainable and balanced development.

#### II) REMUNERATION POLICY

In pursuance of the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations, the Company has formulated a Remuneration Policy which is available at Company's website at [https://www.jindalpoly.com/Uploads/image/115imguf\\_Remuneration-Policy.pdf](https://www.jindalpoly.com/Uploads/image/115imguf_Remuneration-Policy.pdf)

The Remuneration Policy, inter-alia, includes the appointment criterion & qualification requirements, process for appointment & removal, retirement policy and remuneration structure & components, etc. of the Directors, KMP and other senior management personnel of the Company. As per the Remuneration Policy, a person proposed to be appointed as Director, KMP or other senior management personnel should be a person of integrity with high level of ethical standards. In case of appointment as an independent director, the person should fulfill the criteria of independence prescribed under the Companies Act, 2013, rules framed thereunder and the Listing Regulations. The Remuneration Policy also contains provisions about the payment of fixed & variable components of remuneration to the Whole-Time Director and payment of sitting fee & commission to the non-executive directors and describes fundamental principles for determination of remuneration of senior management personnel and other employees.

#### III) DISCLOSURES UNDER THE COMPANIES ACT, 2013, RULES THEREUNDER AND SECRETARIAL STANDARDS

- a) The Paid-up Equity Share Capital of the Company as on 31.03.2020 was Rs 43.78 Crore. Your Company has not issued any shares during the Financial Year 2019-20.
- b) No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
- c) All Related Party Transactions entered during the year were on arm's length basis and in the ordinary course of business. No material Related Party Transactions exceeding ten percent of the annual consolidated turnover of the Company as per last audited financial statements, were entered during the year by the Company. Accordingly, disclosure of contracts or arrangements with Related Parties as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. For detail, please refer Note No 37 of Financial Statements.
- d) The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act, is annexed as **Annexure 'B'** which forms an integral part of this Report and is also available on the Company's website i.e. <https://www.jindalpoly.com/download-reports>.
- e) The following information is given in the Corporate Governance Report attached to this Report:
  - i) The performance evaluation of the Board, the Committees of the Board, Chairperson and the individual Directors;
  - ii) The Composition of Audit Committee;



- iii) The details of establishment of Vigil Mechanism.
- iv) Details of unclaimed Dividend and Shares transferred to IEPF during 2019-20 are given in Corporate Governance Report.
- v) The Company has no Employee Stock Option Plan for the Employees of the Company and its Subsidiaries.
- f) The particulars of loans and guarantees given and investments made under Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements. During the year, the auditors and the secretarial auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.
- g) The Company has complied with the applicable Secretarial Standards prescribed under Section 118(10) of the Companies Act, 2013.

#### IV) DIRECTORS RESPONSIBILITY STATEMENT

Your Directors hereby state that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) the Directors have 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 as at March 31, 2020 and of the profit and loss of the Company for the year ended March 31, 2020;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### 16) INTERNAL FINANCIAL CONTROLS

The Company has policies and procedures in place for ensuring orderly and efficient conduct of its business including adherence to the 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.

#### 17) INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board has appointed M/s. B.K. Shroff & Co., Chartered Accountants (FRN 302166F) as Internal Auditors for conducting the Internal Audit of the Company for the financial year 2020-21.

#### 18) AUDITORS AND COST AUDITORS

The Notes to the Financial Statements read with the Auditor's Reports are self-explanatory and therefore, do not call for further comments or explanations. There has been no qualification, reservation, adverse remark or disclaimer in the Auditor's Reports.

The shareholders of the Company at their 43rd AGM held on 19th August, 2017, has appointed M/s. Singhi & Co. Chartered Accountants (Firm Registration No. 302049E) as Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of 43rd AGM of the Company till the conclusion of 48th AGM of the Company.



## JINDAL POLY FILMS LIMITED

The Board of Directors of the Company had appointed M/s. R.J. Goel & Co., Cost Accountants for conducting audit of cost accounts of the Company, as applicable, for the financial year 2020-2021. As required under the Companies Act, 2013 and Rules framed thereunder, your Directors are seeking ratification from the members of the Company for the remuneration payable to M/s. R.J. Goel & Co., Cost Accountants. Further we confirm that maintenance of cost records of specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is received by the Company and accordingly such accounts and record are made and maintained.

### 19) SECRETARIAL AUDIT

In pursuance of the provisions of Section 204 of the Companies Act, 2013, the Board of Directors of the Company had appointed M/s DMK Associates, Practicing Company Secretaries for conducting secretarial audit of the Company for the financial year 2020-2021. The Secretarial Audit Report issued by the afore-said Secretarial Auditors is attached as **Annexure "C"** to this Report.

There has been no qualification, reservation, observation, disclaimer or adverse remark in the Secretarial Audit Report.

### 20) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, no significant / material orders were passed by the regulators or the Courts or the Tribunals impacting the going concern status and the Company's operations in future

### 21) ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The energy efficient operation of the plants results into manifold benefits in the form of saving of natural and financial resources and reduction of carbon footprint. The Company takes continuous initiatives to make its manufacturing facilities energy efficient. The requisite information with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of the Companies (Accounts) Rules, 2014 is set out in **Annexure "D"** attached to this Report.

### 22) RISK MANAGEMENT

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

### 23) VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has devised a vigil mechanism in the form of a Whistle Blower Policy in pursuance of provisions of Section 177(10) of the Companies Act, 2013 and details whereof is available on the Company's website at "[https://www.jindalpoly.com/Uploads/image/125imguf\\_WHISTLEBLOWERPOLICY.pdf](https://www.jindalpoly.com/Uploads/image/125imguf_WHISTLEBLOWERPOLICY.pdf)."

During the year under review, there was no complaint received under this mechanism.

### 24) EVALUATION OF BOARD'S PERFORMANCE

On the advice of the Board of Directors, the Nomination and Remuneration Committee has formulated the criteria for the evaluation of the performance of Independent Directors, Non-Independent Directors and the Chairman of the Board. The Independent Directors of the Company have also convened a separate meeting for this purpose. All the results and evaluation have been communicated to the Chairman of the Board of Directors.

### 25) DEPOSITS

During the year, the Company has not accepted any deposits from the public under Chapter V of the Companies Act, 2013. There was no public deposit outstanding as at the beginning and end of the financial year 2019-20.

### 26) PARTICULARS OF EMPLOYEES

The human resource is an important asset which has played pivotal role in the performance and growth of



## JINDAL POLY FILMS LIMITED

the Company over the years. Your Company maintains very healthy work environment and the employees are motivated to contribute their best in the working of the Company. The information required to be disclosed in pursuance of Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure "E"** to this Report

The information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to the top ten employees in terms of remuneration drawn and their other particulars also form part of this report. However, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

### 27) BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report Forming Part of the Board's Report is annexed as **Annexure-F**.

### 28) DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a policy on Prevention of Sexual Harassment at workplace. This policy is in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

As per the said Policy, an Internal Complaints Committee is also in place to redress the complaints received regarding sexual harassment. There was no complaint received from an employee during the financial year 2019-20 and hence no complaint is outstanding as on March 31, 2020 for redressal.

### 29) MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY:

There were no other material changes / commitments affecting the financial position of the Company or that may require disclosure between March 31, 2020 and the date of Board's Report.

### ACKNOWLEDGEMENT

Your Directors would like to express their gratitude to financial institutions, Banks and various State and Central Government authorities for the co-operation extended to the Company. Directors also take this opportunity to thank the shareholders, customers, suppliers and distributors for the confidence reposed by them in the Company. The employees of the Company contributed significantly in achieving the results. Your Directors has take this opportunity to thank them and hope that they will maintain their commitment to excellence in the years to come.

**For and on behalf of Board of Directors**

**Sd/-**

**Sagato Mukerji**

(Whole-Time Director)

DIN: 06465901

**Sd/-**

**Sanjeev Saxena**

(Whole-Time Director)

DIN: 07899506

Place : New Delhi

Date: August 31, 2020





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

#### 1. Company's policy on CSR — An Overview

Every organization has the right to exist in a society. With the right, there comes a duty to give back the society a portion of what it receives from it. As a corporate citizen we receive various benefits out of society and it is our co-extensive responsibility to pay back in return to the society.

The Company is committed to improve the quality of life of the local community and society at large. With the Companies Act, 2013 mandating the Corporates to contribute for social development and welfare, the company would fulfill this mandate and supplement the government's efforts. The Company undertakes *inter alia* the projects in the following are as:

- Education
- Health
- Environment
- Arts & Culture

The Board has constituted Corporate Social Responsibility (hereinafter referred as CSR Committee) and CSR policy was approved by the Board of Directors.

The CSR policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 and Schedule VII thereto. The CSR Policy of the Company may be accessed on the Company's website at the link [https://www.jindalpoly.com/Uploads/image/110imguf\\_CSR-Policy.pdf](https://www.jindalpoly.com/Uploads/image/110imguf_CSR-Policy.pdf)

#### 2. Composition of the CSR Committee:

The CSR Committee of the Company consists of the following members:

Member's Name	Category	Designation
Mr. R.K Pandey	Independent Director	Chairman
Mr. Rathi Binod Pal	Non Executive Director	Member
Mrs. Sonal Agarwal	Independent Director	Member

3. Average net profit/ (Loss) of the Company for the last three financial years is Rs (10) Crore.
4. During the year under review the prescribed CSR expenditure for the Company taken at 2% of the average net profit for the last three financial years is Nil, so the Company was not required to spend towards CSR activities. However the Company had spent some amount as mentioned hereunder:

CSR project or activity identified (Description of work)	Sector in Which the Project Covered under CSR or Not	Programs: 1) Local area or other 2) Specify the State and district where projects or programs were undertaken.	Amount (INR Lacs) outlay (budget) Project or programs wise	Amount spent (Rs. in lacs)	Cumulative Expenditure up to the Reporting period. 1.4.2019 to 31.03.2020	Amount spent: Direct or through Implementing agency
Geriatric Care	Human Resources support for old age	Delhi	12.96	12.96	0.00	Incurred through BC Jindal Foundation
Overheads for various CSR Initiatives	Administrative Expenses	Delhi		0.64	0.64	
<b>Total</b>			12.96	13.60	13.60	



## JINDAL POLY FILMS LIMITED

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5. **In case the Company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount–** Not applicable.
6. **Responsibility Statement of the CSR Committee for the implementation and monitoring of CSR policy in compliance with CSR objectives and Policy of the Company:**

Subject to above explanation the CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and the policy of the Company.



## JINDAL POLY FILMS LIMITED

Annexure – B

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**[As on the financial year ended on 31-3-2020]**  
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies**  
**(Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

<b>1</b>	<b>CIN</b>	L17111UP1974PLC003979
<b>2</b>	<b>Registration Date</b>	September 9, 1974
<b>3</b>	<b>Name of the Company</b>	Jindal Poly Films Limited
<b>4</b>	<b>Category/ Sub- Category of the Company</b>	Company Limited By Shares/ Indian Non-Government Company Listed Company
<b>5</b>	<b>Address of the Registered office and Contact Details</b>	Registered Office: 19th K.M., Hapur-Bulandshahr Road P.O. Gulaothi, Distt. Bulandshahr, Uttar Pradesh,  Corporate Office: Plot no. 12, Sector B-1, Local Shopping Complex, Vasant Kunj, New Delhi – 110 070; Tel No.: (011) 26139256; (011)-40322100
<b>6</b>	<b>Whether Listed Company</b>	Yes
<b>7</b>	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	KFintech Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032; Tel. No.: (040)-6716 1500

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

<b>S. No.</b>	<b>Name and Description of main products/ Services</b>	<b>NIC Code of the Products/ Service</b>	<b>% of total turnover of the Company</b>
<b>1</b>	BOPP firm flexible Packaging Firm, BOPET Firm, Matalized Firms, Coated Firms, Polyster Chips, (Manufacturing of other plastic products n.e.c.)	22209	91.36%
<b>2</b>	Non-woven Fabric	1312	9.44%

**III. PARTICULARS OF HOLDING, SUDSIDIARY AND ASSOCIATE COMPANIES**

<b>S. N.</b>	<b>Name and address of the Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
<b>1</b>	Jindal Films India Limited Plot No. 12, Sector B-1, Vasant Kunj, New Delhi-110070	U25199DL2010PLC210480	Subsidiary	100	2(87)
<b>2</b>	Jindal Imaging Limited Plot No. 12, Sector B-1, Vasant Kunj, New Delhi-110070	U24299DL1999PLC099183	Subsidiary	100	2(87)
<b>3</b>	J. AND D. Specialty Films Pvt. Ltd. Plot No. 12, Sector B-1, Vasant Kunj, New Delhi-110070	U74999DL2018PTC341022	Subsidiary	100	2(87)
<b>4</b>	Jindal Packaging Trading DMCC Unit No.AU-28-L, Gold Tower (AU), Plot No. JLT-PH1-13A, JLT, P.O. Box-337237, Dubai (UAE)	Foreign Company (Reg. No. DMCC64743)	Subsidiary	100	2(87)



## JINDAL POLY FILMS LIMITED

### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

#### (i) Category-wise Shareholding between 01/04/2019 AND 31/03/2020

Category code	Category of shareholder	No. of shares held at the beginning of the year 31/03/2019				No. of shares held at the end of the year 31/03/2020				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
<b>(A)</b>	<b>Promoter and Promoter Group</b>									
(1)	Indian									
(a)	Individual/ HUF	2,000	0	2,000	0.00	2,000	0	2,000	0.00	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	3,13,12,131	0	3,13,12,131	71.51	3,18,86,656	0	3,18,86,656	72.83	0.00
(d)	Financial Institutions/ Banks	13,26,958	0	13,26,958	3.03	7,52,433	0	7,52,433	1.72	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(1) :</b>	<b>3,26,41,089</b>	<b>0</b>	<b>3,26,41,089</b>	<b>74.55</b>	<b>3,26,41,089</b>	<b>0</b>	<b>3,26,41,089</b>	<b>74.55</b>	<b>0.00</b>
(2)	Foreign									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A (2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total A=A (1) +A (2)</b>	<b>3,26,41,089</b>	<b>0</b>	<b>3,26,41,089</b>	<b>74.55</b>	<b>3,26,41,089</b>	<b>0</b>	<b>3,26,41,089</b>	<b>74.55</b>	<b>0.00</b>
<b>(B)</b>	<b>Public Shareholding</b>									
(1)	Institutions									
(a)	Mutual Funds/ UTI	154	0	154	0.00	154	0	154	0.00	0.00
(b)	Financial Institutions/ Banks	51,012	0	51,012	0.12	19,736	0	19,736	0.05	0.07
(c)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	9,07,711	0	9,07,711	2.07	4,94,222	0	4,94,222	1.13	-0.94



## JINDAL POLY FILMS LIMITED

(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>9,58,877</b>	<b>0</b>	<b>9,58,877</b>	<b>2.19</b>	<b>5,14,112</b>	<b>0</b>	<b>5,14,112</b>	<b>1.17</b>	<b>-1.02</b>
(2)	Non-institutions									
(a)	Bodies Corporate	6,69,583	5280	6,74,863	1.54	8,30,305	5280	8,35,585	1.91	-0.37
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	44,25,762	2,57,037	46,82,799	10.69	39,54,733	2,35,251	41,89,984	9.57	-1.13
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	37,15,920	0	37,15,920	8.49	37,65,856	0	37,65,856	8.60	0.11
(c)	Others									
	Clearing members	57,253	0	57,253	0.13	43,805	0	43,805	0.10	0.03
	I E P F	92,477	0	92,477	0.21	1,05,325	0	1,05,325	0.24	-0.03
	Non resident Indians	4,48,862	0	4,48,862	1.03	8,68,726	0	8,68,726	1.98	0.95
	NRI non-repatriation	5,13,557	0	5,13,557	1.17	8,20,466	0	8,20,466	1.87	-0.70
	Trusts	716	0	716	0.00	1465	0	1465	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(2) :</b>	<b>99,24,130</b>	<b>2,62,317</b>	<b>1,01,86,447</b>	<b>23.26</b>	<b>1,03,90,681</b>	<b>2,40,531</b>	<b>1,06,31,212</b>	<b>24.28</b>	<b>1.02</b>
	Total B=B(1)+B(2):	1,08,83,007	2,62,317	1,11,45,324	25.45	1,09,04,793	2,40,531	1,11,45,324	25.45	0.00
	<b>Total (A+B) :</b>	<b>4,35,24,096</b>	<b>2,62,317</b>	<b>4,37,86,413</b>	<b>100.00</b>	<b>4,35,45,882</b>	<b>2,40,531</b>	<b>4,37,86,413</b>	<b>100.00</b>	<b>0.00</b>
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Grand total (A+B+C)</b>	<b>4,35,24,096</b>	<b>2,62,317</b>	<b>4,37,86,413</b>	<b>100.00</b>	<b>4,35,45,882</b>	<b>2,40,531</b>	<b>4,37,86,413</b>	<b>100.00</b>	



## JINDAL POLY FILMS LIMITED

### (ii) Shareholding of Promoters

Promoters Comparison Report between 31/03/2019 and 31/03/2020

S.N.	Name of the Shareholder	No of Shares held as on 31/03/2019	% of shares held as on 31/03/2019	Pledge shares as on 31/03/2020	No of shares held as on 31/03/2020	% of shares held as on 31/03/2020	Pledge shares as on 31/03/2020
1	Soyuz Trading Company Limited	1,22,05,344	27.87	0	1,22,05,344	27.87	0
2	Jindal Photo Investments Ltd.	1,14,95,410	26.25	0	92,45,410	21.11	0
3	Rishi Trading Company Ltd	52,24,016	11.93	0	52,24,016	11.93	0
4	Consolidated Finvest And Holdings Limited	15,64,072	3.57	0	15,64,072	3.57	0
5	Consolidated Photo & Finvest Ltd.	8,23,289	1.88	0	8,23,289	1.88	0
6	SSJ Trust	7,52,433	1.72	0	7,52,433	1.72	0
7	Aakriti Trust	4,55,525	1.04	0	4,55,525	1.04	0
8	Bhavesh Trust	1,19,000	0.27	0	23,69,000	5.41	0
9	Aakriti Ankit Agarwal	1,000	0.00	0	1,000	0.00	0
10	Bhavesh Jindal	1,000	0.00	0	1,000	0.00	0
	<b>Total</b>	<b>3,26,41,089</b>	<b>74.55</b>	<b>0</b>	<b>3,26,41,089</b>	<b>74.55</b>	<b>0</b>

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

S.N.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (31.03.2020)		% change in shareholding during the year
		No of Shares	% of Shares	No of Shares	% of Shares	
1	Soyuz Trading Company Limited	1,22,05,344	27.87	1,22,05,344	27.87	NIL
2	Jindal Photo Investments Ltd.	1,14,95,410	26.25	92,45,410	21.11	5.14
3	Rishi Trading Company Ltd	52,24,016	11.93	52,24,016	11.93	NIL
4	Consolidated Finvest And Holdings Limited	15,64,072	3.57	15,64,072	3.57	NIL
5	Consolidated Photo & Finvest Ltd.	8,23,289	1.88	8,23,289	1.88	NIL
6	SSJ Trust	7,52,433	1.72	7,52,433	1.72	NIL
7	Aakriti Trust	4,55,525	1.04	4,55,525	1.04	NIL
8	Bhavesh Trust	1,19,000	0.27	23,69,000	5.41	NIL
9	Aakriti Ankit Agarwal	1,000	0.00	1,000	0.00	NIL
10	Bhavesh Jindal	1,000	0.00	1,000	0.00	NIL
	<b>Total</b>	<b>3,26,41,089</b>	<b>74.55</b>	<b>3,26,41,089</b>	<b>74.55</b>	<b>5.14</b>





## JINDAL POLY FILMS LIMITED

### (iv) Share holding Pattern of top ten Shareholders (Other than Director, Promoters and Holders of GDRs)

SI No	Name	Shareholding at the beginning of year 01-04-2019		Cumulative Shareholding at the end year 31-03-2020	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1	Seetha Kumari	17,86,245	4.08	19,80,640	4.52
2	Ankit Jain	0.00	0.00	10,10,383	2.31
3	Virendra Jain	9,36,054	2.14	0.00	0.00
4	Sahul Agarwala	8,48,757	1.94	12,05,893	2.75
5	Manohar Tikamdas Ruprell	0.00	0.00	3,73,179	0.85
6	Asian Agro Industries Ltd	0.00	0.00	2,48,756	0.57
7	Dimensional Emerging Markets Value Fund	2,21,760	0.51	1,16,128	0.27
8	Anil Kumar Goel	2,17,000	0.50	43,559	0.10
9	Acadian Emerging Markets Small Cap Equity Fund Llc	2,02,063	0.46	0.00	0.00
10	Emerging Markets Core Equity Portfolio (The Portfolio)	1,26,928	0.29	1,00,407	0.23

### (v) Shareholding of Directors and Key Managerial Personnel:

S.N.	Name of the Shareholder	No. of shares at the beginning of the year 01.04.2019 end of the year 31.03.2020					Cumulative shareholding during the year	
		No. of shares	% of share of the Company	Date	Increase / decrease in share holding	Reason	No of shares	% of share of the Company
1	Mr. R.K Pandey	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2	Mr. Prakash Matai (up to 12.02.2019)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	Mrs. Sonal Agarwal	NIL	NIL	NIL	NIL	NIL	NIL	NIL
4	Mr. Sagato Mukerji							
5	Mr. Rathi Binod Pal	NIL	NIL	NIL	NIL	NIL	NIL	NIL
6	Mr. Sanjeev Saxena	NIL	NIL	NIL	NIL	NIL	NIL	NIL
7	Mrs. Shakshi Gupta	02	0.00	NIL	NIL	NIL	NIL	NIL
8	Mr. Sagato Mukerji	NIL	NIL	NIL	NIL	NIL	NIL	NIL
9	Mr. Vinay Jindal	1	0.00	NIL	NIL	NIL	1	0.00
10	Mr. Sanjeev Kumar	1	0.00	NIL	NIL	NIL	1	0.00



## JINDAL POLY FILMS LIMITED

### V. Indebtedness

Particulars	Secured Loans excluding deposits	Unsecured Loans	Public Deposits	Total indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
I Principal Amount	97,405.67	9,241.46	-	1,06,647.13
ii Interest due but not paid	254.54	-	-	254.54
iii Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>97,660.21</b>	<b>9,241.46</b>	<b>-</b>	<b>1,06,901.67</b>
<b>Change in Indebtedness during the financial year*</b>				
Addition	54,351.59	26,658.42	-	81,010.01
Reduction	-29,308.94	-18,634.93	-	-47,943.87
Net Change	<b>25,042.65</b>	<b>8,023.49</b>	<b>-</b>	<b>33,066.14</b>
<b>Indebtedness at the end of the financial year</b>				
Principal Amount	1,22,409.78	17,264.95	-	1,39,674.73
Interest due but not paid	293.06	-	-	293.06
Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,22,702.84</b>	<b>17,264.95</b>	<b>-</b>	<b>1,39,967.79</b>

\* Including Exchange Rate Difference on Foreign Exchange Borrowing

### VI. Remuneration of Directors and Key Managerial Personnel

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

Amount in Rs.

S No.	Name of the Director	Mr. Rathi Binod Pal*	Mr. Sagato Mukerji	Sanjeev Saxena
	Designation	Whole Time Director	Whole Time Director	Whole Time Director
1	Gross Salary	-	-	-
	(a) Salary as per the Provisions contained in section 17(1) of the Income Tax Act, 1961	17,92,348	63,81,629	46,20,486
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	13,000	38,896	39,000
	(c) Profits in Lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of profit Others, specify...	-	-	-
5	Others, please specify (Incentive)	3,66,142	9,99,366	7,39,029
	<b>Total</b>	<b>21,71,490</b>	<b>74,19,891</b>	<b>53,98,515</b>

\* Mr. Rathi Binod Pal as designated Non-Executive Director effective May 31, 2019, above remuneration has been taken accordingly



## JINDAL POLY FILMS LIMITED

### B. Sitting Fees to other Directors:

#### 1. Independent Directors:

Amount in Rs.

Particulars of Remuneration	Name of the Director		
	Mr. R. K. Pandey	Mrs. Sonal Agarwal	
Fee for attending Board / Committee etc. Meeting	1,26,000	1,48,500	2,74,500
Commission	-	-	-
Others, please specify	-	-	-
<b>Total</b>	<b>1,26,000</b>	<b>1,48,500</b>	<b>2,74,500</b>

#### 2. Executive and Non-Executive Directors:

Particulars of Remuneration	Name of the Director		Total
	Mr. R.B. Pal	Mrs. Shakshi Gupta	
Fee for attending Board / Committee etc. Meeting	73,500	81,000	1,54,500
Commission	-	-	-
Others, please specify	-	-	-

### Remuneration to Key Managerial Personnel Other than MD / Manager / WTD

S N	Name of the KMP	Mr. Vinay Jindal (Chief Financial Officer)	Mr. Sanjeev Kumar (Company Secretary) From 1 <sup>st</sup> April, 2019 to 18 <sup>th</sup> December, 2019	Mr. Amit Jain (Company Secretary) From 19 <sup>th</sup> December, 2019 to 31 <sup>st</sup> March 2020
1	Gross Salary			
	(a) Salary as per the Provisions contained in section 17(1) of the Income Tax Act, 1961	46,38,539	15,71,594	10,99,558
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	39,000	27,887	8,250
	(c) Profits in Lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of profit Others, specify...	-	-	-
5	Others, please specify (Incentive)	4,93,856	1,00,624	
	<b>Total</b>	<b>51,71,395</b>	<b>17,00,105</b>	<b>11,07,808</b>



FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

*[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,  
**JINDAL POLY FILMS LIMITED**  
**19 Km Hapur Bulandshahr Road,**  
**P.O. Guloathi, Bulandshahr,**  
**Uttar Pradesh-245408**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JINDAL POLY FILMS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2020 (Audit Period) 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 along with Annexure 1 attached to this report:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 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 (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) **(No FDI was received by the company during the Audit Period)**,
- (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;



## JINDAL POLY FILMS LIMITED

- 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 to the Company during the Audit Period)**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- 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 an issue and Share Transfer Agent during the Audit Period);**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period); and**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period);**

### I. OTHER LAWS:

#### (A) ACTS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT

- (1) The Boilers Act, 1923 and rules made thereunder;
- (2) Legal Metrology Act, 2009 and rules made thereunder;
- (3) The Petroleum Act, 1934 and rules made thereunder.

#### (B) LABOUR, INDUSTRIAL AND ENVIRONMENTAL LAWS APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT

- 1. The Factories Act, 1948 and rules made thereunder,
- 2. The Payment of Wages Act, 1936 and rules made thereunder,
- 3. Minimum Wages Act, 1948 and the rules made thereunder,
- 4. Employees' State Insurance Act, 1948 and rules made thereunder,
- 5. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the rules made thereunder,
- 6. Payment of Bonus Act, 1965 and rules made thereunder,
- 7. The Payment of Gratuity Act, 1972 and rules made thereunder,
- 8. The Contract Labour (Regulation and Abolition) Act, 1970 and rules made thereunder,
- 9. The Industrial Dispute Act, 1947 and rules made thereunder,
- 10. The Industrial Employment (Standing Orders) Act, 1946 and rules made there under,
- 11. Equal Remuneration Act, 1976 and rules made thereunder,
- 12. The Trade Union Act, 1926 and rules made thereunder,



## JINDAL POLY FILMS LIMITED

13. The State Labour Welfare Fund, 1953,
14. The Employees Compensation Act, 1923 and rules made thereunder,
15. Maternity Benefit Act, 1961 and rules made there under,
16. Personal Injuries (Compensation Insurance) Act, 1963 and rules made there under,
17. The Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder,
18. The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder,
19. Hazardous Waste (Management & Handling) Rules, 1989 and Amendment Rules, 2003
20. Environment Protection Act, 1986 and the Rules made thereunder.
21. Statistics Act, 2008 and Rules Framed thereunder,
22. The Maharashtra Workmen's Minimum House Rent Allowance Act, 1983 and rules made thereunder,
23. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder,
24. The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 and rules made thereunder.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Women and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period under review were carried out in compliance with the provisions of Act
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 in compliance of the Act.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) issued by Executive Director, Chief Financial Officer and Unit Head(s) of the Company and taken on record by the Board of Directors at their meeting (s),





## JINDAL POLY FILMS LIMITED

**We further report that** 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.

**We further report that** during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except as follows:

- a) National Company Law Tribunal( "NCLT"), Allahabad Bench vide its order dated December 9, 2019 has allowed the Petition bearing CP No. 274/ALD 2019 pertaining to the Scheme of Arrangement between Jindal Poly Films Limited (Transferor/Demerged Company) and Jindal Photo Imaging Limited (Transferee/Resulting Company) and their Respective Shareholders And Creditors under Sections 230 to 232 of the Act and the Board of Directors at its meeting held on December 18, 2019 has taken note of the said order.

Pursuant to the approval of said Scheme of Arrangement, the Photo Films business of Demerged company is demerged into the resulting company as a going concern and the shareholding of the demerged company in the resulting company is stand cancelled w.e.f appointment date i.e. April 1, 2019.

- b) Special resolution was passed by the members of the company through Postal Ballot on September 20, 2019 to alter the Object Clause of Memorandum of Association of the Company in compliance of Section 13 of the Act.

**FOR DMK ASSOCIATES  
COMPANY SECRETARIES**

sd/-  
(DEEPAK KUKREJA)  
B.COM., FCS, LL.B., ACIS (UK), IP  
PARTNER  
UDIN: F004140B000661357  
C P No. 8265  
M No. 4140

Place : New Delhi  
Date : August 31, 2020



## JINDAL POLY FILMS LIMITED

### ANNEXURE 1

To,

The Members,  
**JINDAL POLY FILMS LIMITED**  
19 Km Hapur Bulandshahr Road,  
P.O. Guloathi, Bulandshahr,  
Uttar Pradesh-245408

**Sub: Our Secretarial Audit for the Financial Year ended March 31, 2020 of even date is to be read with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we 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 the management. Our examination was limited to the verification of the procedures 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.
7. As per the information provided by the company, there are certain disputes / cases filed by or against the company, which are currently lying pending with various courts/authorities, however as per the information provided and confirmed by the Company, these cases have no major impact on the Company.
8. Due to the outbreak of Covid-19 and Nationwide Lockdown, we had verified the physical documents to the extent possible, however the Company has made available the documents / information electronically which we could not verify physically.

**FOR DMK ASSOCIATES  
COMPANY SECRETARIES**

Sd/-  
(DEEPAK KUKREJA)  
FCS, LL.B., ACIS (UK),IP  
PARTNER  
UDIN: F004140B000661357  
CP No. 8265  
FCS 4140

Place: New Delhi  
Date: August 31, 2020



### Annexure-D

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors 'Report.

#### 1. CONSERVATION OF ENERGY

##### A. ENERGY CONSERVATION MEASURES TAKEN

During the year under review, your Company has taken various measures so as to conserve the energy, which includes Installation of LED lamps for PET lines utility, CFH, street light.

##### B. IMPACT OF ABOVE MEASURES

Implementation of energy conservation measures have resulted in reduction of energy cost as well as cost awareness among the employees.

#### 2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

To create differentiator your company has always strived on technology, new product development & application development as per need of Flexible & industrial Packaging Market. Your company is committed for continuous investments in product, process, and application technologies and is one stop packaging solution provider for applications which need BOPET, BOPP, CPP, Metallized, and Functional Coating & Thermal Films. Your company has Dedicated R&D, Business development and Application development team based to serve our esteemed customers.

The energy efficient operation of the plants results into manifold benefits in the form of saving of natural and financial resources and reduction of carbon footprint. The Company takes continuous initiatives to make its manufacturing facilities energy efficient.

#### 3. FOREIGN EXCHANGE OUTGO AND EARNINGS:

(Rs. in Crore)

Particular	2019-20	2018-19
Earnings	694	960
Outgo	1561	1264



## JINDAL POLY FILMS LIMITED

### ANNEXURE 'E'

#### PARTICULARS OF REMUNERATION

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

- (a) The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the financial year:

Executive/Whole Time Director Directors	Ratio to Median Remuneration
Mr. Sagato Mukerji	30.42
Mr. Sanjeev Saxena	25.17

\* Note. We considered the remuneration of only Executive Directors (Whole-time directors) who were on roll of the Company on 31st March 2020. However, Mr. Rathi Binod Pal designated as Non-executive non-Independent Director w.e.f May 31, 2019.

Further Non-executive Director is getting only sitting fees to attend the Board and Committee Meeting and there is no increase in sitting fees during the year under review.

- (b) The percentage increase in Remuneration of each Director, Chief Financial Officer, Company Secretary during the financial year:

Name of Person	% Increase in remuneration
Whole-Time Director	
Mr. Sagato Mukerji	24.26
Mr. Sanjeev Saxena	20.07
Chief Financial Officer	
Mr. Vinay Jindal	0.55

Note. We considered the remuneration of only Executive Directors (Whole-time directors) who were on roll of the Company on 31st March 2020. However, Mr. Rathi Binod Pal designated as Non-executive non-Independent Director w.e.f May 31, 2019.

During the year under review Mr. Sanjeev Kumar was Company Secretary till 18th December, 2019 and thereafter Mr. Amit Jain acted as company Secretary till 6th June, 2020. So % increase is not applicable in their case.

- (c) The percentage increase in the Median Remuneration of Employees in the financial year: Nil.
- (d) The number of Permanent Employees on the Rolls of Company: as on 31.03.2020 Employees are 1751.
- (e) The average increase in salaries of employees in 2019-20 was 3.35 %, which is normal.
- (f) Affirmation that the Remuneration is as per the Remuneration Policy of the Company. The Company affirms Remuneration is as per the Remuneration Policy of the Company.



## JINDAL POLY FILMS LIMITED

### ANNEXURE F

#### BUSINESS RESPONSIBILITY REPORT (BR) As per Regulation 34(2) (f) of SEBI (LODR), 2015

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L17111UP1974PLC003979
2	Name of the Company	JINDAL POLY FILMS LIMITED
3	Registered Office Address	19 <sup>th</sup> K.M. Hapur Bulandshahr Road, PO Gulaothi, Distt. Bulandshahr (U.P.)
4	Website	www.jindalpoly.com
5	E-mail id	cs_jpoly@jindalgroup.com
6	Financial Year reported	2019-2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Business Activity Code "C8"(Plastic products, non-metallic mineral products, rubber products, fabricated metal products)
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	BOPET (Biaxially-Oriented Polyethylene Terephthalate) Film, BOPP (Biaxially Oriented Polypropylene) Film and Metalized Films & Polyester Chips
9	Total number of locations where business activity is undertaken by the Company	1
	(a) Number of International Locations (Provide details of major 5)	NIL
	(b) Number of National Locations	Nasik Plant-28 <sup>th</sup> K.M. Nasik-Bombay Highway, Village Mundegaon, Igatpuri, Distt. Nasik (MH)
10	Markets served by the Company—Local/State/ National/International	In addition to the Indian markets, the Company also serves Australia, Asia, Israel, South Africa, and Europe.

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	Rs. 43,78,64,130
2	Total Standalone Turnover (INR)	Rs. 3,58,991.46 Lacs
3	Total Standalone profit after taxes (INR)	Rs. 47,875.00 .Lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.028 ( Not applicable as eligible amount to be spent during the year under review was nil )
5.	List of activities in which expenditure in 4 above has been incurred:-	Geriatric Care (Human Resources support for old age)



## JINDAL POLY FILMS LIMITED

### SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	<p>Yes (details as under)</p> <p>A. Indian Companies.</p> <ol style="list-style-type: none"> <li>1. Jindal Films India Ltd (CIN: U25199DL2010PLC210480),</li> <li>2. J. and D. Speciality Films Pvt.Ltd (CIN: U74999DL2018PTC341022)</li> <li>3. Jindal Imaging Limited (CIN: U24299DL1999PLC099183)</li> </ol> <p>B. Foreign companies:</p> <p>Jindal Packaging Trading DMCC (Regn. No.DMCC64743), Dubai</p>
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)	NO
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%]	NO

### SECTION D: BR INFORMATION

#### 1. Details of Director/Directors responsible for BR

##### (a) Details of the Director responsible for implementation of the BR policy/policies/CSR Policy

SI No	DIN Number	Name	Designation
1	06465901	Mr. Sagato Mukerji	Whole-time Director
2	07899506	Mr. Sanjeev Saxena	Whole-time Director

##### (b) Details of the BR head - the Company does not have a BR Head as of now.





## 2. Principle-wise (as per NVGs) BR Policy/policies

Sr. No	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	N	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders	Y	The policy is embedded in the Company's quality and environment policies which inter alia, relate to safe and sustainable products.	Y	-	The policy is embedded in the Company's Code of Business Conduct, HR policies and various other HR practices.	-	-	Y	-
3	Does the policy conform to any national/international standards? If yes, specify?	Policies are prepared ensuring adherence to all applicable laws and in line with national & international standards, wherever applicable.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All mandatory Policies under the Indian laws and regulations have been adopted by the Board and signed by Whole-time Director/other authorized officer and other operational internal policies are approved by Board / Senior Management and signed by the respective departmental head.								
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	The Company has a well-established internal governance structure to oversee the implementation of various policies.								
6	Indicate the link for the policy to be viewed online?	Mandatory Policies viz. CSR Policy, Insider Trading Policy, Code of Conduct are available at <a href="http://www.jindalpoly.com">http://www.jindalpoly.com</a> (under investor relation -Statutory policies) and all other policies viz. employee related policies are available on Company's internal network.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. Policies are communicated to internal stakeholders and the same available on the Company's intranet. Wherever required, the Policies are also communicated to our external stakeholders and made available on Company's website								
8	Does the company have in-house structure to implement the policy/ policies?	Yes, the Company has an in-house structure with clearly defined roles and responsibilities which periodically reviews implementation of various policies.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Yes, each of the Policies formulated by the Company have an in-built grievance and redressal mechanism.								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Quality, Safety & Health and Environmental Policies are subject to internal and external audits as part of certification process and ongoing periodic assessments. Other policies are periodically evaluated for their efficacy through internal audit mechanism.								



### 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:

The Company assess the BR performance annually.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

*For last two previous year the Company was not required to publish the BR Report, however for the year under review the Company is publishing.*

### SECTION E: PRINCIPLE-WISE PERFORMANCE

#### Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

*At Jindal Poly Films Ltd. (JPFL), we believe that we are trustees of all our stakeholders including the society in which we exist, shareholders, employees and their families, customers, suppliers, contractors, the Government, etc. We believe that we owe it to all stakeholders to conduct our business in line with sound ethical standards. The Company has adopted a "JPFL - Code of Conduct" and JPFL - Code of Ethics" with the underlying philosophy of conducting its business in a fair & ethical manner as enshrined by our values and beliefs. This helps in creating a work environment that is conducive to all our employees/associates.*

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

*During the year under review, the Company has not received any complaint under the investigation mechanism.*

#### Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

*Our production process is based on principles of optimizing the material and energy resources. JPFL manufactures products as per specifications of its customers and strives to ensure that products supplied are in conformity with customer's specifications, from safe and legally permissible raw materials and strict quality standards and controls are followed. The JPFL is expanding and strengthening its market position, balancing commercial ambitions with environmental concern.*

*There is a well-defined policy to take back products which are expired or found, with some packaging defects in order to recycle them to best possible extent.*

*JPFL is environmentally conscious and is committed to creating, maintaining and ensuring a safe & clean environment.*

2. Does the company have procedures in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

*The Company endeavors to focus on protection of environment, stakeholders' interest and cost effectiveness while procuring any raw material or goods. The main raw materials - petrochemical raw materials like PET (polyester) resin and PP (polypropylene) resin, are procured from manufacturers / producers who are well reputed keeping in mind the need for quality and consistency. Adequate steps are taken for safety during transportation and optimization of logistics, which, in turn, help to*

*mitigate the impact on climate.*

3. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

*The Company encourages local procurement of goods and services around its plants proximity and region. Several community development and training initiatives are regularly conducted by the individual plant's HR team in order to help people in skill development and raise their scope for employment.*

4. 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.

*Due to the nature of our business, we utilize resources like energy, water and other secondary resources and have robust processes and systems in place to identify, quantify and reduce such impact on the environment.*

### **Principle 3**

1. Please indicate the Total number of employees : 1751
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 860
3. Please indicate the Number of permanent women employees: 158
4. Please indicate the Number of permanent employees with disabilities: Nil
5. Do you have an employee association that is recognized by management : No
6. What percentage of your permanent employees is members of this recognized employee association :No
7. Please indicate the 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.

SI No	Category	No of complaints filed during the Financial year	No. of Complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year**

- (a) Permanent Employees : 95%.
- (b) Permanent Women Employees : 95%.
- (c) Casual/Temporary/Contractual Employees : 90%.
- (d) Employees with Disabilities : NIL



### Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No

*Yes, the Company has mapped its internal and external stakeholders in a structured way and carries out engagements with investors, employees, customers, suppliers, business partners, government/regulatory authorities, etc.*

*The Company also engages with its identified stakeholders on an on-going basis through a constructive process. The Company follows a system of timely feedback and response through formal and informal channels of communication to ensure that the stakeholder information remains current and updated.*

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

*Yes, Company has identified marginalized and disadvantaged groups through need assessment and engagement with local communities.*

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

*The Company goes beyond its business activities to create social impact through its diverse initiatives, and is working towards improving lives of marginalized and vulnerable communities. We have taken initiatives in specific areas of social development that would include providing infrastructure facilities for primary & secondary education/schools, health & hygiene, etc. which are mainly focused upon communities residing around our manufacturing/Business locations. For specific details, please refer to Report on Corporate Social Responsibility.*

### Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

*The Company does not have a stated Human Rights Policy. However, most of the aspects are covered in the Company's "Code of Ethics and Behavior," "Sexual Harassment Policy" and various HR policies/practices.*

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

*Forty Eight complaints from stakeholders, relating to human rights, have been received and resolved in the financial year 2019-20. No any complaints are pending in the financial Year 2019-20.*

### Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others.

*The Company strives to preserve the environment by striking a balance between economic growth and preservation of the environment with due concern for ecology. The Company is committed to operate all its units in an environment friendly manner while protecting health and safety of its employees. The Subsidiaries and Joint Ventures are encouraged to adopt the practices of Company.*

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

*The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.*

*The Company is conscious of its responsibility towards creating, maintaining and ensuring a safe and clean environment for sustainable development and take initiatives like installation of solar power, re-cycling & conservation of water, reduction of wastages, innovations packaging solutions, etc., to reduce the adverse effects on the environment.*



## JINDAL POLY FILMS LIMITED

3. Does the company identify and assess potential environmental risks? Y/N  
*Yes, the Company has a mechanism to identify and assess risks which includes environmental risks. We are an ISO 9001:2015 certified company. The Company has also received BRC certification*
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?  
*No*
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc:  
*As per the Company's Code of Ethics and Behavior, employees are expected to actively contribute to JPFL commitment to providing a healthy and safe workplace and to respect the environment and sustainability, while carrying out all business operations.*
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? Y/N  
*Yes, emission & waste generated by company are within the permissible limit as given by Pollution control Boards of respective states where the company operates.*
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year?  
*NIL*

### Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
  - (a) Maratha Chamber of Commerce, Pune.
  - (b) Confederation of Indian Industry.( Northern Region)
2. 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)  
*From time to time, the Company has been raising various issues with Industry Associations to advocate and pursue various causes that are in larger interests of industry, economy, society and the public.*

### Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.  
*The Company has a well-defined CSR policy which is in line with the Companies Act, 2013. The Company has taken various CSR initiatives for support and development of society. The report on the CSR projects carried by the Company is annexed with the Board's Report.*
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?  
*The Company, through various NGOs, supports various CSR initiatives in a project/ program mode. All the projects are monitored by the internal team of the Company.*
3. Have you done any impact assessment of your initiative?  
*Yes, various projects undertaken under the Company's Corporate Social Responsibility initiatives are subject to the impact assessment to ensure that expected results of projects/ initiatives are achieved.*



4. What is your company's direct contribution to community development projects? Amount in INR and the details of the projects undertaken?

*During the year, the Company has spent Rs.13,60 Lacs towards CSR activity. The project detail is provided in Annexure A – Annual Report on CSR activities*

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

*We have been actively taking initiatives for Community Development Women, children and backward section of the society are our target groups and we target to ensure their well being and development through education and health programmes.*

### Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year:

The Company's uncompromising commitment to providing world class products and services to customers is supported by its concern for the safety of its customers. A well-established system is in place for dealing with customer feedback and complaints. Customers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms, etc.

All complaints are appropriately addressed and resolved. As on the end of the financial year, there was negligible percentage of unresolved complaints.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks(additional information)

Yes, the Company displays product information on the products label.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so:

There are no cases in relation to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Growth and new product development is driven by the Company's Innovation Program which helps our customers in two areas; Firstly, New Products, including incremental ideas, which are based on upgraded technology processes, connect with our customers need for adding value to their products and offering benefits to their consumers. Secondly, our Team continuously work on solutions which offer cost advantages without compromising on performance, based on customers' feedback.





## JINDAL POLY FILMS LIMITED

Annexure-G

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
***(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To,  
The Members,  
**JINDAL POLY FILMS LIMITED**  
19<sup>th</sup> Km Hapur Bulandshahr Road,  
P.O. Gulaothi, Bulandshahr,  
Uttar Pradesh-245408

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s Jindal Poly Films Limited having CIN: L17111UP1974PLC003979** and having registered office at 19<sup>th</sup> Km Hapur Bulandshahr Road P.O. Gulaothi Bulandshahr U.P.-245408 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal <http://www.mca.gov.in> as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	RATHI BINOD PAL	00092049	13/09/2017
2.	RADHA KRISHNA PANDEY	00190017	30/01/2007
3.	SAGATO MUKERJI	06465901	28/08/2018
4.	SHAKSHI GUPTA	07388012	12/01/2016
5.	SANJEEV SAXENA	07899506	13/09/2017
6.	SONAL AGARWAL	08212478	28/08/2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For DMK ASSOCIATES  
COMPANY SECRETARIES**

Sd/-

(DEEPAK KUKREJA)

FCS, LL.B., ACIS (UK)

PARTNER

FCS 4140

CP 8265

UDIN: F004140B000661456

Place: New Delhi

Date: August 31, 2020



## Report on Corporate Governance

The Directors presents the Company's Report on Corporate Governance for the year ended March 31, 2020.

### 1. Company's Philosophy on Corporate Governance

The Company has always focused on good corporate practices, which are key drivers of sustainable growth and long-term value creation for its shareholders. The Company believes that corporate governance is not limited to merely creating checks and balances. It is more about creating organizational excellence leading to increase in employee and customer satisfaction and long-term shareholders' value without compromising on ethical standards.

### 2. Board of Directors

As on March 31, 2020, your Board of Directors comprised of six directors with four being Non-Executive Directors and two being Executive Directors. Out of the total strength of six directors, two are women directors, out of which one is Independent Director and another is Non-Executive Director. Out of the four Non-Executive Directors, two are Independent Directors. Composition of your Board is diverse optimum and balanced in terms of specialization in one or more areas. The Board of Directors takes into account the interest of all stakeholders while discharging its responsibilities and provides leadership and guidance to the Company's management. Moreover, the Board while discharging its fiduciary responsibilities very well ensures that the management adheres to the high standards of ethics, transparency and disclosures.

During the year under review, there is no change in the Board of Directors of the Company :

- i) Mr. R. K. Pandey (DIN 00190017) and Mrs. Sonal Agarwal (DIN 08212478) are Independent Directors.
- ii) Mr. Rathi Binod Pal (DIN 0092049) and Mrs. Shakshi Gupta, Director (DIN 07388012) are Non-Executive and Non-Independent Directors.
- iii) Mr. Sagato Mukerji, Whole Time Director (DIN 06465901) and Mr. Sanjeev Saxena (07899506) are whole-time Directors.

The Non-Executive Directors including Independent Directors bring objective and independent perspective in Board's deliberations and decisions as they have a wider view of external factors affecting the Company and its business. They make a constructive contribution to the Company by ensuring fairness and transparency while considering the business plans devised by the management team.

All the Independent Directors have requisite knowledge of business, in addition to the expertise in their area of specialization. The Company has received declaration from each of the Independent Directors confirming that he/ she meets the criteria of independence as defined under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board of Directors, the Independent Directors fulfill all the conditions as specified in the Listing Regulations and are independent of the management. The Company has issued letters of appointment to the Independent Directors and the terms and conditions of their appointment have been uploaded on the website of the Company.

### 3. Meetings and Attendance and other Directorships held in other Indian Public Companies.

The Meetings of the Board are generally held at the Corporate Office of the Company and are scheduled in a manner that it coincides with the announcement of quarterly/annual financial results. In case of urgency, additional Board Meetings are convened, as and when required. The resolutions are also passed by circulation as permitted by law. During the year under review, eight Board Meetings were held on April 24, 2019, May 30, 2019, August 14, 2019, September 25, 2019, November 13, 2019, December 18, 2019, February 13, 2020, and March 16, 2020. The gap between two consecutive Board Meetings did not exceed one hundred twenty days.



## JINDAL POLY FILMS LIMITED

The composition of the Board of Directors, their attendance at the Board Meetings held during the Financial Year 2019-20 and AGM, number of other directorships and membership of the Committees of the Boards of other Indian public limited companies as on March 31, 2020, are as follows:

Name of Director	Category of Director	Whether Attended Last AGM	No. of Board Meetings attended	Other Directorships	Membership of Committees of other Boards	
					Chairperson	Member
Mr. R.K. Pandey	Chairman- ID	YES	8	6	2	5
Mrs. Sonal Agarwal	ID	YES	8	1	2	2
Mrs. Shakshi Gupta	NED	NO	6	NIL	NIL	NIL
Mr. Rathi Binod Pal*	NED	YES	6	4	NIL	3
Mr. Sanjeev Saxena	WTD	NO	4	NIL	NIL	NIL
Mr. Sagato Mukerji	WTD	YES	7	2	NIL	NIL

**ID** - Independent Director, **WTD** – Whole-Time Director, **NED** - Non-Executive Director

\*Mr. Rathi Binod Pal has been re-designated as Non-Executive Director effective May 31, 2019.

### Notes:

- Other Directorships given above excludes directorships in foreign companies, if any.
- In accordance with Regulation 26 of the Listing Regulations, Memberships / Chairmanships of only Audit Committee and Stakeholders' Relationship Committee of other Indian Public Limited Companies have been considered.
- The aforesaid Directors are not relatives of each other (as defined under the Companies Act, 2013 and Rules thereunder).

During the year under review, the Independent Directors held a separate meeting in pursuance of applicable statutory and regulatory provisions.

Name of other listed entities where Directors of the company are Directors and the category of Directorship:

Name of the Director	DIN	Names of the Listed Entities which the concerned Director is a Director	Category of Directorship
Mr. R.K. Pandey	00190017	Sanghi Industries Limited	Non-Executive Director- Independent Director
		Andhra Cements Limited	Non-Executive Director- Independent Director
		Universus Photo Imagings Ltd.	Non-Executive Director- Independent Director
Mrs. Sonal Agarwal	08212478	Universus Photo Imagings Ltd.	Non-Executive Director- Independent Director
Mr. Rathi Binod Pal	00092049	Universus Photo Imagings Ltd.	Non-Executive Director- Non Independent Director

### 4) Board Agenda

The notices of Board Meetings are given well in advance to all the Directors. The Board members are provided agenda setting out the business to be transacted at the meeting, with well-structured and comprehensive notes on agenda, to enable them to take informed decisions. Agenda papers are circulated at least seven days prior to the date of the meeting. Additional/ supplementary items are taken up with



the permission of Chairperson and requisite consent of the Directors. Where it is not practicable to attach any document to the agenda, the same is circulated in the Meeting / placed before the Meeting.

## 5. Committees of the Board

The Board of Directors has constituted various Board Committees with specific terms of reference to ensure timely and effective working of the Board and the Company in addition to comply with the provisions of the Listing Regulations, other regulations / guidelines of Securities and Exchange Board of India (SEBI) and other statutory provisions. The Committees operate as empowered bodies of the Board. In your Company, there are five Committees of the Board of Directors, which have been delegated adequate powers to discharge their roles & responsibilities and urgent business of the Company. The Committees meet as often as required. The Minutes of Meetings of the Committees are circulated to the Board of Directors. The brief description of terms of reference and composition of these Committees are as follows:

### a) Audit Committee:

The terms of reference of the Audit Committee are in accordance with section 177 of the Companies Act, 2013 and the Listing Regulations. It also discharges such other functions as may be delegated by the Board of Directors from time to time. The role of the Audit Committee, inter-alia, includes oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible. Recommending the appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by the statutory auditors, reviewing with the management and examination of the quarterly/half yearly and annual financial statements and auditor's report thereon before submission to the Board of Directors for approval. Review and monitor the auditor's independence and performance and effectiveness of audit process. Approval or any subsequent modification of transactions with related parties, scrutiny of inter-corporate loans and investments, evaluation of internal financial controls and risk management systems. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems, reviewing the adequacy of internal audit function and review of the functioning of whistle blower mechanism.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board of Directors.

As on March 31, 2020, the Committee comprises of three directors. The Company Secretary is the secretary of the Committee. The permanent invitees include Chief Financial Officer and Head Accounts. Further, the representative of auditor, internal auditor and other executives of the Company are invited in the Audit Committee Meetings, as and when required. The Chairman of the Audit Committee was present at the last Annual General Meeting. The Committee met eight times during the year on April 24, 2019, May 30, 2019, August 14, 2019, September 25, 2019, November 13, 2019, December 18, 2019, February 13, 2020, and March 16, 2020. and the attendance of members at the Meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mrs. Sonal Agarwal	Chairperson	ID	8
Mr. R. K. Pandey	Member	ID	8
Mr. Rathi Binod Pal	Member	NED	6

### b) Corporate Social Responsibility Committee

The terms of reference of the Committee includes formulating and recommending to the Board a Corporate Social Responsibility ("CSR") Policy indicating the activities to be undertaken by the Company as specified in the Companies Act, 2013, recommending the amount of expenditure



## JINDAL POLY FILMS LIMITED

to be incurred on such activities and monitoring the CSR Policy from time to time. It also reviews periodically the progress of CSR projects / programs / activities undertaken by the Company.

As on March 31, 2020, the Committee comprises of three Directors. The Committee met three times during the year on May 30, 2019, August 14, 2019, and March 16, 2020 and the attendance of members at the Meeting was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mr. R. K. Pandey	Chairman	ID	3
Mrs. Sonal Agarwal	Member	ID	3
Mr. Rathi Binod Pal	Member	NED	1

### c) Nomination and Remuneration Committee

The terms of reference of the Committee are in accordance with the provisions of the Companies Act, 2013 and Listing Regulations. It discharges such other functions as may be delegated by the Board of Directors from time to time. The Remuneration Policy is available at Company's website at [https://www.jindalpoly.com/Uploads/image/115imguf\\_Remuneration-Policy.pdf](https://www.jindalpoly.com/Uploads/image/115imguf_Remuneration-Policy.pdf)

As on March 31, 2020, the Committee comprised of three Directors. The Committee met five times during the year on May 30, 2019, August 14, 2019, November 13, 2019, December 18, 2019, and February 13 2020 and the attendance of members at the Meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mrs. Sonal Agarwal	Chairperson	ID	5
Mr. R. K. Pandey	Member	ID	5
Mrs. Shakshi Gupta	Member	NED	5

### d) Stakeholders Relationship Committee

The terms of reference of the Committee are in accordance with the provisions of Companies Act, 2013 and the Listing Regulations. It discharges such other functions as may be delegated by the Board of Directors from time to time. The role of the Stakeholders Relationship Committee, inter-alia, includes allotment of securities, issue of duplicate certificates, review and redressal of grievances of security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of dividends, etc. and deciding the book closure/ record dates in respect of the securities issued by the Company.

In order to provide quick service to investors and expedite the process of transfers, the Board has delegated sufficient powers to the Company's executives to deal with various matters including transfer of shares across the counter, transmission of securities, etc.

As on March 31, 2020, the Committee comprises of three directors. The Committee met three times during the year on May 10, 2019, October 04, 2019, and December 18, 2019 and the attendance of members at the Meetings was as follows:



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Name of the Member	Status	Category	Number of Meetings attended
Mrs. Sonal Agarwal	Chairperson	ID	3
Mr. Rathi Binod Pal	Member	NED	3
Mrs. Shakshi Gupta	Member	NED	3

Name and designation of Compliance Officer: Mr. Sanjeev Kumar, Company Secretary

### e) Executive Committee

The Executive Committee has been constituted to approve various general financial and commercial matters of the Company.

As on March 31, 2020, the Committee comprises of three Directors. The Committee meet twice during the year on June 29, 2019, and October 04, 2019 and the attendance of members at the Meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mrs. Sonal Agarwal	Chairperson	ID	2
Mrs. Shakshi Gupta	Member	NED	2
Mr. Rathi Binod Pal*	Member	NED	2

\*Mr. Rathi Binod Pal has been re-designated as Non-Executive- Non-Independent Director effective May 31, 2019.

### 6. Details of remuneration paid to Directors during the Financial Year 2019-20:

#### (a) Executive Director

(Amount in Rs.)

Directors' Name	Mr. Rathi Binod Pal*	Mr. Sagato Mukerji	Sanjeev Saxena
Designation	Non Executive Director	Whole Time Director	Whole Time Director
Salary	8,91,548	29,91,935	20,70,252
HRA	4,45,320	14,95,968	7,560
Other Allowance	3,73,984	14,80,517	23,14,050
Exgratia		3,00,000	2,07,024
PF	7,200	21,542	21,600
Perquisites	13,000	38,896	39,000
Others, please specify (Incentive)	3,66,142	9,99,366	7,39,029
Earned Leave	74,296	91,667	-
<b>Total</b>	<b>21,71,490</b>	<b>74,19,891</b>	<b>53,98,515</b>

\*Mr. Rathi Binod Pal has been re-designated as Non-Executive Non-Independent Director effective May 31, 2019.





## JINDAL POLY FILMS LIMITED

- (i) No sitting fee or severance fee is payable to Whole Time Directors.
- (ii) The annual performance bonus payable by the Company to Whole Time Directors is based on the performance of the Company, industry trends and other relevant factors.

### (b) Non - Executive Directors

The details of sitting fee paid to the Non-Executive Directors during the Financial Year 2019-20 are as follows:

S. No.	Name of the Director	Sitting Fees Paid (Rs.)
1.	Mr. R.K. Pandey	1,26,000
2.	Mrs. Shakshi Gupta	81,000
3.	Mrs. Sonal Agarwal	1,48,500
4	Mr. Rathi Binod Pal*	73,500

There was no other pecuniary relationship or transaction with the Non-Executive Directors.

\*Mr. Rathi Binod Pal has been re-designated as Non-Executive- Non-Independent Director effective May 31, 2019.

### 7. Disclosures of relationships between directors *interse*

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

However, Mr. Rathi Binod Pal is a Director on the Board of Wholly Owned Subsidiaries Jindal Film India Ltd., Jindal Imaging Ltd. and J. and D. Specialty Films Private Limited and Mr. Sagato Mukerji is a Director on Wholly Owned Subsidiaries J. and D. Speciality Films Private Limited and Jindal Imaging Ltd.

All the Independent Directors on the Company's Board:

- Apart from receiving Director's remuneration, they do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its Senior Management, its Subsidiaries and Associates, which may affect independence of the Directors.
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- Have not been an executive of the Company in the immediately preceding three Financial Years.

### 8. Details of Directors setting out skills/expertise/competence:

Details of Directors of the Company as on March 31, 2020 pursuant to the provisions of sub-clause (h) of clause 2 of Part C of Schedule V of SEBI Listing Regulations.

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- A. Knowledge on Company's businesses (Packaging and Lamination Films) policies major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- B. Technical / Professional skills and specialized knowledge in relation to Company's business
- C. Finance, Banking and Foreign Exchange Markets.



- D. Experience in developing governance practices, serving the best interests of all stakeholders, maintaining Board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values

### 9. Performance Evaluation:

In pursuance of the provisions of the Companies Act, 2013 and the Listing Regulations, the evaluation of performance of the Board as a whole, Committees of the Board, individual Directors and Chairperson of the Company was carried out for the Financial Year 2019-20. The performance of each Director has been evaluated by NRC.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long term strategic planning, etc. The criteria for performance evaluation of the Committees included aspects such as structure and composition of Committees, effectiveness of Committee meetings etc.

In a separate meeting, the independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole. They have also evaluated the performance of the Chairman taking into account the views of Executive Directors and Non-Executive Directors. The NRC reviewed the performance of the Board, its Committees and of the Directors. The same was discussed in the Board Meeting that followed the meeting of the independent Directors and NRC, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

Significant highlights, learning and action points with respect to the evaluation were discussed by the Board.

### 10. Vigil Mechanism and Whistle Blower Policy

The Company has a Whistle Blower Policy for establishing vigil mechanism for Directors, employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's "Code of Conduct and Ethics". The vigil mechanism under the Whistle Blower Policy provides adequate safeguard against victimization of the Directors and the employees who avail of the mechanism and also provides for direct access to Chairman of the Audit Committee in appropriate or exceptional cases. Whistle Blower Policy is available on the website of the Company at [https://www.jindalpoly.com/Uploads/image/125imguf\\_WHISTLEBLOWERPOLICY.pdf](https://www.jindalpoly.com/Uploads/image/125imguf_WHISTLEBLOWERPOLICY.pdf)

### 11. Prevention of Insider Trading Code:

During the year your Company has amended the insider Trading Policy in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The Board has also approved the updated Code for Fair Disclosure of Unpublished Price Sensitive Information which is available on the Company's website at "[https://www.jindalpoly.com/Uploads/image/118imguf\\_FreshCodeforFairDisclosure-of-UPSI.pdf](https://www.jindalpoly.com/Uploads/image/118imguf_FreshCodeforFairDisclosure-of-UPSI.pdf)"

### 12. Related Party Transactions

During the financial year 2019-20, all transactions entered into with related parties, as defined under the Companies Act, 2013 and Listing Regulations, were in the ordinary course of business and on an arm's length basis. There were no materially significant transactions with related parties during the year that may have potential conflict with the interest of the Company at large. The Company has formulated a policy on dealing with related party transactions which can be accessed at the Company's website at – [https://www.jindalpoly.com/Uploads/image/114imguf\\_Policy-on-Related-Party-Transactions.pdf](https://www.jindalpoly.com/Uploads/image/114imguf_Policy-on-Related-Party-Transactions.pdf)



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### 13. Shareholding of Directors as on March 31, 2020

Name	No of Equity Shares held	Name	No of Equity Shares held
Mr. R. K. Pandey	NIL	Mr. Rathi Binod Pal	NIL
Mrs. Shakshi Gupta	02	Mr. Sanjeev Saxena	NIL
Mrs. Sonal Agarwal	NIL	Mr. Sagato Mukerji	NIL

### 14. General Body Meetings

#### a) The last three AGM of the Company were held as under:

Financial Year	Date	Time	Location
2016-17	19.08.2017	11.30 A.M.	Registered Office of the Company at 19 <sup>th</sup> K.M. Hapur-Bulandshahr Road, P.O. Gulaothi, Distt. Bulandshahr, U.P.
2017-18	29.09.2018	11.30 A.M.	
2018-19	25.09.2019	11.00 A.M	

#### b) The Company had taken shareholders' approval by way of special resolutions in the previous three AGM, as per the details given below:

Date of Annual General Meeting	Nature of approval
August 19, 2017	To Authorise Board of Directors in the matters relating to further issue of Securities and matters incidental thereto.
September 28, 2018	To Appoint Mr. Sagato Mukerji and Mr. Rathi Binod Pal as Whole-Time Directors and Mrs. Sonal Agarwal as an Independent Director
September 25, 2019	Nil

#### c) During the financial year ended March 31, 2020, following resolutions were passed through Postal Ballot process (passed on Friday, 20th September, 2019.)

- The alteration of main Object Clause of the Memorandum of Association (MOA) of the Company by inserting the New Clause 13 enabling the Company to do business in Copper Material .
- Reappointment of Mr. R. K. Pandey as an Independent Director of the Company.

### 15. Disclosures:

- No penalties or structures have been imposed on the Company by stock exchanges or Securities and Exchange Board of India or any other statutory authority in any matter related to capital markets during the last three years, for non-compliance by the Company.
- Your Company is fully compliant with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable and compliance reports on Corporate Governance in the requisite formats signed by the Compliance Officer, have been submitted to the concerned stock exchanges.
- The Company has formulated a "Policy for determining Material Subsidiaries" which has been uploaded on the website of the Company at the weblink – [https://www.jindalpoly.com/Uploads/image/112imguf\\_MaterialSubsidiary-Policy.pdf](https://www.jindalpoly.com/Uploads/image/112imguf_MaterialSubsidiary-Policy.pdf)



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- d) The details of familiarization programmes imparted to Independent Directors are available on the website of the Company and can be accessed at the weblink – [https://www.jindalpoly.com/Uploads/image/111imguf\\_Familiarization-Programme.pdf](https://www.jindalpoly.com/Uploads/image/111imguf_Familiarization-Programme.pdf)
- e) The Company has complied with the mandatory requirements relating to Corporate Governance as prescribed in the Listing Regulations.
- f) There has been no instance of non-compliance of any requirement of Corporate Governance Report.
- g) Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time to time.
- h) During the year, no case was filed with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- i) Total Fees 37,82,499 paid to Statutory Auditor of the Company against the all services availed in the Company as well as Subsidiaries Companies.

### 16. Means of Communication:

- a) The Company regularly interacts with the shareholders through multiple channels of communication such as publication of results on quarterly, half-yearly and annual basis in the main editions of national and vernacular dailies (such as financial express, jansatta), Annual Report, e-mails and the Company's website.
- b) The quarterly results, shareholding pattern, corporate governance reports, intimation of Board meetings, etc. are filed with the stock exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre.
- c) The results are simultaneously posted on the website of the Company at <https://www.jindalpoly.com/>. The investors can also find on this website the Annual Reports, Quarterly Results, various policies of the Company, details of unpaid dividend, composition of various committees of the Board, terms and conditions for appointment of independent directors, details of various services being provided to investors, details of shares to be transferred to Investor Education and Protection Fund ("IEPF"), etc.
- d) Management Discussion and Analysis Report forms part of the Board's Report.

### 17. Code of Conduct and Ethics:

The Company had adopted Code of Conduct and Ethics which is available on the website of the Company (<https://www.jindalpoly.com/>). The object of the Code is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty.

This Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and with the external environment in which the Company operates.

The declaration given by Whole-Time Director of the Company affirming compliance of the Code of Conduct and Ethics by the Board Members and Senior Management Personnel of the Company during the Financial Year 2019-20 is enclosed to the Board's Report.

### 18. General Shareholders' Information:

#### a) Annual General Meeting:

The date, time & venue of the next Annual General Meeting and the next Book Closure date will be as per the Notice calling the Annual General Meeting.



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### b) Financial Year:

Financial Year is April 1, 2020 to March 31, 2021 and tentative schedule for approval of the quarterly / half yearly / yearly financial results is given below:

Event	Date
First Quarter Results	Last week of August, 2020
Half Yearly Results	Second week of November, 2020
Third Quarter Results	Second week of February, 2021
Audited Annual Results (Financial Year 2020-21)	Last week of May 2021

### c) Book Closure:

The register of members and share transfer books of the Company shall remain closed from September 24, 2020 to September 30, 2019 (both days inclusive).

#### a) Dividend Payment Date: On or after September 30, 2020

#### b) Listing on Stock Exchanges and Stock codes

The names and addresses of the stock exchanges at which the equity shares of the Company are listed and the respective stock codes are as under:

Name of the Stock Exchange	Stock Code
<b>BSE Limited (BSE)</b> , Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	500227
<b>National Stock Exchange of India Limited (NSE)</b> , Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	JINDALPOLY

The Company has paid annual listing fees for the Financial Year 2020-21 to BSE and NSE.

### d) Market Price Data

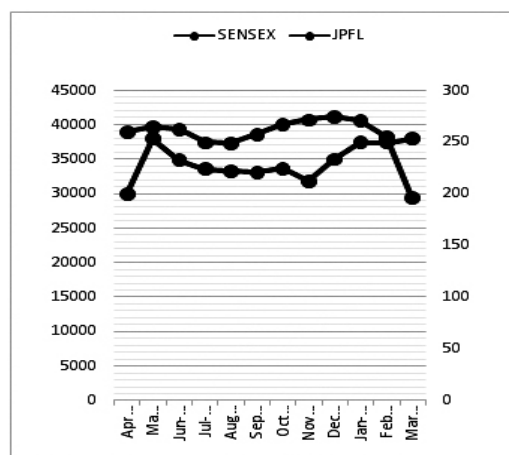
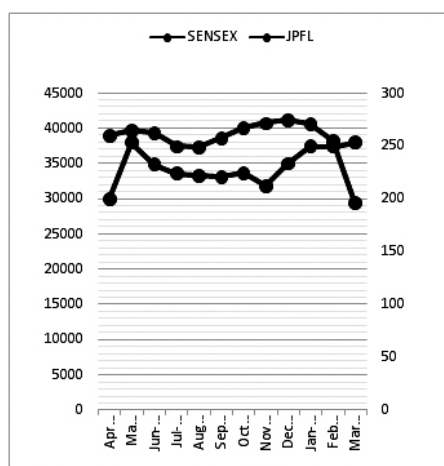
Market price data: High/low, number, value of shares traded and numbers of trades during each month of FY 2019-20:



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BSE						NSE					
Month	High Price per share (in Rs)	Low Price per share (in Rs)	No. of Shares Traded	Value of Shares Traded (Rs Lakhs)	No. of Trades	Month	High Price per share (in Rs)	Low Price per share (in Rs)	No. of Shares Traded	Value of Shares Traded (Rs Lakhs)	No. of Trades
Apr.19	270.25	245.3	40,325	103.41	1,374	Apr.19	260.95	252.00	13,107	33.50	616
May.19	271.05	227.95	54,706	135.73	2,076	May.19	254.00	238.85	40,517	100.72	1118
Jun.19	253.40	214.15	31,369	72.78	1,342	Jun.19	252.55	243.85	20,658	51.13	980
Jul.19	261.60	221.85	26,003	63.00	1,670	Jul.19	237.35	231.40	5,083	11.87	315
Aug.19	254.00	210.70	85,501	203.09	4,862	Aug.19	222.00	211.00	1,51,265	322.7	2733
Sep.19	260.50	212.90	46,714	112.13	3,739	Sep.19	235.15	223.30	15,480	35.1	752
Oct.19	239.55	210.00	25,454	57.84	1,274	Oct.19	223.55	215.05	16,687	36.84	354
Nov.19	237.50	218.80	78,490	176.47	4,335	Nov.19	224.90	220.20	10,968	24.29	316
Dec.19	236.90	215.00	54,349	121.33	3,936	Dec.19	224.00	217.45	6,907	15.33	64
Jan.20	297.05	219.10	1,38,679	370.51	11,104	Jan.20	245.35	231.60	7,325	17.40	998
Feb.20	294.00	231.00	66,557	173.60	7,372	Feb.20	260.00	250.05	19,412	49.37	382
Mar.20	264.25	150.00	1,70,436	324.60	8,300	Mar.20	208.90	191.10	11,775	23.92	417

### e) Jindal Poly Films share Price Movements Vis-à-vis Sensex and Nifty during FY 2019-20.



### f) Registrar & Transfer Agents and Share Transfer:

KFin Technologies Private Limited  
Karvy Selenium Tower B, Plot number 31 & 32  
Financial District, Nanakramguda, Serilingampally Mandal  
Hyderabad- 500032, India, Ph.: +91 040 6716 1517  
E-mail: suresh.d@kfintech.com, Website: www.kfintech.com

### g) Share Transfer System:

The shares sent for physical transfer are registered within a period of 15 days from the date of receipt provided the documents are clear in all respect. The power has been delegated to Company Secretary to give effect the transfer of shares upto 1000 Shares. If quantity is more than 1000 shares, the Stakeholders Relationship committee approval is required.



## JINDAL POLY FILMS LIMITED

### h) **Credit Rating:**

All ratings are assigned by CRISIL

Long-Term Rating: **CRISIL A+ Positive**

Short-Term Rating: **CRISIL A1 (Reaffirmed)**

**Dated : August 18th, 2019**

### i) **Address for Correspondence:**

Mr. Sanjeev Kumar, Company Secretary

Plot No. 12, Sector B-1, Vasant Kunj, Local Shopping Complex New Delhi –110070.

Tel : 91-11-40322100 Fax : 91-11-26125739

e-mail: [cs\\_jpoly@jindalgroup.com](mailto:cs_jpoly@jindalgroup.com), Website.: [www.jindalpoly.com](http://www.jindalpoly.com)

### j) **Dematerialization of Shares and Liquidity**

As on March 31, 2020, 4,35,45,882 Equity shares (99.45 % of the total number of shares) are in dematerialized form. The Company's shares are compulsorily traded in dematerialized mode.

### k) **Unpaid / Unclaimed Dividends**

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the dividend, which remains unpaid or unclaimed for a period of 7 years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to IEPF. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred by the Company to the demat account to IEPF Authority. During the Financial Year ended March 31, 2020, the Company has transferred unpaid dividend of Rs. 6,60,153 for the Financial Year 2011-12 to IEPF. The Company has also transferred 12,848 equity shares to demat account of IEPF authority in respect of which the dividend has been unpaid/unclaimed for the last 7 years.

### l) **Distribution Schedule of Shareholding as on 31st March, 2020.**

JINDAL POLY FILMS LIMITED					
Distribution of Shareholding as on 31/03/2020 (TOTAL)					
Sl. No	Category (Amount)	No. of Holders	% To Holders	Amount (Rs.)	% To Equity
1	1 - 5000	38,592	96.36	2,33,28,160.00	5.33
2	5001 - 10000	744	1.86	56,92,360.00	1.30
3	10001 - 20000	356	0.89	52,81,590.00	1.21
4	20001 - 30000	136	0.34	33,50,880.00	0.77
5	30001 - 40000	48	0.12	16,95,390.00	0.39
6	40001 - 50000	35	0.09	16,58,080.00	0.38
7	50001 - 100000	74	0.18	54,88,180.00	1.25
8	100001 and above	64	0.16	39,13,69,490.00	89.38
	<b>TOTAL:</b>	<b>40049</b>	<b>100.00</b>	<b>4,37,86,413</b>	<b>100.00</b>





## JINDAL POLY FILMS LIMITED

### m) Pattern by ownership

S.No.	Description	Total Shares	% Equity
A)	Promoters		
1	Bodies Corporate	3,18,86,656	72.82
2	Trust	7,52,433	1.72
3	Individual	2,000	0.00
B)	Public		
4	Resident Individuals	76,16,073	17.39
5	Foreign Portfolio - Corp	4,94,222	1.13
6	Bodies Corporates	8,35,585	1.92
7	Non Resident Indian Non Repatriable	8,20,466	1.87
8	Non Resident Indians	8,68,726	1.98
9	H U F	3,39,669	0.78
10	Investor Education and Protection Fund	1,05,325	0.25
11	Clearing Members	43,805	0.10
12	Indian Financial Institutions	19,532	0.04
13	Banks	204	0.00
14	NBFC	98	0.00
15	Trusts	1,465	0.00
16	Mutual Funds	154	0.00
	<b>Total</b>	<b>4,37,86,413</b>	<b>100.00</b>

### n) Compliance Certificate

Certificate from Statutory Auditors confirming compliance with conditions of Corporate Governance as stipulated in Regulations Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.

### o) Works (Plants)

- 28th K.M. Nasik-Bombay Highway, Village Mundegaon, Igatpuri, Distt. Nashik, Maharashtra
- 260/23, Sheetal Industrial Estate Demani Road, Dadra-396193 Dadra & Nagar Haveli (U.T.)

**For and on behalf of Board of Directors**

**Sd/-**  
**Sagato Mukerji**  
**(Whole-Time Director)**  
**DIN: 06465901**

**Sd/-**  
**Sanjeev Saxena**  
**(Whole-Time Director)**  
**DIN: 07899506**

**Place: New Delhi**  
**Date: June 29, 2020**



## JINDAL POLY FILMS LIMITED

### DECLARATION

To

The Members of  
M/s Jindal Poly Films Limited

I, Sagato Mukerji, Whole time Director, of the Company, hereby certify that the Board Members and Senior Management Personnel have affirmed compliance with the Rules of Code of Conduct for the financial year ended March 31, 2020 pursuant to the requirements of Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Jindal Poly Films Ltd.

Place New Delhi  
Dated : June 29, 2020

**Sagato Mukerji**  
(Whole-time Director)  
DIN: 06465901

### CEO/CFO Certification

To,

The Board of Directors  
Jindal Poly Films Limited  
B-1, Local Shopping Complex,  
Sector-B1, Vasantkunj, Delhi-110070

#### Sub: Compliance Certificate

We, Sagato Mukerji, Whole-time Director and Vinay Jindal, Chief Financial Officer of Jindal Poly Films Limited, certify that:

- (A) We have re-viewed the financial Statement and the cashflow statement for the financial year and quarter index 31.03.2020 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
- (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

By & on behalf of Board of Directors

Place: New Delhi  
Date: June 29, 2020

**Sd/-**  
(Sagato Mukerji)  
(Whole Time Director)  
DIN : 06465901

**Sd/-**  
(Vinay Jindal)  
(Chief Financial Officer)



## JINDAL POLY FILMS LIMITED

### **Independent Auditor's Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

The Members  
Jindal Poly Films Ltd.  
19th KM Hapur Bulandshahr Road,  
Gulaothi, Distt. Bulandshahr – 245408

1. The Corporate Governance Report prepared by Jindal Poly Films Limited (hereinafter refer to as the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2020. This certificate is required by the Company for annual submission to the Stock Exchanges and to be sent to the Shareholders of the Company.

#### **MANAGEMENT'S RESPONSIBILITY**

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors of the Company are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

#### **AUDITOR'S RESPONSIBILITY**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised)" and the "Guidance Note on Certification of Corporate Governance," both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC)1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### **OPINION**

7. Based on the procedures performed by us and according to the information and explanations given to us, we are of the opinion that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 1 above.

#### **OTHER MATTERS AND RESTRICTION ON USE**

8. This report 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.
9. This report is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the



## JINDAL POLY FILMS LIMITED

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relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Singhi & Co.  
**Chartered Accountants**  
ICAI Firm Registration Number: 302049E

Sd/-  
Bimal Kumar  
Partner  
Membership Number 088926  
UDIN:20088926AAAAGG8722

Place: Noida (Delhi- NCR)  
Date: June 29, 2020



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 1. MACRO ECONOMIC OVERVIEW

The world economy grew by 2.9% in 2019 compared with the 3.6% in the previous year, the lowest since the global financial crisis, as per the International Monetary Fund (IMF). The US economy grew by 2.3%, while China and India grew by 6.1% and 4.2%, respectively. The slowdown has been more pronounced in emerging economies like China, India and Brazil, among others.

The initial outlook for the ensuing year was for stronger growth, especially over the subdued 2019 economic performance, buoyed by favourable news on US-China trade negotiations, the UK transitioning to a new economic relationship with Europe by December 2020 and a healthy performance of emerging markets. However, in 2020 saw a significantly changed scenario with the outbreak of the COVID-19 pandemic.

According to the IMF, the Indian economy grew by 4.2% in FY 2019-20 due to sharper than expected slowdown in domestic demand and lingering stress in the Non-Banking

Financial Company (NBFC) sector. The sluggish demand is attributed to the decline in consumption growth (tightening of credit terms and poor consumer sentiment), investment and exports. The Government of India also announced a number of policy measures to boost investment, such as reduction in corporate tax rate from 30% to 22%, which was complemented by the easing of repo rates by the Reserve Bank of India. India's rank in the World Bank's Ease of Doing Business index has improved from 77 last year to 63 this year.

The Indian economy was projected to grow at a stronger pace in FY 2020-21 than the previous year, supported by monetary and fiscal stimulus and lower oil prices. However, the unprecedented COVID-19 pandemic, and the subsequent nationwide lockdown by the Government, along with other necessary measures to contain the pandemic, have made experts revise their forecasts significantly, with possible contraction of the Indian GDP in Q1 FY 2020-21.

In the initial days post the lockdown, there were instances of panic buying (though at lower levels as compared to international markets), supply shocks in the system with unavailability of labour (impacting all areas of value chain – manufacturing, logistics and delivery) and streamlining of retail operations including e-commerce. The situation on the ground has however been steadily improving.

### 2. INDUSTRY SCENARIO.

While most of the major industries faced this challenging environment, packaging industry continued to play a crucial role in adding value to various manufacturing sectors by delivering preservation of quality and enhanced shelf life of various products which is crucial for F&B and pharmaceutical industry. Under the influence of COVID-19 pandemic, the packaging industry continued to remain on its toes to meet all time high demand for packed food, medicine and other essential goods.

The global packaging industry will very soon witness a major shift towards smart and intelligent packaging – packaging that can sense changes in its external environment and transmit the signals informing about the change. With trends such as this influencing the market, packaging manufacturers will be poised to make changes that will have a significant impact on their overall business value.

Packaging Films Business FY 2019-20 has been a good year for the Business. BOPP market started recovering from the down cycle and BOPET market remained balanced.

In recent years, India has seen sustainable packaging growth due to the increase of packaged food consumption and awareness, and demand for quality products. Consumer awareness surrounding packaged food, specifically packaged food deliveries, has heightened. The boom in e-commerce and organized retail is expected to enhance the growth of plastic packaging and per capita consumption in the near future.



## JINDAL POLY FILMS LIMITED

The rapid growth of the market is primarily driven by the pharmaceuticals and foods and beverages industries. Huge investments in the food processing, personal care, and pharmaceuticals end-user industries are creating scope for expansion of the packaging market. The growth of the packaging market in India is largely driven by various logistic applications, technological advancements, and the development of the packaging sector across the country.

With the recent outbreak of COVID 19, the packaging manufacturers are facing supply chain disruption along with decreasing manufacturing at the site in many parts of the world. However now situation is improved.

### 3. BUSINESS REVIEW

Jindal Poly Films Ltd. (JPFL), is part of the BC Jindal group, was incorporated in 1974 to manufacture partially oriented yarn (POY). In 1996, the company diversified into packaging films by manufacturing BOPET. Since then it has transformed itself into one of the largest manufacturers of Biaxially Oriented Polypropylene (BOPP) Films and Biaxially-Oriented Polyethylene Terephthalate (BOPET) in the world. The manufacturing plant at Nashik, Maharashtra is the world's largest integrated facility for the production of BOPET and BOPP films.

The company is the largest player in India's bi-axially-oriented polyethylene terephthalate (BOPET) and BOPP markets, with capacities of 177,500 tpa and 251,000 tpa, respectively. It also has a strong position in the high-value-added metallised films market, with consolidated capacity of 71,000 tpa, and in coated products with capacity of 19,678 tpa. The capacity under Global Non Woven Unit (GNL) has also been doubled to 36,000 tpa in March, 2020 along with commissioning of a nonwoven line. The domestic BOPP capacity will also expand to 3,03,500 tpa by September, 2020. The company has regular capex to expand capacities and therefore is expected to maintain its leadership position over the medium term.

Operating efficiency in the domestic business is driven by a single-location manufacturing capacity in Nashik, Maharashtra, which results in economies of scale and hence low per-unit cost of production.

The Company also caters to the export markets and has a strong global customer base. The Company is also focusing on newer products, which will cater to niche markets.

Further Company's Global Nonwoven Division is India's leading manufacturer of PP (Polypropylene) based 'Spunmelt' & 'Spunbond' Nonwoven Fabric. Global Nonwovens manufactures wide range of Spunbond (SSS) and Spunmelt (SSMMS) fabric in roll goods form.

### 4. OPERATIONAL & FINANCIAL PERFORMANCE (Amount in Rs Lacs.)

Particulars	2019-20		2018-19	
	Consolidated	Standalone	Consolidated	Standalone
Total Income	3,60,618.15	35,899.47	3,72,621	3,69,351
Profit from Operations (EBITDA) before Exceptional Items	74,080.46	72,161.10	51,284.49	52,948.30
Exceptional Items +/-	(3,753.94)	(3,753.94)	(60,468.86)	(57,655.28)
Profit/(Loss) before tax	52,723.61	51,466.80	(24,080.12)	(19,082.09)
Profit/(Loss) after tax for the year	48,864.45	47,876.00	(40,864.84)	(35,300.92)

Exceptional Items comprises gain/ (loss) net (i) being exchange differences on translation/ settlement of long term foreign currency loans for acquiring fixed assets.(ii) written off balance amount of RPS and OCPS and Trade advance given to JITPL, for details please refer Note No. 33 of Standalone Financial Statements.



## 5. CHANGES IN KEY FINANCIAL RATIOS

The details of changes (change of 25% or more) in key financial ratios as compared to previous Financial Year are stated below:

S r . No.	Particulars	2019-20	2018-19	Change %	Explanation.
1	Operating Profit Margin (%)	20.52	14.34	43.10	Due to improved margins in Film & Specialty Polymers.
2	Inventory Turnover	4.99	7.79	35.94	Reduction in inventory

During the year under review, there has been a change more than 25% in return on net worth and net profit margin as compared to previous Financial Year on account of increase in Net Profit and Net worth.

## 6. KEY RISKS AND CONCERNS

The largest component of costs involved in making flexible packaging film is attributable to raw materials. The BOPET chips used to make BOPET Film as well as the polymers that go into producing BOPP Film are derived from petroleum.

The BOPP and BOPET business is cyclical; product realisations have fluctuated in the past depending on the demand-supply gap. Country's BOPET and BOPP industry production capacity is more against its domestic demand. Excess supply capacity is mainly due to time gap between new capacity additions.

Given the volatile trend in crude oil and demand for polymers for competing applications the pressure on input costs can be expected to fluctuate and accordingly, it is expected to pass the same to end consumers in the foreseeable future.

With environmental awareness rising globally, there is a strong momentum towards sustainable solutions. Stakeholders across the value chain are voicing their concerns regarding the use of plastic packaging and organizations are realigning themselves in this direction.

Slowdown in the Indian economy due to current global developments could adversely impact growth in the short-term although impact is not expected to be significant on flexible packaging industry being part of essential commodity.

## 7. FUTURE OUTLOOK

The packaging industry in India is fragmented in nature, owing to the several players competing to improve their market share. With the rising demand for packaging applications, along with technological advancement across the Indian economy, many companies are increasing their market presence by expanding their business footprint across various end-user markets.

The market is witnessing a shift from the use of rigid to flexible packaging among end-users across industries such as food and beverage, healthcare, personal care, and others. This can be attributed to various benefits offered by flexible packaging such as flexibility, durability, and lightweight nature. Also, products with flexible packaging are easy to open, carry, store, and are resalable. With the growing consumer focus on convenience and sustainability, the demand for flexible packaging is expected to increase during the forecast period.

The Company has established itself as a significant player in the BOPP, BOPET, CPP and other products. The products of the Company are well known in the market place for their good and consistent quality. Considering its successful approach towards research and development so as to innovate customer's centric products, strong marketing network and logistics strength, the outlook remains positive.





### 8. OPPORTUNITIES AND THREATS

#### Strengths

1. Huge investment in low cost and highly efficient modern thin film extrusion plants.
2. JPFL employs stringent controls to ensure the safety of its asset base against loss and misuse.
3. Increase in purchasing power in the developing countries has resulted in a significant rise in per capita consumption of flexible packaging materials
4. Excellent industrial relations which induces the right culture for an efficient working
5. One of the largest players of poly films in India

#### Opportunities

1. Thin BOPET films constitute nearly three fourth of the worlds consumption and the company manufacturers both thick and thin BOPETs.
2. High demand for thin BOPET films and comparably good profit margin.
3. Penetration of flexible packaging in the developing economies in Asia is still low and huge opportunities exist for growth with the increase in organized retail and small serve packs

#### Threats

1. Given the volatile trend in crude oil and demand for polymers for competing applications the pressure on input costs can fluctuate
2. Latest and modern machinery with most competent technical backup does not ensure success against fierce competitions
3. Capacity increase in many part of Asia and India, without corresponding increase in demand.

### SEGMENT PERFORMANCE

#### A. Flexible Packaging Film

The flexible packaging gross revenue was Rs 3,213.47Crore (2019-20) as against Rs. 3,361.95 Crore (2018-19)

#### B. Nonwoven Fabrics

The Nonwoven Fabrics gross revenue was Rs. 303.31 Crore (2019-20) as against Rs. 264.00 crore (2019-20)

Note: After Demerger of Photo Films Business from Jindal Poly Films Ltd. to Universus Photo Imaging Ltd., aqphotographic product and other are part of Universus Photo Imaging Ltd. w.e.f 1<sup>st</sup> April, 2019.

### 9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

The Company has a team of experienced and qualified personnel to support its plant and other allied operations. The project team also comprises of professionals having technical expertise and experience which is critical for successful and timely implementation of the operations.

The recruitment of well qualified personnel and retention of experienced workforce is critical for maintaining the talent pool in the Company. The Company continuously works towards ensuring that appropriate recruitment and retention plans are in place to avoid any gaps in talent pool. The Company continuously reviews its human resource policies to align them with the changing trends in the employment market and an appropriate performance appraisal system is in place to identify and reward the talent.

In order to maintain the talent pool, the Company selects technical personnel from premier institutes. They undergo detailed training after joining the Company which includes classroom lectures, on-the job training, mentor-mentee programs, etc. The training and development of the employees is a continuous



process. The training and development needs of the employees are identified as part of the appraisal process and appropriate training programmes are designed.

Employees are also empowered to take full ownership and accountability of their responsibilities. Besides human resource development, Company provides various welfare measures for its employees and their families. Cordial industrial relations in factory have also helped company to build a strong team of employees at various levels having good experience and skills.

### 10. INTERNAL CONTROL SYSTEM

The Company has a strong internal control system comprising various levels of authorization, supervision, checks and balances and procedures through documented policy guidelines and manuals. The Internal Audit Team regularly monitors the efficacy of internal controls/ and compliances with Standard Operating Procedures and Manuals with an objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance that all transactions are authorized, recorded and reported correctly and compliance with policies and statutes are made.

The managers exercise their control over business processes through operational systems, procedure manuals and financial limits of authority manual. These processes are reviewed and updated on regular basis to improve their efficacy and meet the business needs.

The Internal audit team develops a risk based annual audit programme which is aligned to the previous year's observations, suggestions from the operating managers and statutory auditors. The internal audit programme is approved by the Audit Committee.

The audit approach is based on random sample selection and takes into consideration the generally accepted business practices. The internal audit reports are discussed by the Audit Committee of the Board of Directors along with the directions/ action plan. The directions are implemented by the respective departments.

The Internal Audit Team also assesses opportunities for improvement in business processes, systems and controls, gives recommendations and reviews the implementation of directions issued by the management, Board of Directors or its committees.

### 11. CAUTIONARY STATEMENT

The report may contain certain statements that the Company believes are, or may be considered to be "forward looking statements" that describe its objectives, plans or goals. All these forward-looking statements are subject to certain risks and uncertainties, including but not limited to Government action, economic developments, risks inherent to the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Jindal Poly Films Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Jindal Poly Films Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, the 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 (SAs), as specified under section 143(10) of the Act. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Other Matter

Owing to the COVID-19 related lock-down, we were unable to participate in physical verification of inventories carried out by the management at the year-end. Consequently, we have performed alternative audit procedures to obtain comfort over the existence and condition of inventory at the year-end as per guidance provided by SA 501 "Audit Evidence – Specific Consideration for Selected Items" and have obtained sufficient audit evidence.

Our opinion is not modified in respect of above matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.N.	Key Audit Matter	Auditor's Response
1.	<b>Valuation of inventories</b>  We refer to Note 7 and 2 (p) to the financial statements. As at March 31, 2020, the total carrying amount of inventories was Rs. 57,528.91 lakhs. The assessment of impairment of inventories involves significant estimation uncertainty, subjective assumptions and the application of significant judgment. Reviews are made periodically by management on inventories for obsolescence and decline in net realizable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving history. Key factors considered include the nature of the stock, its ageing, shelf life and turnover rate.	<b>How our audit addressed the key audit matter:</b>  We have checked and analyzed the ageing of the inventories, reviewed the historical trend on whether there were significant inventories written off or reversal of the allowances for inventory obsolescence. We conducted a detailed discussion with the key management and considered their views on the adequacy of allowances for inventory obsolescence considering the current economic environment. We have also reviewed the subsequent selling prices in the ordinary course of business and compared against the carrying amounts of the inventories on a sample basis at the reporting date. We found management's assessment of the allowance for inventory obsolescence to be reasonable based on available evidence



## JINDAL POLY FILMS LIMITED

S.N.	Key Audit Matter	Auditor's Response
2.	<b>Valuation of Current and Non-Current Investments</b>  As disclosed in Note 4 & 8 to the financial statements. As at March 31, 2020, the total carrying amount of total investments were Rs. 42,395.62 Lakhs. Investments mainly includes mutual funds. Fair valuation of unquoted current investments involves significant estimation uncertainty, subjective assumptions and the application of significant judgment. This was an area of focus for our audit and the area where significant audit effort was directed.	<b>How our audit addressed the key audit matter:</b>  Our audit procedures included updating our understanding of the processes employed by the Company for accounting and valuing their investments. We have reviewed year end confirmation of mutual fund and depository participants. We have verified that the Company was the recorded owner of all investments. Our audit procedures over the valuation of the Investments included reviewing valuation of all Investments held at March 31, 2020. We have reviewed that investments, where probability of realization is very low, should not be carried forward. Based on the audit procedures performed we are satisfied with existence and valuation of investment at March 31, 2020.

### Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of our audit report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

### Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Standalone 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 also 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



## JINDAL POLY FILMS LIMITED

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, 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 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.

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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2013;
  - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 with reference to financial statements of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) In our opinion, the remuneration paid /provided by the Company to its directors during the year is in accordance with the provisions of section 197 (16) of the Act;



## JINDAL POLY FILMS LIMITED

- (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:
- The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35 to the standalone financial statements;
  - The Company has made provision for material foreseeable losses on long-term contracts including derivative contracts;
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 302049E**

**Bimal Kumar Sipani**  
**Partner**  
**Membership No. 088926**  
**UDIN:20088926AAAAGH7976**

**Place: Noida (Delhi-NCR)**  
**Date: June 29, 2020**

### **Annexure A referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re: Jindal Poly Films Limited)**

- The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment except in case of land which is in process of reconciliation with title deeds (Registry documents).
  - The Company has a regular programme of physical verification of its property, plant and equipment by which property, plant and equipment are verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature its property, plant and equipment. However, physical verification of property, plant & equipment was not conducted during the year as required under the programme.
  - The title deeds of all the immovable properties included under the head 'Property, plant and equipment' are held in the name of the Company except free hold land having gross value of Rs. 45.70 lakhs for which registration in the name of the company is pending. Further, lands are in process of reconciliation with title deeds (Registry documents).
- The management has conducted physical verification of inventories except stock in transit during the year at reasonable interval and no material discrepancies were noticed on such physical verification.
- The Company has granted unsecured loans during the year to two companies covered in the register maintained under Section 189 of the Companies Act, 2013. The terms and conditions of the grant of such loans are not, prima facie prejudicial to the interest of the Company. The Company has stipulated schedule of repayment of principal and payment of interest and repayment of principal and interest are regular, wherever applicable. The Company has not granted any loan to Firms, Limited Liability Partnership or any other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- The Company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of loan granted and investments made during the year. There is no loan granted or guarantee or security provided under section 185 and no guarantee or security provided under section 186 of the Companies Act, 2013 during the year.
- The Company has not accepted any deposit covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the Company's products to which the said rules are applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.





## JINDAL POLY FILMS LIMITED

- (vii) a. According to the records of the Company, the Company is generally regular in depositing amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues where applicable, with the appropriate authorities. There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.
- b. According to the records of the Company and information and explanation given to us, there are no dues outstanding of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax on account of any dispute, other than the followings:

Name of Statute	Nature of Dues	Period to which it relates	Amount	Forum where dispute is pending
			(Rs. in Lakhs)*	
The Income Tax Act, 1961	Disallowance of expenses and deduction	1993-1994	52.60	ITAT- Delhi
	Disallowance of expenses and depreciation	1999-2000	391.45	CIT(A)- Ghaziabad
	Disallowance of expenses	2006-07 to 2009-10	68.57	ITAT- Delhi
	Disallowance of expenses	2016-17	1.75	CIT(A)- 22 Delhi
	Addition on account of unexplained credit u/s 68	2012-2013	289.52	CIT(A)- 22 Delhi
	Disallowance u/s 14A	2014-2015	28.11	CIT(A)- 22 Delhi
	Disallowance u/s 14A and other expenses	2017-2018	1,385.24	CIT(A)- 22 Delhi
Sales Tax Act	Purchase disallowance against Form A	2005-06	2.41	Sales Tax Tribunal, Nasik
The Central Excise Act, 1944	Duty on Import of second hand machinery	2002-03	366.00	Hon'ble Supreme Court
	Duty on Supply of Material	2002-03	6.60	Commissioner, Nashik
	Disallowance of Cenvat Credit	2012-13	124.99	CESTAT, Mumbai
	Disallowance of Cenvat Credit on Commission	2015-16	473.05	Commissioner, Nashik
The Custom Act, 1962	Import of Spare parts under EPCG Licence	Mar, 2006	26.46	Commissioner, Delhi
	Import of Spare parts under EPCG Licence	Jun, 2003- May, 2008	82.57	CESTAT, Mumbai
	Import of Spare parts under EPCG Licence	Spet, 2006 - Dec, 2008	85.56	CESTAT, Mumbai
The CGST Act, 2017	Disallowance of Rebate	2013-2014 to 2017-18	438.99	CGST, Delhi
	Exemption from Additional Duty of Custom (equivalent to GST) wrongly availed on import of the raw material	Nov. 2017 to Feb. 2018	106.27	Directorate of Revenue Intelligence, Kolkata
	Availment of ineligible Input Credit	2015-2016	64.55	CGST, Ludhiana

\* Net of deposit.

- (viii) The Company has not defaulted in repayment of dues to banks and financial institution. The Company did not have any borrowing from Government and dues to debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Term loans raised during the year were applied for the purpose for which loans were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers and employees has been noticed or reported during the year.
- (xi) The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanations given by the management and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible





## JINDAL POLY FILMS LIMITED

debentures during the year. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 302049E**

**Bimal Kumar Sipani**  
**Partner**

**Place: Noida (Delhi-NCR)**

**Membership No. 088926**

**Date: June 29, 2020**

**UDIN:20088926AAAAGH7976**

### **Annexure B referred to in paragraph 2(f) of our report of even date on the other legal and regulatory requirements**

#### **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 with reference to standalone financial statements of Jindal Poly Films Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over the 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 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 as 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 of and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 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 with reference to financial statements.

#### **Meaning of Internal Financial controls with reference to financial statements**

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable



## JINDAL POLY FILMS LIMITED

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal; financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company ; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization 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 financial statements.

### **Inherent Limitations of Internal Financial controls with reference to financial statements**

Because of the inherent limitations of Internal Financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements 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 however same need to be further strengthened.

### **Emphasis of Matter**

We draw attention that the Company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not qualified in respect of this matter.

### **Explanatory Statement**

Our observation as stated in 'Emphasis of Matter, was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 standalone financial statements of the Company and this report does not affect our report dated June 29, 2020, which expressed an unqualified opinion on those standalone financial statements.

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 302049E**

**Place: Noida (Delhi-NCR)**  
**Date: June 29, 2020**

**Bimal Kumar Sipani**  
**Partner**  
**Membership No. 088926**  
**UDIN:20088926AAAAGH7976**



# JINDAL POLY FILMS LIMITED

## STANDALONE BALANCE SHEET AS AT 31ST MARCH 2020

		Rs. In Lakhs	
Particulars	Note	As at 31st March 2020	As at 31st March 2019
<b>Assets</b>			
<b>(1) Non Current Assets</b>			
(a) Property, Plant and Equipment	3	2,31,458.72	2,01,519.94
(b) Capital work-in-progress	3	18,161.49	2,778.07
(c) Right of use of Asset	3	161.46	-
(d) Other Intangible Assets	3	567.31	149.17
(e) Intangible Assets Under Development	3	-	367.27
(f) Financial Assets			
(i) Investments	4	4,492.16	523.71
(ii) Other Financial Assets	5	538.73	472.78
(g) Other Non Current Assets	6	1,634.63	5,826.75
<b>Total Non Current Assets</b>		<b>2,57,014.50</b>	<b>2,11,637.69</b>
<b>(2) Current Assets</b>			
(a) Inventories	7	57,528.91	48,176.92
(b) Financial Assets			
(i) Investments	8	37,903.46	40,043.50
(ii) Trade Receivables	9	13,023.86	14,251.26
(iii) Cash and Cash Equivalents	10	24,715.44	1,999.51
(iv) Bank Balances other than (iii) above	11	2,437.39	3,743.73
(v) Loans	12	2.84	2,970.38
(vi) Other Financial Assets	13	22,477.52	19,670.10
(c) Current Tax Assets (Net)	14	3,117.50	3,520.18
(d) Other Current Assets	15	11,739.05	9,773.64
<b>Total Current Assets</b>		<b>1,72,945.97</b>	<b>1,44,149.23</b>
<b>Total Assets</b>		<b>4,29,960.47</b>	<b>3,55,786.91</b>
<b>Equity And Liabilities</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	16	4,378.64	4,378.64
(b) Other Equity		1,75,799.95	1,41,507.84
<b>Total Equity</b>		<b>1,80,178.59</b>	<b>1,45,886.48</b>
<b>(2) Non Current Liabilities</b>			
(a) Financial Liabilities			
Borrowings	17	94,855.70	68,121.98
Lease Liability	17C	98.66	-
(b) Deferred Tax Liabilities (Net)	18	20,125.27	29,298.14
(c) Other Non Current Liabilities	19	36,835.76	27,497.42
<b>Total Non Current Liabilities</b>		<b>1,51,915.39</b>	<b>1,24,917.54</b>
<b>(3) Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	20	24,108.94	19,976.94
(ii) Lease Liability		66.02	-
(iii) Trade Payables	21		
Total outstanding dues of Micro Enterprises and Small Enterprises		144.45	0.26
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		24,855.73	26,090.12
(iii) Other Financial Liabilities	22	29,322.35	22,226.88
(b) Other Current liabilities	23	19,359.17	16,688.73
(c) Provisions	24	9.83	-
<b>Total Current Liabilities</b>		<b>97,866.49</b>	<b>84,982.89</b>
<b>Total Equity and Liabilities</b>		<b>4,29,960.47</b>	<b>3,55,786.91</b>
Summary of Significant Accounting Policies	1-2		
Other Notes on Financial Statements	35-55		

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

**For Singhi & Co**

Chartered Accountants

Firm Registration No : 302049E

**B K Sipani**

Partner

M No : 088926

Place: Noida (Delhi-NCR)

Date : 29th June 2020

For and on behalf of the Board of Directors

**Sagato Mukerji**

(Whole Time Director)

DIN - 06465901

**D S Rawat**

(VP Accounts)

**Sanjeev Kumar**

(Company Secretary)

ACS -18087

**Sanjeev Saxena**

(Whole Time Director)

DIN - 07899506

**Vinay Jindal**

(Chief Financial Officer)



## JINDAL POLY FILMS LIMITED

### STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020.

		Rs. In Lakhs except EPS	
Particulars	Note	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>I. REVENUES</b>			
Revenue from Operations	25	3,51,678.15	3,59,591.22
Other Income	26	7,313.32	10,432.21
<b>Total Revenue (I)</b>		<b>3,58,991.47</b>	<b>3,70,023.43</b>
<b>II. EXPENSES</b>			
Cost of Materials Consumed	27	2,24,564.70	2,61,677.90
Purchase of Stock-in-trade		180.78	98.47
Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	28	-5,595.34	-6,050.03
Employee Benefits Expense	29	9,783.10	9,045.14
Finance Costs	30	5,378.41	4,156.64
Depreciation and Amortization Expense	31	11,561.95	10,218.46
Other Expenses	32	57,897.13	52,303.64
<b>Total Expenses (II)</b>		<b>3,03,770.72</b>	<b>3,31,450.23</b>
<b>III. Profit before Exceptional Items and Tax (I - II)</b>		<b>55,220.74</b>	<b>38,573.21</b>
<b>IV. Exceptional Items Gain / (Loss)</b>	<b>33</b>	<b>(3,753.94)</b>	<b>(57,655.28)</b>
<b>V. Profit/ (Loss) Before Tax (III + IV)</b>		<b>51,466.80</b>	<b>(19,082.08)</b>
<b>VI. Tax Expense</b>			
(i) Current Tax	46	12,581.60	8,236.34
(ii) Deferred Tax Charged / (Credit)	46	(8,990.66)	7,982.49
<b>Total Tax Expenses</b>		<b>3,590.94</b>	<b>16,218.83</b>
<b>VII Profit/ (Loss) for the Year (V - VI)</b>		<b>47,875.86</b>	<b>(35,300.91)</b>
<b>VIII Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurements of post employment benefit obligations		128.15	370.36
- Current Tax on Above		(32.25)	(129.42)
- Deferred Tax on Above		-	-
<b>Other Comprehensive Income for the year</b>		<b>95.90</b>	<b>240.94</b>
<b>IX Total Comprehensive Income For the year (VII + VIII)</b>		<b>47,971.76</b>	<b>(35,059.97)</b>
<b>X Earnings per Equity Share (Face Value of Rs 10/- each)</b>	<b>34</b>		
Basic (in Rs.)		109.34	-80.62
Diluted (in Rs.)		109.34	-80.62
Summary of Significant Accounting Policies	1-2		
Other Notes on Financial Statements	35-55		

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

**For Singhi & Co**

Chartered Accountants

Firm Registration No : 302049E

**B K Sipani**

Partner

M No : 088926

Place: Noida (Delhi-NCR)

Date : 29th June 2020

For and on behalf of the Board of Directors

**Sagato Mukerji**

(Whole Time Director)

DIN - 06465901

**D S Rawat**

(VP Accounts)

**Sanjeev Kumar**

(Company Secretary)

ACS -18087

**Sanjeev Saxena**

(Whole Time Director)

DIN - 07899506

**Vinay Jindal**

(Chief Financial Officer)



# JINDAL POLY FILMS LIMITED

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020.

### (a) Equity Share Capital & Reconciliation of number of share outstanding at the beginning and end of the year : Rs. in Lakhs

Equity Shares	As at 31st March 2020		As at 31st March 2019	
	Number of Shares	Figures in Rs.	Number of Shares	Figures in Rs.
Balance as at the beginning of the year	4,37,86,413	4,378.64	4,37,86,413	4,378.64
Changes in Equity Share Capital during the year	-	-	-	-
Balance as at the end of the year	4,37,86,413	4,378.64	4,37,86,413	4,378.64

### (b) Other Equity

Rs. in Lakhs

Particulars	Reserve & Surplus						Other Comprehensive Income	Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Amalgamation Reserve	General Reserve	Retained Earnings	Remeasurements of post employment benefit obligations (net of tax thereon)	
<b>Balance as at 31st March 2018.</b>	<b>6,469.05</b>	<b>21,069.36</b>	<b>11,518.82</b>	<b>4,228.32</b>	<b>42,306.99</b>	<b>91,598.09</b>	<b>-94.94</b>	<b>1,77,095.69</b>
Profit / Loss for the Year	-	-	-	-	-	(35,300.91)	-	(35,300.91)
Other Comprehensive Income For the Year	-	-	-	-	-	-	240.94	240.94
Total Comprehensive Income For the Year	-	-	-	-	-	35,300.91	240.94	(35,059.97)
Dividends Declared and Paid for financial year 2017-18	-	-	-	-	-	437.86	-	437.86
Dividend Distribution Tax Paid	-	-	-	-	-	90.00	-	90.00
<b>Balance as at 31st March 2019.</b>	<b>6,469.05</b>	<b>21,069.36</b>	<b>11,518.82</b>	<b>4,228.32</b>	<b>42,306.99</b>	<b>55,769.32</b>	<b>146.00</b>	<b>1,41,507.84</b>
Profit / Loss for the Year						47,875.86		47,875.86
Other Comprehensive Income For the Year						95.89		95.89
Total Comprehensive Income For the Year						47,971.75		47,971.75
Transfer to retained earnings						146.00	(146.00)	-
Transferred pursuant to scheme of arrangement (Refer Note 51)						(13,151.78)		(13,151.78)
Dividends Declared and Paid for financial year 2018-19						437.86		437.86
Dividend Distribution Tax Paid						90.00		90.00
<b>Balance as at 31st March 2020</b>	<b>6,469.05</b>	<b>21,069.36</b>	<b>11,518.82</b>	<b>4,228.32</b>	<b>42,306.99</b>	<b>90,207.46</b>	<b>-</b>	<b>1,75,799.95</b>

**Capital Reserve:** Represents difference between nominal issue price of shares and value of net assets of transferee companies, pursuant to the scheme of amalgamation in the year 2014-2015 and can be utilised in accordance with the provisions of the Companies Act, 2013.

**Securities Premium :** Represents the premium received on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

**Capital Redemption Reserve:** Represents redemption of preference shares in earlier years and can be utilised in accordance with the provisions of the Companies Act, 2013.

**Amalgamation Reserve:** Represents difference between nominal issue price of shares and value of net assets of transferee companies, pursuant to the scheme of amalgamation in the year 1999-2000 and can be utilised in accordance with the provisions of the Companies Act, 2013.

**General reserve:** The Company appropriates a portion to general reserves out of the profits as decided by the board of directors and can be utilized in accordance with the provisions of the Companies Act, 2013.

**Retained Earnings:** Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders.

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

**For Singhi & Co**

Chartered Accountants

Firm Registration No : 302049E

**B K Sipani**

Partner

M No : 088926

Place: Noida (Delhi-NCR)

Date : 29th June 2020

For and on behalf of the Board of Directors

**Sagato Mukerji**

(Whole Time Director)

DIN - 06465901

**D S Rawat**

(VP Accounts)

**Sanjeev Kumar**

(Company Secretary)

ACS -18087

**Sanjeev Saxena**

(Whole Time Director)

DIN - 07899506

**Vinay Jindal**

(Chief Financial Officer)



# JINDAL POLY FILMS LIMITED

## STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2020

Rs. in Lakhs

Particulars	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>A. Cash inflow/(outflow) from operating activities</b>		
Net profit before tax	51,466.80	(19,082.08)
Adjustments for:		
Depreciation and amortisation	11,561.95	10,218.46
Amortisation of deferred Government grant	(1,911.16)	(1,545.00)
Net loss / (gain) on disposal/ discard of property, plant and equipment	19.40	191.00
Net loss /(gain) on sale of investment in mutual fund units	(3,020.10)	(334.86)
Gain / (loss) on sale of equity shares	-	(3,797.66)
Unrealised gain on foreign currency transactions and translations (considered as finance cost)	(3,535.68)	-
Net loss /(gain) on foreign currency transactions and translations (considered other than as finance cost)	(53.14)	(2,360.16)
Finance costs	5,378.41	4,156.65
Interest income	(437.12)	(523.62)
Written off of carrying amount of optionally convertible preference shares and redeemable preference shares (refer note 33.1)	-	49,137.46
Written of trading advances (refer note 33.2)	-	9,148.95
Net loss / (gain) on fair value of current investment	(1,003.38)	1,527.41
<b>Operating Profit before Working Capital Changes</b>	<b>58,465.97</b>	<b>46,736.55</b>
Adjustments for :		
(Increase) / decrease in trade and other receivables	(1,132.19)	(2,779.06)
(Increase) / decrease in inventories	(10,605.44)	(6,250.91)
(Increase) / decrease in trade and other payables	933.33	15,260.54
<b>Cash generated from Operations</b>	<b>47,661.67</b>	<b>52,967.12</b>
Direct tax paid (net of refund received)	(12,211.17)	(7,508.58)
<b>Net cash generated/ (used in) from Operating Activities</b>	<b>35,450.50</b>	<b>45,458.54</b>
<b>B. Cash Inflow/(Outflow) From Investing Activities</b>		
Purchase of property, plant & equipments and intangible assets	(47,323.70)	(40,204.15)
Sales proceeds of property, plant & equipments	123.70	207.57
Amount received from industrial promotion subsidy under mega project	8,790.18	4,464.43
Purchase of investments in mutual fund units	(31,218.59)	(34,577.95)
Sale of investments (redemption of mutual fund units)	26,558.58	15,625.39
Purchase of investments in equity shares	(3,700.00)	-
Sale of Investments (equity shares)	-	3,788.96
Movement in fixed deposits	1,302.39	1,875.57
Interest received	425.20	480.11
Loan given to related parties	(502.00)	(4,340.52)
Loan realised back from related parties	3,226.75	1,609.42
<b>Net Cash generated/ (used in) investing activities</b>	<b>(42,317.49)</b>	<b>(51,071.17)</b>
<b>C. Cash Inflow/(Outflow) From Financing Activities</b>		
Proceeds from non current borrowings	42,651.01	31,674.78
Repayments of non current borrowings	(10,219.74)	(10,290.84)
Proceeds /(repayments) of current Borrowings (Net)	4,191.69	(12,555.48)
Dividend paid (including dividend tax)	(527.86)	(522.97)
Payment of lease obligation	3.23	-
Finance cost paid	(6,274.08)	(3,775.89)
<b>Net Cash generated/ (used in) From Financing Activities</b>	<b>29,824.25</b>	<b>4,529.60</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>	<b>22,957.26</b>	<b>(1,083.03)</b>
Opening Balance of Cash and Cash Equivalents	1,939.82	3,022.87
Less : Balance transferred pursuant to Scheme of Arrangement (Refer note 51)	(181.65)	-
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>24,715.44</b>	<b>1,939.83</b>
<b>Cash &amp; Cash Equivalents Comprise (Refer Note 10)</b>		
Cash on hand	20.32	1.71
Balances with Banks in Current Accounts	13,015.07	1,997.80
Fixed Deposit with original maturity of less than three months	11,680.05	-
Less : Banks Overdrafts Payable on Demand	-	59.69
	<b>24,715.44</b>	<b>1,939.82</b>

Notes(i) Figures in bracket represent outflows.

(ii) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 on "Statement of Cash Flows"

(iii) Additional disclosure required under amendment to Ind AS 7 effective April 1, 2017, refer Note 42

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

**For Singhi & Co**

Chartered Accountants

Firm Registration No : 302049E

**B K Sipani**

Partner

M No : 088926

Place: Noida (Delhi-NCR)

Date : 29th June 2020

For and on behalf of the Board of Directors

**Sagato Mukerji**

(Whole Time Director)

DIN - 06465901

**D S Rawat**

(VP Accounts)

**Sanjeev Kumar**

(Company Secretary)

ACS -18087

**Sanjeev Saxena**

(Whole Time Director)

DIN - 07899506

**Vinay Jindal**

(Chief Financial Officer)



## Notes to the Standalone Financial Statements

### 1 Company Information

Jindal Poly Films Limited ("the Company") is the largest manufacturer of BOPET and BOPP films in India. The Company produces BOPET, BOPP, CPP, Thermal, Metalized and Coated Films. The manufacturing units at Nasik are amongst the most modern facilities available and are capable of producing high quality products. The Company is also engaged in manufacturing of Nonwoven Fabric products with plant located in Nasik. The Company is limited by shares, incorporated and domiciled in India and the equity shares of the Company are listed on the Indian Stock Exchanges i.e. National Stock Exchange & Bombay Stock Exchange.

These financial statements were authorised for issue by the Board of Directors on their meeting held on 29th June, 2020."

### 2 Summary of Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

#### (a) Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standard) Rules, 2015, as amended. Accounting Policies have been consistently applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

#### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the following items:

- Certain financial assets and liabilities that is measured at fair value.
- Certain financial assets and liabilities that is measured at amortized cost.
- Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

#### (c) Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

#### (d) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.





### Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- identification of leases
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Impairment test: key assumptions underlying recoverable amounts.
- Useful life and residual value of property, plant and equipments and intangible assets.
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Uncertainty relating to the global health pandemic

### (e) Classification of Assets and Liabilities

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset/liabilities is treated as current when it is:

- Expected to be realised/settled (liabilities) or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period,
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents."

### (f) Property, Plant and Equipment

#### Recognition and Measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP). The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost attributable to qualifying assets and incidental expenditure during construction incurred unto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment.

#### Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that there is an increase in the future economic benefits associated with the expenditure will flow to the Company.

#### Depreciation

Depreciation on property, plant and equipment has been provided on straight-line basis over the estimated useful life as prescribed under Schedule II to the Companies Act, 2013 or as per estimated useful life re-assessed by the Company. In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those classes of assets. The Company uses its technical expertise along with historical and industry trends



for arriving at the economic life of an asset. Following useful life has been considered for providing depreciation:

Name of Assets	Useful Life
(a) Factory Buildings	30 Years
(b) Non Factory Buildings	60 Years
(c) Plant and Equipments	15-30 Years
(d) Furniture and Fixtures	10 Years
(e) Office Equipments	5 Years
(f) Computers	3 Years
(g) Vehicles	8-10 Years

Individual assets costing below Rs. 5,000 are fully depreciated in the year of purchase. Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

## Capital work-in-progress

Expenditure incurred during the construction period, including all expenditure direct and indirect expenses, incidental and related to construction and eligible borrowing cost, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment.

## De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

## (g) Intangible Assets

Intangible assets (Other than goodwill) acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life. Estimated useful life of the softwares is considered as 6 years.

Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss. “

## (h) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of assets is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGUs). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.”

## (i) 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 a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

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



### (j) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are capitalised as part of the cost of such assets upto the assets are substantially ready for their intended use.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

### (k) Foreign currency transactions

Transactions in foreign currencies are recorded by the Company at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss with the exception of exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign currency borrowings. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measure at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined."

### (l) Employee Benefits

#### Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, exgratia, incentives are recognized in the period during which the employee renders the related service.

#### Post-Employment Benefits

##### (a) Defined Contribution Plans

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognized in the statement of profit and loss during the period during which the employee renders the related service.

##### (b) Defined Benefit Plans

The employee Gratuity Fund Scheme managed by a trust is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation under the projected unit credit method which recognizes each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at balance sheet date, having maturity periods approximated to the returns of related obligations. In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis."

(c) The obligation for leave encashment is provided for and paid on yearly basis.

(d) The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest)), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in other equity and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the



plans.”

### **Other long-term employee benefits**

The Company has long term employment benefit plans i.e. accumulated leave. Accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

### **(m) Revenue Recognition**

The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when:

- (a) effective control of goods alongwith significant risks and rewards of ownership has been transferred to customer and in case of services, the year in which such services are rendered.
- (b) the amount of revenue can be measured reliably;
- (c) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (d) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue (other than sale of goods) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Claim on insurance companies, interest and others, where quantum of accrual cannot be ascertained with reassurance certainty, are accounted for on acceptance basis.

The Company is engaged in the business of manufacturing & sales of various types of packaging films and Nonwoven Fabric Products of various dimensions and grades. As per the Company's usual policy, the low graded/surplus stock of films are sold at special discounted prices and such discounts are adjusted in unit sale price.

### **(n) Other Income**

Other income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income are recognised on an accrual basis using the effective interest method. Dividend income is recognized in the income statement on the date the entity's right to receive payments is established.

### **(o) Export Benefit**

Income from export incentives such as duty drawback etc are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

### **(p) Inventories**

Inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials is determined on FIFO basis and cost of stores, packing materials are determined on weighted average basis. Further the cost for Work-in-Progress includes material cost, stage wise direct cost and other related manufacturing overheads. Non usable wastes are valued at net realizable value. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

### **(q) Provisions**

Based on the best estimate, provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable (“more likely than not”) that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date. A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### **(r) Operating Segments.**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Operating segments comprise Packaging Films and Nonwoven Fabrics being performance measure of the Company, as required under Ind AS 108 (Operating Segments). The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted by the Company. Operating Segments are identified based on the nature of products, the different risks and returns, being the performance measure of the Company. Further disclosure of segments based on geography by location of customers i.e. in India and outside India has been made. Inter-segment



revenue, if any, have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

### (r) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts and commodity futures contracts.

#### a) Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts.

#### b) Classification and subsequent measurement

##### Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at fair value through other comprehensive income (FVTOCI) A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss and recognised in other income Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI). This election is made on an investment by investment basis. Fair value gains and losses recognised in OCI are not reclassified to profit and loss.

##### Fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. In addition, the Company may elect to classify a Financial assets, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss."

##### Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### c) Derecognition

##### Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby the asset transfers are recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

##### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the Statement of Profit and Loss.

#### (d) Impairment of financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component



is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in statement of profit or loss.

### **(e) Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously. Financial assets and liabilities are being offset and the net amount reported in the Financial Statements when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### **(t) Derivative financial instruments**

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are recognised in Statement of Profit and Loss." Financial assets and liabilities are being offset and the net amount reported in the Financial Statements when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### **(u) Income tax**

Income tax expense comprises current and deferred tax. It is recognised in Statement of profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

#### **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **Deferred tax**

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Such reductions are reversed when the probability of future taxable profits improves.

### **(v) Leases**

#### **Company as a lessee**

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

#### **Lease Liability**





## JINDAL POLY FILMS LIMITED

The lease payments that are not paid at the commencement date, are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value as that of right-of-use asset in a similar economic environment with similar terms, security and conditions. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made."

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate."

### **Right of Use (ROU) Assets**

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term or useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are presented as a separate line in the Balance Sheet and details of assets are given ROU note under "Notes forming part of the Financial Statement".

The Company applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option."

### **Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership are transferred from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Com-





pany's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease."

### **(w) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

For the purposes of the Statement of Cash Flow, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities."

### **(x) Government Grants**

"The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognised at fair value when there is reasonable assurance that the grant will be received upon the Company complying with the conditions attached to the grant. Accordingly, government grant :

(i) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred and disclosed in other income.

(ii) related to Packaging Scheme of Incentives Government of Maharashtra are initially carried by setting up these grants as Deferred Government Grants and amortised/recognised in the statement of profit and loss on straight line method and disclosed in Other Income.

(iii) related to acquisition of property, plant & equipment are initially carried by setting up these grants as Deferred Government Grants and amortised/recognised in the statement of profit and loss on straight line method and netted off from depreciation expenses.

### **(y) Earnings per share**

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included."

### **(z) Expenditure on new projects , substantial expansion and during construction period**

"Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its originally assessed standard of performance. Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective fixed assets on the completion of its construction."

### **Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") has not notified new standard or amendments to the existing standards, which would have been applicable from 1st April, 2020.



## JINDAL POLY FILMS LIMITED

### 3. Property, plant and equipment

Figures in Rs.

Particulars	Gross Carrying Amount				Accumulated Depreciation					Net Carrying Amount		
	As at 1st April 2019	Demerger as per Scheme	Additions	Deletions	As at 31 March 2020	As at 1st April 2019	Demerger as per Scheme	Additions	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
<b>Tangible Assets- Own Assets</b>												
Freehold Land	807.66	50.57	-	-	757.10	-	-	-	-	-	757.10	807.66
Leasehold Land	68.90	68.90	-	-	-	3.47	3.47	-	-	-	-	65.43
Factory Building	34,648.59	747.52	6,285.45	-	40,186.52	4,497.56	183.15	1,297.71	-	5,612.12	34,574.40	30,151.03
Other Building	2,360.51	192.77	89.63	-	2,257.36	221.73	24.05	41.84	-	239.52	2,017.84	2,138.78
Plant and Equipment	1,95,881.03	555.25	36,260.05	193.57	2,31,392.25	28,421.28	386.26	10,221.21	51.28	38,204.95	1,93,187.30	1,67,459.75
Furniture and Fixtures	260.63	12.85	28.85	-	276.63	110.88	8.86	24.54	-	126.56	150.07	149.75
Office Equipments	397.35	13.61	40.66	0.34	424.06	222.59	8.37	52.77	0.20	266.79	157.27	174.75
Computer	542.38	-	73.66	0.52	615.53	342.66	-	55.35	0.48	397.54	217.99	199.72
Vehicles	577.45	66.55	101.79	-	612.70	204.38	51.55	63.12	-	215.95	396.74	373.07
<b>Total</b>	<b>2,35,544.50</b>	<b>1,708.02</b>	<b>42,880.09</b>	<b>194.43</b>	<b>2,76,522.14</b>	<b>34,024.56</b>	<b>665.71</b>	<b>11,756.54</b>	<b>51.97</b>	<b>45,063.42</b>	<b>2,31,458.72</b>	<b>2,01,519.94</b>
<b>Tangible Assets- Right of Use Assets (Ref Note No 47)</b>												
Office Building	-	-	213.11	-	-	-	-	51.65	-	-	161.46	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>213.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51.65</b>	<b>-</b>	<b>-</b>	<b>161.46</b>	<b>-</b>
Capital work-in-progress	2,778.07	-	56,960.18	41,576.76	18,161.49	-	-	-	-	-	18,161.49	2,778.07
<b>Total</b>	<b>2,38,322.57</b>	<b>1,708.02</b>	<b>1,00,053.38</b>	<b>41,771.19</b>	<b>2,94,683.63</b>	<b>34,024.56</b>	<b>665.71</b>	<b>11,808.19</b>	<b>51.97</b>	<b>45,063.42</b>	<b>2,49,781.66</b>	<b>2,04,298.01</b>

Particulars	Gross Carrying Amount				Accumulated Depreciation					Net Carrying Amount		
	As at 1st April 2018	Demerger as per Scheme	Additions	Deletions	As at 31 March 2019	As at 1st April 2018	Demerger as per Scheme	Additions	Deletions	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
<b>Tangible Assets</b>												
Freehold land	710.44	-	97.43	0.21	807.66	-	-	-	-	-	807.66	710.44
Leasehold land	68.90	-	-	-	68.90	2.60	-	0.87	-	3.47	65.43	66.30
Factory Building	29,725.07	-	4,928.19	4.67	34,648.59	3,293.78	-	1,208.22	4.44	4,497.56	30,151.03	26,431.29
Other Building	2,122.85	-	317.58	79.92	2,360.51	198.69	-	52.91	29.87	221.73	2,138.78	1,924.15
Plant and equipment	168,349.54	-	30,697.76	3,166.28	195,881.03	22,201.79	-	9,041.78	2,822.29	28,421.28	167,459.75	146,147.76
Furniture and fixtures	241.66	-	18.97	-	260.63	85.58	-	25.30	-	110.88	149.75	156.08
Office equipments	343.05	-	54.30	-	397.35	163.54	-	59.05	-	222.59	174.75	179.51
Computer	422.23	-	120.15	-	542.38	276.30	-	66.36	-	342.66	199.72	145.93
Vehicles	449.22	-	190.10	61.86	577.45	194.34	-	67.80	57.75	204.38	373.07	254.88
<b>Total</b>	<b>202,432.95</b>	<b>-</b>	<b>36,424.48</b>	<b>3,312.93</b>	<b>235,544.50</b>	<b>26,416.62</b>	<b>-</b>	<b>10,522.29</b>	<b>2,914.35</b>	<b>34,024.56</b>	<b>201,519.94</b>	<b>176,016.33</b>

- 3.1 During the year the company has enhanced capacity of non-woven fabric products and started commercial production w.e.f. 1 March 2020.
- 3.2 Interest Expenses Rs 1022.37 Lakhs (Previous Year Rs 139.95 Lakhs) directly attributable to the acquisition of fixed assets are capitalized during the year as part of the cost of the assets up to the date of such asset is ready for its intended use.
- 3.3 In previous year, disposal of Freehold Lands comprise portion of lands at Gulaothi, acquired by NHAI for the purpose of widening of Municipal Road.
- 3.4 Freehold Land includes lands having carrying value of Rs 45.70 Lakhs (Previous Year Rs 45.70 Lakhs), which are pending for registration in the name of the Company.
- 3.5 Assets pledged and Hypothecated against borrowings: Refer Note No. 17
- 3.6 # Refer Note 51.

#### Intangible Assets

Particulars	Gross Carrying Amount				Accumulated Depreciation					Net Carrying Amount		
	As at 1st April 2019	Demerger as per Scheme	Additions	Deletions	As at 31 March 2020	As at 1st April 2019	Demerger as per Scheme	Additions	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
<b>Intangible Assets</b>												
Softwares	328.50	-	547.27	-	875.77	179.34	-	129.13	-	308.46	567.31	149.17
<b>Total</b>	<b>328.50</b>	<b>-</b>	<b>547.27</b>	<b>-</b>	<b>875.77</b>	<b>179.34</b>	<b>-</b>	<b>129.13</b>	<b>-</b>	<b>308.46</b>	<b>567.31</b>	<b>149.17</b>
Intangible Assets Under Development	367.27	-	-	367.27	-	-	-	-	-	-	-	367.27
<b>Total</b>	<b>695.77</b>	<b>-</b>	<b>547.27</b>	<b>367.27</b>	<b>875.77</b>	<b>179.34</b>	<b>-</b>	<b>129.13</b>	<b>-</b>	<b>308.46</b>	<b>567.31</b>	<b>516.43</b>



## JINDAL POLY FILMS LIMITED

Particulars	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount	
	As at 1st April 2018	Demerger as per Scheme	Additions	Deletions	As at 31 March 2019	As at 1st April 2018	Demerger as per Scheme	Additions	Deletions	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
<b>Intangible Assets</b>												
Softwares	289.12	-	39.38	-	328.50	107.80	-	71.54	-	179.34	149.17	181.32
<b>Total</b>	<b>289.12</b>	<b>-</b>	<b>39.38</b>	<b>-</b>	<b>328.50</b>	<b>107.80</b>	<b>-</b>	<b>71.54</b>	<b>-</b>	<b>179.34</b>	<b>149.17</b>	<b>181.32</b>
Intangible Assets Under Development	-	-	367.27	-	367.27	-	-	-	-	-	367.27	-
<b>Total</b>	<b>289.12</b>	<b>-</b>	<b>406.65</b>	<b>-</b>	<b>695.77</b>	<b>107.80</b>	<b>-</b>	<b>71.54</b>	<b>-</b>	<b>179.34</b>	<b>516.43</b>	<b>181.32</b>

### 3.5 Additional disclosure as per previous GAAP

Summary showing Original Book Value as per previous GAAP (comprising Original Cost and Accumulated Depreciation thereon) is as follows:

#### Property, Plant and Equipment

Rs. in Lakhs.

Particulars	As at 31 March 2020			As at 31 March 2019		
	Original Cost	Accumulated depreciation	Net Book Value	Original Cost	Accumulated depreciation	Net Book Value
<b>Tangible Assets</b>						
Freehold land	757.10	-	757.10	807.66	-	807.66
Leasehold land	-	-	-	78.15	12.72	65.43
Factory Building	48,298.30	13,723.90	34,574.40	43,384.99	13,233.96	30,151.03
Other Building	2,842.96	825.13	2,017.84	3,021.33	882.56	2,138.78
Plant and equipment	3,22,945.89	1,29,759.11	1,93,186.78	2,89,699.66	1,22,239.91	1,67,459.75
Furniture and fixtures	486.45	336.38	150.07	555.81	406.06	149.75
Office equipments	748.75	591.48	157.27	786.56	611.81	174.75
Computer	1,296.39	1,077.87	218.51	1,231.02	1,031.30	199.72
Vehicles	907.00	510.26	396.75	937.72	564.65	373.07
<b>Total</b>	<b>3,78,282.84</b>	<b>1,46,824.12</b>	<b>2,31,458.72</b>	<b>3,40,502.90</b>	<b>1,38,982.96</b>	<b>2,01,519.94</b>
<b>Tangible Assets- Right of Use Assets (Ref Note No 4)</b>						
Office Building	213.11	51.65	161.46			
<b>Total</b>	<b>213.11</b>	<b>51.65</b>	<b>161.46</b>			
Capital work-in-progress	18,161.49	-	18,161.49	2,778.07	-	2,778.07
<b>Total</b>	<b>3,96,657.43</b>	<b>1,46,875.77</b>	<b>2,49,781.66</b>	<b>3,43,280.97</b>	<b>1,38,982.96</b>	<b>2,04,298.01</b>
Particulars	As at 31 March 2020			As at 31 March 2019		
	Original Cost	Accumulated depreciation	Net Book Value	Original Cost	Accumulated depreciation	Net Book Value
<b>Intangible Assets</b>						
Software	876.88	309.57	567.31	332.95	183.79	149.17
<b>Total</b>	<b>876.88</b>	<b>309.57</b>	<b>567.31</b>	<b>332.95</b>	<b>183.79</b>	<b>149.17</b>
Intangible Assets Under Development		-	-	367.27	-	367.27
<b>Total</b>	<b>876.88</b>	<b>309.57</b>	<b>567.31</b>	<b>700.22</b>	<b>183.79</b>	<b>516.43</b>



## JINDAL POLY FILMS LIMITED

### 4. INVESTMENTS

#### Non Current Investments

	As at 31st March 2020			As at 31st March 2019		
	No of Shares	Face Value (Rs.)	Amount (Rs in Lakhs)	No of Shares	Face Value (Rs.)	Amount (Rs in Lakhs)
<b>4.1 Equity Shares (Quoted) (measured at fair value through profit &amp; loss)</b>						
Garware Polyester Limited	100	10	0.17	100	10	0.22
Ester Industries Limited	500	5	0.12	500	5	0.17
	-	-	<b>0.29</b>	-	-	<b>0.38</b>
<b>4.2 Equity Shares (Un Quoted) In Subsidiaries (measured at cost)</b>						
Jindal Films India Limited (Refer Note 4.2.1)	28,16,664	10	4,165.00	15,83,330	10	465.00
Jindal Packaging Trading DMCC (Refer Note 4.2.2)	1,649	1000 AED	315.73	100	1000 AED	18.17
J. and D. Speciality Films Private Limited.	1,00,000	10	10.00	1,00,000	10	10
Jindal Imaging Limited	1,00,000	10	10.00	1,00,000	10	10.00
Jindal Photo Imaging Limited	50,000	10	5.00	50,000	10	5.00
Less:- Provision for impairment in value of Investments in Jindal Imaging Limited and Jindal Photo Imaging Limited	-	-	(13.86)	-	-	(13.86)
			<b>4,491.88</b>			<b>494.31</b>
<b>4.3 Equity Shares (Un Quoted) In Associates (measured at cost)</b>						
JPF Netherlands BV (refer note 4.2.3)	-	-	-	41,15,428	0.01 EURO	29.02
						<b>29.02</b>
			<b>4,492.16</b>			<b>523.72</b>
Aggregate value of quoted Investments			0.29			0.38
Aggregate value of unquoted Investments			4,491.88			523.34
Aggregate Market Value of Quoted Investments			0.29			0.38
Impairment of Unquoted Investment			13.86			13.86

4.2.1 During the year the company have made investment in Equity shares of Jindal Films India Limited at a face value of Rs 10 and acquired 12,33,334 equity shares.

4.2.2 During the financial year the company have made investment in Jindal Packaging and Trading DMCC at face value 1000 AED and acquired 1549 equity shares.

4.2.3 Please refer Note No. 51.



## JINDAL POLY FILMS LIMITED

Rs. in Lakhs

	As at 31st March 2020	As at 31st March 2019
<b>5 Other Financial Assets</b>		
Unsecured, Considered Good :		
Security Deposits	88.75	163.58
Surplus in Plan Assets Under Defined Benefit Plan	449.98	309.20
	<b>538.73</b>	<b>472.78</b>
<b>6 Other Non Current Assets</b>		
Unsecured, Considered Good :		
Capital Advances	1,591.36	5,818.53
Other Receivables - Related Parties	35.63	8.22
Prepaid Expenses	7.64	-
Unsecured, Considered Doubtful :		
Other Receivables - Related Parties	-	19.45
Less : Allowances for Doubtful Receivables	-	19.45
	<b>1,634.63</b>	<b>5,826.75</b>
<b>7 Inventories</b>		
"Raw Material (includes Goods in Transit, refer note 7.2)	22,752.06	18,224.70
Work In Progress	1,733.64	1,563.62
Finished Goods	25,184.45	20,279.51
Stock in Trade	180.78	98.47
Store, Spares and Tools	7,257.71	7,305.13
Packing Material	338.26	485.59
Saleable Waste	82.01	219.90
	<b>57,528.91</b>	<b>48,176.92</b>
7.1 Refer Accounting Policy 2 and Note 20		
7.2 Raw Material includes Goods in Transit	4,166.19	1,686.23
7.3 Write down of inventories Rs 778.06 Lakhs (Previous year Rs 909.56 Lakhs) due to quality deterioration/defective products, were recognised as expense during the year and included in changes in inventories of finish good, stock in trade and work in progress in statement of Profit and Loss.		



## JINDAL POLY FILMS LIMITED

### 8 Investments

#### Current Investments (measured at fair value through profit & loss)

Rs in lakhs

Particulars	As at 31st March 2020		As at 31st March 2019	
	Units	Amount	Units	Amount
<b>Investments in Mutual Fund Units - Unquoted</b>				
ABSL Banking & PSU Debt Direct Fund - Growth Plan	10,95,623	2,973.84	9,19,279	2,224.70
ABSL Corporate Bond Direct Fund - Growth Plan	-	-	27,80,638	2,006.66
ABSL Liquid Direct Fund - Growth Plan	3,23,341	1,033.26	2,33,438	701.33
ABSL Low Duration Fund - Growth Direct Plan	4,21,766	2,166.08	-	-
ABSL Money Manager Direct Fund - Growth Plan	2,04,917	602.00	12,53,311	3,154.58
Axis Banking & PSU Debt Direct Fund - Growth Plan	56,720	1,100.93	45,347	802.46
Axis Liquid Direct Fund - Growth Plan	10,420	229.70	72,515	1,503.61
DSP Liquidity Direct Fund - Growth Plan	-	-	56,333	1,505.99
DSP Short Term Fund Direct Fund - Growth Plan	59,14,908	2,125.58	46,03,560	1,513.22
HDFC Corporate Bond Direct Fund - Growth Plan	1,19,75,013	2,764.26	47,89,341	1,002.68
ICICI Banking & PSU Debt Direct Fund - Growth Plan	60,75,018	1,436.35	47,83,064	1,031.43
ICICI Pru Money Market Fund Direct	3,03,234	846.83	-	-
ICICI Prudential Corporate Bond Direct Fund - Growth Plan	75,87,517	1,720.47	1,18,73,971	2,335.22
ICICI Prudential Credit Risk Direct Fund - Growth Plan	-	-	28,01,324	589.14
ICICI Prudential Medium Term Bond Direct Fund - Growth Plan	-	-	38,41,101	1,152.04
ICICI Prudential Savings Direct Fund - Growth Plan	-	-	11,99,904	3,316.73
IDFC Bond Fund - Short Term Plan Direct Fund - Growth Plan	77,48,154	1,081.84	25,85,295	1,022.37
IDFC Cash Fund	45,955	1,103.77	-	-
IDFC Low Duration Direct Fund - Growth Plan	66,17,442	1,912.08	18,73,803	501.17
Kotak Banking & PSU Debt Fund	52,52,059	2,502.43	-	-
Kotak Bond Short Term Direct Fund - Growth Plan	1,06,37,225	4,269.27	27,48,023	1,002.30
Kotak Credit Risk Direct Fund - Growth Plan -	-	-	95,81,027	2,063.50
Kotak Mahindra Liquid Scheme Direct Fund - Growth Plan	-	-	48,375	1,830.66
Kotak Medium Term Fund Direct Fund - Growth Plan	-	-	1,69,17,776	2,705.86
Nippon India Banking & PSU Debt Fund	2,00,69,446	3,470.31	2,00,69,446	2,729.25
Direct Growth Plan				
SBI Magnum Ultra Short Duration Debt	7,959	385.90	45,764	1,907.35
Direct Fund - Growth Plan				
SBI Short Term Debt Fund	29,13,594	703.17	-	-
Tata Short Term Bond Direct Fund - Growth Plan	55,12,496	2,120.98	55,12,496	1,875.29
Tata Liquid Direct Fund - Growth Plan	1,788	56.00	16,998	500.50
UTI Credit Risk Direct Fund - Growth Plan	-	-	59,15,970	1,065.46
HDFC Liquid Fund	84,432	3,298.41		
<b>Total Investments in Mutual Fund Units</b>		<b>37,903.46</b>		<b>40,043.50</b>
Aggregate carrying amount of Unquoted Investment		37,903.46		40,043.50
Aggregate carrying amount of Quoted Investment		-		-
Aggregate market value of Quoted Investment		-		-



## JINDAL POLY FILMS LIMITED

Rs. in Lakhs

	As at 31st March 2020	As at 31st March 2019
<b>9 Trade Receivables</b>		
Unsecured, Considered Good :		
Receivables from Related Parties	-	465.23
Receivables From Others (Refer Note 41.1)	13,023.86	13,786.04
Unsecured, Considered Doubtful :		
Credit Impaired	-	52.00
Less : Allowances for Credit Losses	-	52.00
	<b>13,023.86</b>	<b>14,251.27</b>
9.1 Trade Receivables are subject to balance confirmation.		
9.2 Refer Note 20		
<b>10 Cash and Cash Equivalents</b>		
Balances with Banks in Current Accounts	13,015.07	1,997.80
Cash in hand	20.32	1.71
Fixed Deposit with original maturity of less than three months	11,680.05	
	<b>24,715.44</b>	<b>1,999.51</b>
<b>11 Bank Balances other than (10) above</b>		
<b>Earmarked Balances with Banks</b>		
- Unpaid Dividend Account	28.58	32.54
- Deposits with remaining maturity for less than 12 months*\$	2,408.81	3,711.19
	<b>2,437.39</b>	<b>3,743.73</b>
*Pledged as Margin Money with appropriate Authorities/Banks.		
\$ Refer Note 35.1.3		
<b>12 Loans</b>		
Unsecured, considered Good		
Loan to Related Parties	2.84	2,970.38
	<b>2.84</b>	<b>2,970.38</b>
<b>13 Other Financial Assets</b>		
Unsecured, considered Good		
Amount Receivable Under Package Scheme of Incentive (Refer Note 40.1(a))	17,957.43	15,505.07
Interest Subsidy Receivable (Refer Note 40.2, 40.4)	3,899.67	2,965.47
Interest Accrued on Deposits and Loans	-	
From Related Parties (Refer Note 33.2)	-	38.12
From Others	146.33	151.06
Security Deposits	-	115.92
Claims and Other Receivables	-	
From Related Parties	1.62	425.36
From Others	472.47	469.07
	<b>22,477.53</b>	<b>19,670.09</b>





## JINDAL POLY FILMS LIMITED

	As at 31st March 2020	As at 31st March 2019
<b>14 Current Tax Assets (Net)</b>		
Advance Income Tax (Net of Provision)	3,117.50	3,520.18
	<b>3,117.50</b>	<b>3,520.18</b>
<b>15 Other Current Assets</b>		
Unsecured, considered Good		
Balance with Custom	-	35.08
GST Input Credit^	646.05	6,476.91
Export Incentive Receivables	663.61	985.85
Prepaid Expenses	227.55	280.70
Advances against Supplies		
-Related Parties	177.37	-
-Others	9,9808.02	1,906.71
Others*	116.45	91.39
	<b>11,739.06</b>	<b>9,773.64</b>

\*Includes imprest to employees

^ subject to reconciliation

Rs in Lakhs except Number of Shares

	As at 31st March 2020	As at 31st March 2019
<b>16 Equity Share Capital</b>		
<b>Authorised</b>		
232000000 (Previous Year : 232000000) Equity Shares of Rs 10 Each	23,200.00	23,200.00
30000000 (Previous Year : 30000000) Cumulative Redeemable Preference Shares Capital of Rs 10 Each	3,000.00	3,000.00
	<b>26,200.00</b>	<b>26,200.00</b>
<b>Subscribed, Issued and Paid up</b>		
43786413 (Previous Year : 43786413) Equity Shares of Rs 10 Each	4,378.64	4,378.64
	<b>4,378.64</b>	<b>4,378.64</b>

(a) **Reconciliation of the Number of Shares**

Equity Shares	As at 31st March 2020		As at 31st March 2019	
	Number of Shares	Amount (In Rs.)	Number of Shares	Amount (In Rs.)
Balance as at the beginning of the year	4,37,86,413	4,378.64	4,37,86,413	4,378.64
Add : Issued During the year	-	-	-	-
Balance as at the end of the year	4,37,86,413	4,378.64	4,37,86,413	4,378.64

(b) **Equity Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years.**

1,73,87,000 Equity Shares of Rs 10/- each, issued pursuant to the Scheme of Arrangement (being effective w.e.f. 1st April 2014) between Jindal Photo Limited (Demerged Company) and Jindal Poly Films Limited (Resulting Company), on demerger of Business of Manufacture, production, sale and distribution of photographic products of demerged company into the Resulting Company.



## JINDAL POLY FILMS LIMITED

### (c) Shareholders holding more than 5 percent Equity shares of the Company

Name of the Shareholders	As at 31st March 2020		As at 31st March 2019	
	Number of Shares	% Holding	Number of Shares	% Holding
Soyuz Trading Company Limited	1,22,05,344	27.87%	1,22,05,344	27.87%
Jindal Photo Investments Limited	92,45,140	21.11%	1,14,95,410	26.25%
Rishi Trading Company Limited	52,24,016	11.93%	52,24,016	11.93%
Bhavesh Trust \$	23,69,000	5.41%		

\$ As at 31 March 2019, shareholding was less than 5%

### (d) Terms/ rights attached to Equity shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend, however same is subject to the approval of the shareholders in the Annual General Meeting of the Company.

Rs. in Lakhs

	Note	As at 31st March 2020	As at 31st March 2019
<b>17 Borrowings</b>			
(Non Current Borrowings)			
<b>17A Non Current Portion</b>			
<b>Secured Borrowings From Banks</b>			
Foreign Currency Loans (i)		40,243.29	25,255.65
Foreign Currency Loans (ii)		13,559.14	-
Rupee Loans (iii)		27,274.98	20,649.98
Rupee Loans (iv)		11,429.57	15,756.00
		<b>92,506.98</b>	<b>61,661.63</b>
<b>Secured Borrowings From Public Financial Institution</b>			
Foreign Currency Loans (i)		2,705.19	4,964.68
Rupee Loans (ii)		520.00	1,040.00
Rupee Loans (iii)		1,257.88	1,981.88
		4,483.07	7,986.56
<b>Total Non Current Portion</b>		<b>96,990.05</b>	<b>69,648.18</b>
<b>17B Current Portion</b>			
<b>Secured Borrowings From Banks</b>			
Foreign Currency Loans (i)		3,653.67	6,200.70
Foreign Currency Loans (ii)		966.23	-
Rupee Loans (iii)		7,875.00	5,605.65
Rupee Loans (iv)		4,266.00	3,016.00
		<b>16,760.90</b>	<b>14,822.35</b>
<b>Secured Borrowings From Public Financial Institution</b>			
Foreign Currency Loans (i)		2,705.19	2,481.87
Rupee Loans (ii)		520.00	520.00
Rupee Loans (iii)		724.00	724.00
		3,949.19	3,725.87
<b>Total Current Portion</b>		<b>20,710.09</b>	<b>18,548.22</b>
<b>Total Borrowings (17A + 17B)</b>		<b>1,17,700.14</b>	<b>88,196.40</b>
Less: Current Maturities of Non Current Borrowings (disclosed in note 23)		20,710.09	18,548.22
Less : Unamortised Cost of Borrowings		2,134.35	1,526.21



## JINDAL POLY FILMS LIMITED

### Total Non Current Borrowings

#### 17C Lease liability

Lease obligations

Less : Current Maturity of Lease (Refer Note No. 21)

**94,855.70**

164.68

66.02

**98.66**

**68,121.98**

-

-

-

### Securities

- (i) & (iii) Secured by First Pari passu Charge over immovable property including land and buildings and movable fixed assets of Packaging Films division of the Company, situated at village Mundegaon at village Mukane, Igatpuri, District Nasik in the state of Maharashtra " Nasik Plant".
- (ii) & (iv) Secured by First Pari passu Charge over immovable property including land and buildings and movable fixed assets of Nonwovens Fabrics division of the Company, situated at village Mundegaon at village Mukane, Igatpuri, District Nasik in the state of Maharashtra " Nasik Plant".
  - (i) Further Foreign currency term loans aggregating Rs 43878.69 Lacs (Previous Year Rs 28430.79 Lacs) are guaranteed by Euler Hermes Aktiengesellschaft, Germany.
  - (iv) Secured against first Pari passu charge on all tangible Movable Assets and Immovable Assets of the project of Nonwovens Fabrics Division. Further working capital limit of Rs 1900 Lakhs (Previous Year Rs 1900 Lakhs), has first pari passu charge on all movable fixed assets.

### Terms of Repayments of Non-Current portion of Borrowings :

- (i)
  - a. Rs 2705.19 Lacs (Previous Year Rs 4964.48 Lacs)- Repayable in 4 Fixed quarterly equal installments (Previous Year 8 Fixed quarterly equal installments).
  - b. Rs 6471.09 Lacs (Previous Year Rs 7064.34 Lacs)- Repayable in 12 Fixed half yearly equal installments (Previous Year 14 Fixed half yearly equal installment).
  - c. Rs 18105.34 Lacs (Previous Year Rs 18174.78 Lacs)- Repayable in 30 installments (Previous Year 34 installment).
  - d. Rs 15666.87 Lacs (Previous Year Rs NIL)- Repayable in 19 fixed half yearly equal installments (Previous Year NIL).
  - e. Rs 13559.14 Lacs (Previous Year Rs NIL)- Repayable in 19 fixed half yearly equal installments (Previous Year NIL)."
- (ii)
  - a. Rs 520.00 Lacs (Previous Year Rs 1040.00 Lacs)- Repayable in 4 quarterly installments (Previous year 8 quarterly installments).
  - b. Rs 937.48 Lacs (Previous Year 2812.50 Lacs)- Repayable in 1 half yearly installments (Previous year 3 half yearly installments).
  - c. Rs 312.50 lacs (Previous Year 937.50 Lacs)- Repayable in 1 half yearly installments (Previous year 3 half yearly installments).
  - d. Rs 6500.00 Lacs (Previous Year Rs 8500 Lacs)- Repayable in 13 quarterly installments (Previous year 17 quarterly installments).
  - e. Rs 2600.00 Lacs (Previous Year Rs 3400.00 Lacs)- Repayable in 5 half yearly installments (Previous year 7 half yearly installments).
  - f. Rs 3500.00 Lacs (Previous Year Rs 5000.00 Lacs)- Repayable in 7 quarterly installments (Previous year 10 quarterly installments).
  - g. Rs 875.00 Lacs (Previous Year Rs NIL)- Repayable in 14 quarterly yearly installments (Previous year NIL).
  - h. Rs 4000.00 Lacs (Previous Year Rs NIL)- Repayable in 16 quarterly yearly installments (Previous year NIL).
  - i. Rs 8550.00 Lacs (Previous Year Rs NIL)- Repayable in 18 quarterly yearly installments (Previous year NIL)"
- (iii) Rs 6,437.44 Lakhs (Previous year Rs. 10,237.88 Lakhs) repayable in 7 (Previous year 11) quarterly installments and Rs. 6,250.00 lakhs (Previous year Rs. 7500.00 lakhs) repayable in 15 (Previous year 18) fixed equal quarterly installments
- (iv) Rs 2,705.19 Lakhs (Previous Year Rs 4,964.48 Lakhs)- Repayable in 4 Fixed quarterly equal installments (Previous Year 8 Fixed quarterly equal installments).

In case of borrowings in Indian rupee, interest rate ranges from 8.28% p.a to 10.50% p.a. and in case of borrowing in foreign currency,



## JINDAL POLY FILMS LIMITED

interest rate are linked with LIBOR/ EURIBOR (ranging 0.85% to 4.56 %)(previous year ranging 0.85 % to 4.19%).

Rs. in Lakhs

	As at 31st March 2020	As at 31st March 2019
<b>18 Deferred Tax Liabilities (Net)</b>		
Deferred Tax Liabilities on :		
- Depreciation / Amortisation of Property, Plant & Equipment	26,437.19	35,172.62
- Financial assets measured at Fair Value through Profit & Loss	587.30	618.47
<b>Total Deferred Tax Liabilities</b>	<b>27,024.48</b>	<b>35,791.10</b>
Deferred Tax Assets on :		
- Defined Benefit Obligations	-	-
- MAT Credit Entitlement (Refer Note 19.1)	-	688.52
- Financial assets measured at Fair Value through Profit & Loss	944.79	-
- Government Grants and Others	5,954.42	5,804.44
<b>Total Deferred Tax Assets</b>	<b>6,899.21</b>	<b>6,492.96</b>
<b>Total Deferred Tax Liabilities (Net)</b>	<b>20,125.27</b>	<b>29,298.14</b>

### Movement in Deferred Tax Liabilities (Net)

Rs. in Lakhs

	As at 31 March 2019	Transferred pursuant to Scheme of Arrangement (Refer Note 51)	Charge/ (Credit) in the Statement of Profit and Loss		As at 31 March 2020
			Adjustment due to adoption of new tax regime	At current tax rate	
<b>Deferred Tax Liabilities / (Assets) *</b>					
- Property, Plant & Equipments	35,172.62	(364.22)	(9,941.86)	1,570.65	26,437.19
- Defined Benefit Obligations	-	-	-	-	-
- MAT Credit Entitlement	(688.52)	-	688.52	-	-
- Financial assets measured at Fair Value through Profit & Loss	618.47	(14.87)	(177.19)	(783.92)	(357.50)
- Government Grants and Others	(5,804.44)	196.89	1,678.94	(2,025.82)	(5,954.42)
	<b>29,298.14</b>	<b>(182.20)</b>	<b>(7,751.58)</b>	<b>(1,239.09)</b>	<b>20,125.27</b>



## JINDAL POLY FILMS LIMITED

	As at 31 March 2018	Charge/ (Credit) in the Statement of Profit and Loss	Charge/ (Credit) in Other Comprehensive Income	MAT Credit Utilisations	As at 31 March 2019
<b>Deferred Tax Liabilities / (Assets) *</b>					
- Property, Plant & Equipments	32,516.12	2,656.50	-	-	35,172.62
- Defined Benefit Obligations	(28.06)	28.06	-	-	-
- MAT Credit Entitlement	(688.52)	-	-	-	(688.52)
- Financial assets measured at Fair Value through Profit & Loss	(6,498.69)	7,117.17	-	-	618.47
- Government Grants and Others	(4,114.63)	(1,819.24)	129.41	-	(5,804.44)
	<b>21,186.22</b>	<b>7,982.49</b>	<b>129.41</b>	<b>-</b>	<b>29,298.14</b>

\*items for deferred tax assets has been presented in negative.

18.1 Refer Note 46

	As at 31st March 2020	As at 31st March 2019
<b>19 Other Non- Current Liabilities</b>		
Deferred Government Grants		
Opening Balance	29,042.41	20,865.09
Less: Transferred pursuant to Scheme of Arrangement (Refer Note 51)	563.45	-
Add : Grants/Subsidy addition during the year (refer note 40.1)	12,929.85	10,097.69
Less : Amortisation of Deferred Grants taken to Other Income (refer note 26)	1,911.16	1,545.00
Less : Amortisation of Deferred Grants - Deducted from Depreciation Expenses (refer note 31)	375.37	375.37
Closing Balance of Deferred Government Grants	39,122.29	29,042.42
Less : Current Portion, disclosed in Note 23	2,286.52	1,545.00
	<b>36,835.76</b>	<b>27,497.42</b>



## JINDAL POLY FILMS LIMITED

Rs. in Lakhs

		As at 31st March 2020	As at 31st March 2019
<b>20 Current Borrowings</b>			
<b>Secured</b>			
From Banks	(i)	4,879.36	6,006.31
From Banks	(ii)	4,641.46	4,729.17
<b>Total</b>		<b>9,520.82</b>	<b>10,735.48</b>
<b>Unsecured Borrowings</b>			
From Banks		14,588.13	9,241.46
<b>Total</b>		<b>14,588.13</b>	<b>9,241.46</b>
<b>Total Current Borrowings</b>		<b>24,108.94</b>	<b>19,976.94</b>

### Securities

- (i) Secured by way of first pari pasu charge on all inventories and book debts of the packaging films business of the Company. These are further secured by way of second pari-pasu charge on immovable & movable properties of the packaging films business of the Company situated at Nasik (Maharashtra) and Gulaothi (U.P.).
- (ii) Secured by way of first pari pasu charge on all inventories, books-debts of Non Wovens Fabrics Division of the Company situated at Nasik (Maharashtra).

		As at 31st March, 2020	As at 31st March, 2019
<b>21 Trade Payables</b>			
Total outstanding dues of Micro Enterprises and Small Enterprises; (Refer Note 21.1)		144.45	0.26
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises			
- Related Parties (Refer Note 37)		191.65	251.10
- Others		24,664.08	25,839.98
		<b>25,000.18</b>	<b>26,090.34</b>

21.1 For Disclosure of outstanding dues to Micro Enterprises and Small Enterprises, Refer Note 50

21.2 Trade Payables are subject to balance confirmation and reconciliations.

### 22 Other Financial Liabilities

Current maturities of Non Current Borrowings (Refer Note 17)	20,710.09	18,548.22
Interest accrued	293.06	254.54
Unpaid Dividends	28.58	32.54
Employees Payables	964.79	1,309.25
Staff Security Payables	61.87	312.64
Security Deposits	243.93	7.28
Capital Creditors	7,020.03	1,762.41
	<b>29,322.36</b>	<b>22,226.88</b>



## JINDAL POLY FILMS LIMITED

Rs. in Lakhs

	As at 31st March 2020	As at 31st March 2019
<b>23 Other Current liabilities</b>		
Current Portion of Deferred Government Grant (Refer Note 20)	2,286.52	1,545.00
Amount received from and Credit balance of customers		
- From Related Parties (Refer Note 37)	800.20	1,507.98
- From Others	13,950.78	7,333.48
Statutory Dues	502.37	5,250.64
Others	1,819.30	1,051.62
	<b>19,359.17</b>	<b>16,688.73</b>
<b>24 Provisions</b>		
Provisions for Employee Benefits	9.83	-
	<b>9.83</b>	<b>-</b>
	<b>For the Year Ended 31st March 2020</b>	<b>For the Year Ended 31st March 2019</b>
<b>25 Revenue From Operations</b>		
Sales of Products (Refer Note 25.1)	3,51,588.52	3,59,463.89
Other Operating Revenue		
Duty Drawback	89.63	127.33
	<b>3,51,678.15</b>	<b>3,59,591.22</b>
Sales of Manufactured Goods		
- Packaging Films	3,21,346.70	3,26,435.14
- Nonwoven Fabrics	30,331.45	26,400.51
- Photographic Products #	-	6,628.24
25.1 "Net revenue from operations (net of GST/ Excise Duty, as applicable) # Refer Note 51	<b>3,51,588.52</b>	<b>3,59,463.89</b>
<b>26 Other Income</b>		
Interest Income	437.12	523.63
Software Services (Information Technology Services)	601.29	424.12
Claims Received	129.08	200.24
Provision no longer required written back	72.53	515.63
Lease and Other Rent	57.39	58.70
Other Gains / (Losses)		
Net Gain on sale of Investment in Mutual Fund Units	3,020.10	334.86
Amortisation of Deferred Government Grant (Refer Note 20)	1,911.16	1,545.00
Net gain on fair value of current investment	1,003.38	1,527.40
Net Gain on Foreign Currency Transactions and Translations	-	1,504.95
Gain on Sale of Equity Shares of an Overseas Associates	-	3,797.66
Miscellaneous Income	81.27	-
	<b>7,313.31</b>	<b>10,432.21</b>
<b>27 Cost of Materials Consumed</b>		
Packaging Films	2,07,046.22	2,40,411.18
Photographic Products #	-	4,585.19
Nonwoven Fabric Products	17,699.26	16,780.00
	<b>2,24,745.48</b>	<b>2,61,776.37</b>
# Refer Note 51		





## JINDAL POLY FILMS LIMITED

Rs. in Lakhs

	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>28 Changes in Inventories Of Finished Goods, Work In Progress and Stock In Trade</b>		
<b>Opening Stock \$</b>		
Finished Goods	19,768.72	14,791.61
Stock in Trade	42.78	145.32
Work In Progress	1,554.14	837.43
Saleable Waste	219.90	337.11
	<b>21,585.54</b>	<b>16,111.48</b>
<b>Closing Stock</b>		
Finished Goods	25,184.45	20,279.51
Stock in Trade	180.78	98.47
Work In Progress	1,733.64	1,563.62
Saleable Waste	82.01	219.90
	<b>27,180.88</b>	<b>22,161.51</b>
Decrease / (Increase) in Inventories	<b>(5,595.34)</b>	<b>(6,050.03)</b>
\$:Net off Rs. 575.96 Lakhs transferred pursuant to Scheme of Arrangement. Refer Note 51		
<b>29 Employee Benefits Expense</b>		
Salaries, Wages, Bonus & Other Benefits	9,117.19	8,357.11
Contribution to Provident and Gratuity Fund	465.94	411.84
Staff & Workmen Welfare Expenses	199.97	276.19
	<b>9,783.10</b>	<b>9,045.14</b>
<b>30 Finance Costs</b>		
Interest on Financial Liabilities		
- Long Term Borrowings (Refer Note 40.2)	4,753.00	3,546.79
- Bank Borrowings & Others	357.86	692.42
Other Borrowing Cost	536.19	57.39
Net Loss on Foreign Currency Transactions and Translations (considered as finance cost)	753.72	-
	<b>6,400.77</b>	<b>4,296.59</b>
Less : Capitalised/ transferred to Capital Work in Progress	1,022.37	139.95
	<b>5,378.40</b>	<b>4,156.64</b>
<b>31 Depreciation and Amortization Expense</b>		
Depreciation of Property, Plant and Equipment- Own Assets	11,756.54	10,574.69
Depreciation of Property, Plant and Equipment- Right of Use of Assets	51.65	-
Amortization of Intangible Assets	129.13	19.14
	<b>11,937.32</b>	<b>10,593.83</b>
Less : Amortisation of Deferred Government Grants (Refer Note 19)	375.37	375.37
	<b>11,561.95</b>	<b>10,218.46</b>



## JINDAL POLY FILMS LIMITED

Rs. in Lakhs

	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>32 OTHER EXPENSES</b>		
Stores and Spares Consumed	5,970.41	3,568.05
Power and Fuel	29,446.55	26,755.47
Repairs and Maintenance (Refer Note 41.2)	-	-
Plant & Machinery	595.00	339.86
Buildings	103.11	46.03
Others	1,643.01	1,265.17
Packing Charges including Material Consumption	8,199.61	8,630.57
Lease and Other Rent (Refer Note 48)	284.43	339.09
Rates & Taxes	264.06	146.20
Travelling & Conveyance	1,016.40	975.33
Charity & Donation	35.86	37.77
Corporate Social Responsibility Expenditure	49.54	213.45
Director Sitting Fees	4.88	2.93
Demerger Expenses	101.14	4.38
Postage & Telephone charges	20.05	142.63
Legal & Professional Expenses	6,646.32	6,166.28
Insurance	405.96	281.47
Auditors' Remuneration (Refer Note 32.1)	37.82	30.52
Provision for Expected Credit Loss	52.00	-
Information Technology Expenses	509.57	359.42
Freight, Cartage & Octroi	10.10	-
Commission and Other Selling Expenses	318.44	490.12
Net Gain/(Loss) on disposal / discard off property, plant & Equipment	-	191.00
Bank Charges	404.51	499.87
Miscellaneous Expenses (includes contribution towards Electoral Bond amounting Rs 350 Lakh, Previous Year : 950 Lakh)	1,268.44	1,766.03
Net Loss on Foreign Currency Transactions & Translations (Other than considered as Finance Cost)	572.03	-
	<b>57,897.14</b>	<b>52,303.64</b>
<b>32.1 Auditors' Remuneration comprises:</b>		
Audit Fee	18.00	18.00
Limited Review Fees	6.00	4.50
Tax Audit Fee	2.25	3.50
GST Audit Fee	8.00	-
In Other Capacities/Services	1.15	2.70
Reimbursement of Expenses	2.42	1.82
	<b>37.82</b>	<b>30.52</b>
<b>33 Exceptional Items Gain / (Loss)</b>		
Net Gain/(Loss) being exchange difference on transaction and translation of long term foreign currency loans for acquiring fixed assets.	(3,753.94)	631.15
Written Off Advance (refer note 33.2)	-	(9,148.95)
Written off of Carrying amount of Optionally Convertible Preference Shares (refer note 33.1)	-	(24,130.20)
Written off of Carrying amount of Redeemable Preference Shares (refer note 33.1)	-	(25,007.28)
	<b>(3,753.94)</b>	<b>(57,655.28)</b>



## JINDAL POLY FILMS LIMITED

- 33.1 In earlier years, the Company has invested in 263590000 Zero Percent Redeemable Preference Shares (RPS) and 440200000 Optionally Convertible Preference Shares (OCPS) of Jindal India Powertech Limited (JIPL) having fair/carrying value of Rs. 49,137.48 Lakhs as at 1st April 2018. JIPL was the holding company of Jindal India Thermal Power Limited (JITPL) which operates thermal power plant (1200 MW) located at village Derang, Distt Angul, Orissa. In previous year, the lenders of JITPL have invoked the pledged equity shares to the extent of 66 % equity capital and consequent thereof, JITPL no longer remains a subsidiary of JIPL. The Company has measured above RPS and OCPS at fair value/amortised cost as per Ind AS 109 (Financial Instruments) in earlier years and necessary adjustments was made. As JITPL has substantial negative net worth, continuous cash losses, based on independent valuer's report and in view of remote possibility of recoverability, the Company has decided to write off balance amount of Rs 24,130.20 Lakhs and Rs 25,007.28 Lakhs (net of fair value adjustment Rs 19,890 Lakhs made in earlier years), and shown under exceptional items.
- 33.2 In earlier years, the Company had entered into power purchase agreement with Jindal India Thermal Power Ltd. (JITPL) and given interest bearing trade advance for power purchase. JITPL due to various business & financial constraints, has expressed its inability at this juncture to repay the balance advance (including interest Rs 763.62 Lakhs) amounting Rs.9,149 Lakhs. The Company has assessed its recoverability and in view of remote possibility of recoverability due to continuous cash losses by JITPL, it has been decided to write off this amount and shown under exceptional items in the previous year.

Rs. in Lakhs

	As at 31st March 2020	As at 31st March 2019
<b>34 Earnings Per Share - Basic</b>		
Profit attributable to the Equity Shareholders (Rs. In Lakhs)	47,875.86	(35,300.91)
Weighted average Number of Equity Shares outstanding (Nominal Value of Equity Shares - Rs 10/- each)	4,37,86,413	4,37,86,413
Basic Earnings per Share (in Rs.)	109.34	(80.62)
<b>Earnings Per Share -Diluted</b>		
Profit attributable to the Equity Shareholders (Rs. In Lakhs)	47,875.86	(35,300.91)
Weighted average Number of Equity Shares outstanding (Nominal Value of Equity Shares - Rs 10/- each)	4,37,86,413	4,37,86,413
Diluted Earnings per Share (in Rs.)	109.34	(80.62)
<b>Calculation of Weighted average Number of Equity Shares outstanding</b>		
Shares Outstanding as at the beginning of the year	4,37,86,413	4,37,86,413
Add : Shares Issued During the year	-	-
Shares Outstanding as at the end of the year	4,37,86,413	4,37,86,413
<b>35 Contingent Liabilities, Contingent Assets and Commitments</b>		
<b>35.1 Contingent Liabilities:</b>		
<b>35.1.1 Claims against the Company not acknowledged as debts</b>		
i) Income tax	2,217.25	907.38
ii) Excise Duty	970.72	1,203.34
iii) Service Tax	609.81	98.25
iv) Electricity Duty	599.00	599.00
v) Custom Duty	200.45	211.95
vi) Others	65.27	323.24

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities. However, the Company has reviewed all its pending litigation and proceeding and has adequately provided for where provision required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position and does aspects any outflow in respect of the above contingent liabilities.



## JINDAL POLY FILMS LIMITED

Rs. in Lakhs

	As at 31st March 2020	As at 31st March 2019
<b>35.1.2 Corporate Guarantees</b>		
<b>Corporate Guarantee given to banks on behalf of following Subsidiary Companies (to the extent of borrowings outstanding):</b>		
-Jindal Packaging Trading DMCC (wholly owned subsidiary) (Maximum Value of Guarantee Rs 3300 Lakhs, (previous year Rs 3300 Lakhs))	Nil	Nil
<b>35.1.3 Securities and Pledge of Fixed Deposits (including accrued interest thereon) on behalf of following company against project overrun</b>		
-Jindal India Thermal Power Limited	2,138.73	1,852.00
<b>35.1.4</b> In light of recent judgment of Honorable Supreme Court dated 28, February 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Company's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sustained reliability and with impact on financial position of the company.		
<b>35.2 Commitments</b>		
<b>35.2.1</b> Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	4,034.83	37,922.58
<b>35.2.2</b> Balance Export obligation for import of capital equipments under EPCG scheme of the Central Government at the concessional rate of custom duty. The Management expects to fulfil export obligation within due dates.	1,67,915.78	19,368.07
<b>35.2.3</b> The Company has availed certain Government subsidies/grants. As per the terms and conditions, the Company has to continue production for specified number of years and other conditions failing which amount of subsidies/grants availed along with interest, penalty, etc. will have to be refunded.		

### 36 Defined Contribution Plans

The Company makes contributions towards provident fund to a defined contribution benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the benefit plan to fund the benefits.

Contribution to Provident Fund	275.16	268.85
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### Defined Benefit Plans

The Company made provision for gratuity 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 employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity liability is being contributed to the gratuity fund formed by the company. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31st March 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, was measured using the Projected Unit Credit Method.

Below tables entails the changes in the projected benefit obligation & plan assets and amount recognised in the standalone Balance Sheet as at 31st March 2020 and 31st March 2019, being the respective measurement date:



## JINDAL POLY FILMS LIMITED

36.1	Movement in Present Benefit Obligations	Rs in Lakhs	
		As at 31st March 2020	As at 31st March 2019
	Present value of obligation as at the beginning of the period	1,102.06	1,318.96
	Acquisitions / Transfer in/ Transfer out	-	-
	Interest cost	79.10	98.79
	Current service cost	203.61	142.87
	Benefits paid	(94.79)	(81.84)
	Remeasurements - actuarial loss/ (gain)	(129.36)	(376.73)
	Acquisitions (credit)/cost	(94.71)	-
	Present value of obligation as at the end of the period	1,065.91	1,102.06
36.2	Movement in Plan Assets		
	Interest Income	105.84	98.67
	Employer contributions	-	84.89
	Benefits paid	-	-
	Actuarial gain / (loss)	(1.22)	(6.37)
	Fund Transfer	-	-
	Fair value of plan assets as at the end of the period	1,515.89	1,411.26
36.3	Recognised in Statement of Profit & Loss and Other Comprehensive Income		
	Total Service Cost	203.61	142.87
	Net Interest Cost	(26.74)	0.12
	Expense recognized in Statement of Profit and Loss	176.86	142.99
	Actuarial gain / (loss) for the year on PBO	129.36	376.73
	Actuarial gain /(loss) for the year on Asset	(1.22)	(6.37)
	Unrecognized actuarial gain/(loss) For the year	128.15	370.36
36.4	The principle actuarial assumptions used for estimating the company's defined benefit obligations are set out below:		
	Discount Rate	6.70%	7.50%
	Expected Rate of increase in salary	8.00%	8.00%
	Mortality rate	100% of IALM (2006-08)	100% of IALM (2006-08)
36.5	Expected Benefit Payments for the Year Ending	As 31st March, 2020	
	31st March 2021	57.14	
	31st March 2022	111.91	
	31st March 2023	116.75	
	31st March 2024	99.93	
	31st March 2025	97.72	
	31st March 2026 to 31st March 2030	913.75	
	Expected Employer Contributions for the period ended 31st March 2021	57.14	
36.6	Plan Assets		
	Fund Managed By Insurer*	100%	100%
		100%	100%

\* In the absence of detailed information regarding plan assets which is funded with Insurance Company, the composition of major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.



**36.7 Sensitivity Analysis of the defined benefit obligation**

**a) Impact of the change in discount rate**

Present Value of Obligation at the end of the period	1,065.91	1,102.06
Effect on DBO due to 0.50% increase in discount rate	(50.20)	(47.33)
Effect on DBO due to 0.50% decrease in discount rate	54.76	51.34

**b) Impact of the change in salary increase**

Present Value of Obligation at the end of the period	1,065.91	1,102.06
Impact due to increase of 0.50%	53.83	50.87
Impact due to decrease of 0.50%	(49.85)	(47.34)

Sensitivity annalysis has been determined on reasonably possible change of respective asumption occuring at the end of recording period, while holding all other asuptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. Sensitivities due to morality and withdrawls are insignificant. There was no change in the methods and assumptions used in the preparation of the Sensitivity Annalysis from previous year.

**36.8 Description of risk exposures:**

“Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

**Salary Increases-** Higher than expected increase in salary will increase the defined benefit obligation.

**Investment Risk** – Assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability / Assets

**Discount Rate** : Reduction in discount rate in subsequent valuations can increase the plan's liability.

**Demographic Risk** : This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawals, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the employee benefit of a short career employee typically costs less per year as compared to a long service employee.”

**37 Related Parties Disclosures**

**A.** Entities are member of the same group as per para 9(b)(i) of Ind AS 24 (Related Party Disclosure), where reporting entity is a member (comprising subsidiaries and fellow subsidiaries)

1	Jindal Films India Limited	:	Wholly Owned Subsidiary
2	Jindal Imaging Limited	:	Wholly Owned Subsidiary
3	Jindal Packaging Trading DMCC	:	Wholly Owned Subsidiary
4	J & D Speciliaty Films Pvt.Ltd	:	Wholly Owned Subsidiary

**C. Key Management Personnel of the Reporting Entity**  
**Whole Time Directors**

Mr. Rathi Binod Pal (Till 31st July, 2019)  
Mr. Sanjeev Saxena  
Mr. Sagato Mukerji

**Chief Executive Officer**

Mr. Gaurang B Desai (Till 20th November, 2019)

**Chief Financial Officer**

Mr. Vinay Jindal

**Company Secretary**

Mr. Sanjeev Kumar (Till 18th December, 2019)

Mr. Amit Jain (w.e.f 19th December, 2019)

**Additional Key Managerial Personnel as per Ind AS 24 (Related Party Disclosure) Non**

**Executive Directors**

Mr. R.K Pandey (Chairman)

Ms. Sonal Agarwal

Mr. Rathi Binod Pal

Ms. Shakshi Gupta

**D. Major shareholders of the reporting entity” and “Enterprise owned by major shareholders of the reporting entity” (where transactions took place)**

- 1 Consolidated Finvest & Holdings Ltd.
- 2 Jindal Poly Investment & Finance Company Limited
- 3 Jindal India Limited
- 4 Anchor Image and Films Private Ltd.
- 5 Jindal Photo Investment Limited
- 6 Soyuz Trading Company Limited
- 7 Packflex Business Advisory Services LLP

**E. Other Enterprises (where transactions took place)**

- 1 Consolidated Photo & Finvest Ltd
- 2 Jindal Photo Limited
- 3 Jindal India Powertech Limited
- 4 Jindal India Thermal Power Limited

**B. Associates of Reporting Entity**

- 1 JPF Netherlands B.V. \*
- 2 Apeldoorn Flexible Packaging B.V. \*
- 3 AFP Vastgoed B.V. \*
- 4 JPF Dutch B.V. \*
- 5 JPF USA Holding LLC \*
- 6 Jindal Films Americas LLC \*
- 7 Jindal Films Europe Virton LLC \*
- 8 Jindal Films Europe Virton S.p.a.1 \*
- 9 Jindal Films Europe Brindisi Srl \*
- 10 Jindal Films Europe Kerkrade B.V. \*
- 11 Jindal Films Europe S.a.r.l. \*
- 12 Jindal Films Europe Services S.a.r.l. \*
- 13 Jindal Films Singapore Pte. Ltd. \*
- 14 Jindal Films Shanghai Co. Ltd. \*
- 15 Rexor SAS \*
- 16 JPF Germany GmbH (w.e.f. 18th December 2018)
- 17 Treofan Holdings GmbH (w.e.f. 18th December 2018)
- 18 Treofan Zweite Holding GmbH (w.e.f. 18th December 2018)
- 19 Treofan GmbH & Co KG (w.e.f. 18th December 2018)
- 20 Treofan Italy Srl. (w.e.f. 18th December 2018)

\* Ceased to be an Associate w.e.f. appointed date 01.04.2019 pursuant to Scheme of Arrangement (Refer note51)





# JINDAL POLY FILMS LIMITED

## Following Transactions were carried out with above related parties, at arm's length basis

S.No.	Name of the Related Party	FY 2019-20							FY 2018-19				
		A. Subsidiaries	B. Associates	C. Key Managerial Personnel	D. "Major share-holders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	E. Other Enterprises	Total	A Subsidiaries	B Associates	C Key Managerial Personnel	D. Major share-holders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	E Other Enterprises	Total
1	<b>Sale of Products</b>												
	Jindal Films India Limited	9,662.71	-	-	-	-	9,662.71	10,942.92	-	-	-	-	10,942.92
	Jindal Packaging Trading DMCC	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal Films America LLC	-	-	-	-	-	-	-	8,181.94	-	-	-	8,181.94
	Jindal Films Europe Virton LLC	-	-	-	-	-	-	-	0.80	-	-	-	0.80
	Jindal Films Europe Virton S.P.R.L.	-	-	-	-	-	-	-	1,203.89	-	-	-	1,203.89
	Apeldroom Flexible Packaging B.V.	-	-	-	-	-	-	-	52.55	-	-	-	52.55
	Jindal Films Europe Brindisi Srl	-	-	-	-	-	-	-	1.53	-	-	-	1.53
	Jindal Films Singapore Pte.Ltd	-	-	-	-	-	-	-	1,415.45	-	-	-	1,415.45
	Rexor SAS	-	-	-	-	-	-	-	1,159.40	-	-	-	1,159.40
2	<b>Services Rendered</b>												
	Jindal Films America LLC	-	-	-	-	-	-	-	424.12	-	-	-	424.12
	Jindal Films Europe Services S.a.r.l	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal India Limited	-	-	-	-	-	-	-	-	-	-	-	-
3	<b>Interest Income</b>												
	Jindal Packaging Trading DMCC	10.69	-	-	-	-	10.69	20.64	-	-	-	-	20.64
	Jindal Imaging Limited	-	-	-	-	-	-	0.09	-	-	-	-	0.09
	Jindal Photo Imaging Limited	-	-	-	-	-	-	0.09	-	-	-	-	0.09
	JPF Netherlands B.V.	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal India Thermal Power Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal Films India Limited	54.35	-	-	-	-	54.35	279.77	-	-	-	-	279.77
4	<b>Rent Received</b>												
	Jindal Films India Limited	48.00	-	-	-	-	48.00	48.00	-	-	-	-	48.00
	Jindal Imaging Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Anchor Image & Films Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-
5	<b>Purchase of Material</b>												
	Jindal Packaging Trading DMCC	-	-	-	-	-	-	136.75	-	-	-	-	136.75
	Jindal Films Europe Brindisi Srl	-	-	-	-	-	-	-	1.35	-	-	-	1.35
	Jindal Films America LLC	-	-	-	-	-	-	-	363.02	-	-	-	363.02
	Jindal Films Europe Virton LLC	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal Films Europe Virton S.P.R.L.	-	-	-	-	-	-	-	627.77	-	-	-	627.77
	Jindal Films Europe Kerkrade B.V	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal Films Singapore Pte.Ltd	-	-	-	-	-	-	-	-	-	-	-	-
	Apeldroom Flexible Packaging	-	-	-	-	-	-	-	7.55	-	-	-	7.55
	Jindal India Ltd	-	-	-	19.25	-	19.25	-	-	-	99.59	-	99.59
	Jindal Films India Limited	351.96	-	-	-	-	351.96	366.58	-	-	-	-	366.58
	Anchor Image & Films Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-



# JINDAL POLY FILMS LIMITED

S.No.		Name of the Related Party	FY 2019-20					FY 2018-19						
			A. Subsidiaries	B. Associates	C. Key Managerial Personnel	D. "Major share-holders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	E. Other Enterprises	Total	A Subsidiaries	B Associates	C Key Managerial personal	D Major share-holders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	E Other Enterprises	Total
6		Professional Service Received												
		Jindal Films India Limited	990.00	-	-	-	-	990.00	1,200.00	-	-	-	-	1,200.00
		Jindal Films Europe Brindisi Srl, Italy	-	-	-	-	-	-	-	0.52	-	-	-	0.52
		Jindal Films Europe Kerkrade B.V	-	-	-	-	-	-	-	0.98	-	-	-	0.98
		Jindal Films Europe Viron S.P.R.L.	-	-	-	-	-	-	-	2.17	-	-	-	2.17
		Soyuz Trading Company Limited	-	-	-	2,000.00	-	2,000.00	-	-	-	4,200.00	-	4,200.00
7		Packflex Business Advisory Services LLP	-	-	-	2,800.00	-	2,800.00	-	-	-	-	-	-
		Anchor Image & Films Pvt Ltd						-						-
		Rent Paid												
		Consolidated Photo & Finvest Ltd	-	-	-	-	127.66	127.66		-	-	-	131.87	131.87
		Jindal Photo Limited	-	-	-	-	-	-	-	-	-	-	0.24	0.24
		Jindal India Limited	-	-	-	-	-	-	-			0.09		0.09
8		Expenses incurred on behalf of others to be Reimbursed												
		Jindal Films India Limited	3.17	-	-	-	-	3.17	194.55	-	-	-	-	194.55
		Jindal Packaging and Trading DMCC						-						-
		Jindal Films America LLC						-						-
		Soyuz Trading Company Limited												-
		Jindal Poly Investment & Finance Co Ltd	-	-	-	-	1.48	1.48	-	-	-	-	1.27	1.27
9		Anchor Image & Films Pvt Ltd						-						-
		Jindal Imaging Limited	0.28	-	-	-	-	0.28	0.28	-	-	-	-	0.28
		Jindal Photo Imaging Limited	-	-	-	-	-	-	0.28	-	-	-	-	0.28
		Packflex Business Advisory Services LLP	-	-	-	31.66	-	31.66	-	-	-	-	-	-
		Jindal India Thermal Power Limited						-						-
		Consolidated Photo & Finvest Ltd						-						-
10		Expenses incurred on behalf of us to be Reimbursed												
		Jindal Packaging and Trading DMCC	120.19	-	-	-	-	120.19	64.70	-	-	-	-	64.70
		Jindal Films America LLC	-	-	-	-	-	-	-	68.54	-	-	-	68.54
		Jindal Films Europe SARL	-	-	-	-	-	-	-	0.45	-	-	-	0.45
		Jindal Films India Limited	-	-	-	-	-	-	133.87					133.87
		Loan /Advance Given												
11		Jindal Films India Limited	500.00	-	-	-	-	500.00	4,335.00	-	-	-	-	4,335.00
		Jindal Imaging Limited	2.00	-	-	-	-	2.00	-	-	-	-	-	-
		Loan/Advance Received Back												
		Jindal Films India Limited	3,225.58	-	-	-	-	3,225.58	1,609.42	-	-	-	-	1,609.42
		Corporate Guarantee Given												
		Jindal Films India	-	-	-	-	-	-	200.00	-	-	-	-	200.00



# JINDAL POLY FILMS LIMITED

S.No.	Name of the Related Party	FY 2019-20						FY 2018-19					
		A. Subsidiaries	B. Associates	C. Key Managerial Personnel	D. "Major share-holders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	E. Other Enterprises	Total	A. Subsidiaries	B. Associates	C. Key Managerial Personnel	D. "Major share-holders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	E. Other Enterprises	Total
13	Investment in Shares (Conversion of loan to Equity)												
	Jindal Films India Limited	3,700.00	-	-	-	-	3,700.00	-	-	-	-	-	-
14	Jindal Packaging & Trading DMCC	297.56	-	-	-	-	297.56	-	-	-	-	-	-
	Sales of Equity Shares												
	Jindal Films India Limited	-	-	-	-	-	-	3,798.99	-	-	-	-	3,798.99
15	Short Term Employee Benefit												
(a)	Remuneration to Key Managerial Personnel												
	Rathi Binod Pal (Whole Time Director upto 31st July,2019)	-	-	21.71	-	-	21.71	-	-	54.47	-	-	54.47
	Sanjeev Saxena - (Whole Time Director)	-	-	53.99	-	-	53.99	-	-	52.11	-	-	52.11
	Sagato Mukerji - (Whole Time Director)	-	-	74.20	-	-	74.20	-	-	38.48	-	-	38.48
	Gaurang B Desai (CEO upto 20th Nov,2019)	-	-	65.93	-	-	65.93	-	-	-	-	-	-
	Sanjeev Kumar (CS- upto 18th Dec, 2019)	-	-	17.00	-	-	17.00	-	-	23.73	-	-	23.73
	Amit Jain (CS- from 19Th Dec,2019)	-	-	11.08	-	-	11.08	-	-	-	-	-	-
	Vinay Jindal (Chief Financial Officer)	-	-	51.71	-	-	51.71	-	-	51.63	-	-	51.63
(b)	Sitting Fees												
	R.K Pandey	-	-	1.47	-	-	1.47	-	-	1.04	-	-	1.04
	Sonal Agarwal	-	-	1.64	-	-	1.64	-	-	0.54	-	-	0.54
	Rathi Binod Pal	-	-	0.96	-	-	0.96	-	-	-	-	-	-
	Shakshi Gupta	-	-	0.81	-	-	0.81	-	-	0.41	-	-	0.41
	Prakash Matai	-	-	-	-	-	-	-	-	0.95	-	-	0.95
	Balances Outstanding as at Reporting Date												
	Trade and Other Receivables												
	Jindal Films India Limited	1.62	-	-	-	-	1.62	308.57	-	-	-	-	979.48
	JPF Dutch B.V.	-	-	-	-	-	-	-	8.13	-	-	-	308.57
	JPF USA LLC	-	-	-	-	-	-	-	3.24	-	-	-	8.13
	JPF ITALY HOLDING SA	-	-	-	-	-	-	-	3.46	-	-	-	3.24
	Jindal Films America LLC	-	-	-	-	-	-	-	631.44	-	-	-	3.46
	Jindal Films Europe Brindisi Srl	-	-	-	-	-	-	-	-	-	-	-	631.44
	Jindal Films Europe S.a.r.l	-	-	-	-	-	-	-	10.96	-	-	-	-
	Jindal Packaging Trading DMCC	-	-	-	-	-	-	-	-	-	-	-	10.96
	Jindal Imaging Limited	8.23	-	-	-	-	8.23	7.95	-	-	-	-	-
	Jindal Photo Imaging Ltd	-	-	-	-	-	-	2.53	-	-	-	-	7.95
	Jindal Poly Investment & Finance Company Limited	-	-	-	-	-	-	-	-	-	3.14	-	2.53
	Jindal India Powertech Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal India Ltd	-	-	-	27.41	-	27.41	-	-	-	0.07	-	0.07
	Trade and Other Payables												
	Jindal Films India Limited	956.84	-	-	-	-	956.84	631.78	-	-	-	-	631.78



# JINDAL POLY FILMS LIMITED

S.No.	Name of the Related Party	FY 2019-20						FY 2018-19					
		A. Subsidiaries	B. Associates	C. Key Managerial Personnel	D. "Major share-holders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	E. Other Enterprises	Total	A. Subsidiaries	B. Associates	C. Key Managerial Personnel	D. "Major share-holders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	E. Other Enterprises	Total
	Rexor SAS	-	-	-	-	-	-	-	140.18	-	-	-	140.18
	Jindal Films America LLC	-	-	-	-	-	-	-	165.46	-	-	-	165.46
	Jindal Films Singapore Pte.Ltd	-	-	-	-	-	-	-	525.21	-	-	-	525.21
	Jindal Films Europe Viton SPRL	-	-	-	-	-	-	-	122.62	-	-	-	122.62
	Jindal Films Europe Viton LLC	-	-	-	-	-	-	-	1.54	-	-	-	1.54
	Jindal Films Europe Kerktrade B.V	-	-	-	-	-	-	-	0.98	-	-	-	0.98
	Apeldoorn Flexible Packaging B.V.	-	-	-	-	-	-	-	75.62	-	-	-	75.62
	Jindal Films Europe Brindisi Srl	-	-	-	-	-	-	-	1.27	-	-	-	1.27
	Soyuz Trading Company Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal Packaging Trading DMCC	4.77	-	-	-	-	4.77	-	-	-	-	-	-
	Packflex Business Advisory Services LLP	-	-	-	30.24	-	30.24	13.08	-	-	-	-	13.08
	"Loan and advances Receivables (including interest thereon)"	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal Packaging Trading DMCC	-	-	-	-	-	-	279.70	-	-	-	-	279.70
	Jindal Imaging Ltd	2.84	-	-	-	-	2.84	20.58	-	-	-	-	20.58
	Universus Photo Imagings Limited (Formerly known as Jindal Photo Imaging Ltd.)	-	-	-	-	-	-	1.13	-	-	-	-	1.13
	Jindal Films India Limited	174.54	-	-	-	-	174.54	2,726.79	-	-	-	-	2,726.79
	"Loan and advances Receivables (including interest thereon)"	177.37	-	-	-	-	177.37	3,028.20	-	-	-	-	3,028.20
	Corporate Guarantee	-	-	-	-	-	-	-	-	-	-	-	-
	Jindal Packaging Trading DMCC	-	-	-	-	-	-	3,300.00	-	-	-	-	3,300.00

The Company has transferred assets and liabilities to Universus Photo Imagings Ltd. (Formerly known as Jindal Photo Imaging Ltd.) pursuant to Scheme of Arrangements (Refer note 51).<sup>1</sup>

<sup>1</sup> Transactions during the year have been disclosed excluding GST, where applicable.

## Terms and conditions of transactions with related parties

- \* Fixed Deposit pledged- refer Note no. 35.1.3
- \*\* The amount related to gratuity cannot be ascertained separately since they are included in the contribution in respect made to the insurance company on a group basis for all employees. Liability for leave encashment are provided on actual basis for the Company as a whole, hence not included in above.
- \*\*\* All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis. For the year ended 31 March, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2018-19: Nil).
- \*\*\*\* Outstanding balances at the year-end are unsecured, interest free (except loans) and settlement occurs in cash.



## JINDAL POLY FILMS LIMITED

### 38 Disclosure under Regulation 34(3) and 53(f) of “Security and Exchange Board of India (Listing obligations and disclosure requirements) Regulations 2015”

Loans and advances outstanding at the end of the year and maximum amount outstanding during the financial year, as required to be disclosed under schedule V and Regulation 34(3) of “Security and Exchange Board of India (Listing Obligation and Disclosure requirement) Regulations 2015” are as follows:

Name of the Entity	Particulars	Rs In Lakhs			
		Amount Outstanding		Maximum Amount outstanding during the year	
		As at 31st March 2020	As at 31st March 2019	2019-20	2018-19
Jindal Imaging Ltd (Refer Note 38.1) *	Loan/advance to Subsidiary	2.84	20.45	3.00	20.45
Univerus Photo Imaging Limited * (Formally known as Jindal Photo Imaging Ltd)*			1.00		1.00
Jindal Packaging Trading DMCC * Refer Note 38.2	Loan to Subsidiary	-	242.79	249.97	242.79
Jindal Films India Limited*	Loan to Subsidiary	-	2,725.58	3,225.58	3,735.00

“\*balance excluding interest thereon

**38.1** Loan/advance aggregating Rs Nil (previous year Rs. 19.45 Lakhs) has been considered as doubtful and necessary provision has been made in earlier years.

**38.2** Loan converted into equity shares during the year.



## JINDAL POLY FILMS LIMITED

### 39 Details pursuant to disclosure requirements of Section 186(4) of the Companies Act 2013 relating to Loans /Guarantees /Investments given or Security provided by the Company:

Rs In Lakhs						
Jindal Packaging & Trading DMCC	Loan Given **	Payable on Demand	-	-	-	242.79
Jindal Packaging & Trading DMCC	Investment (Refer Note 38.2)		297.56	297.56		
Jindal India Thermal Power Limited	Advance against supplies **, \$	Payable on Demand	-	-	-	8,385.38
Jindal Imaging Ltd	Loan /Advance Given ***	Payable on Demand	2.00	2.84		1.00
Universus Photo Imaging Limited (Formerly known as Jindal Photo Ltd.)	Loan Given **	Payable on Demand	-			1.00
Jindal Films India Limited	Loan Given **	Within One Year	500.00	-	4,335.00	2,725.58
Jindal Films India Limited	Investment		3,700.00	3,700.00		
J. and D. Speciality Films Pvt. Ltd.	Subscription of Share Capital	-	-	-	10.00	10.00
Corporate Guarantee given to banks for loan taken by Subsidiary Company M/s Jindal Films India	Guarantee Provided	Till borrowing from bank by Subsidiary remain outstanding	-	-	200.00	-
Corporate Guarantee given to Bank for Loan taken by Subsidiary company M/s Jindal Packaging trading DMCC	Guarantee Provided	Till Loan Of Subsidiary	-	-	-	3,300.00
To Banks -On Behalf of M/s Jindal India Thermal Power Limited	Pledged of fixed deposits including interest accrued thereon	At the Vacation of Security	286.73	2,138.73	-	1,852.00

\*\*balance excluding interest thereon \$ Refer Note 33.2

Comprehensive disclosure of investments as at 31st March 2020 has been made in Note 4 to the Financial Statements, hence closing balance of other investments, having no movement during the year were not again disclosed in above statement.

The Company has given interest bearing loan to Subsidiaries and Other Parties mentioned above in the ordinary course of business for general business purpose. The average rate of Interest is 8.5% p.a. to 9 % p.a.

- 40 40.1 (a) Under the Package Scheme of Incentive 2007/2013 approved by the Government of Maharashtra, the Company is entitled to industrial promotion subsidy to the extent of 100% of the fixed capital investment or to the extent of taxes paid to the State Government within a period of 7 years, whichever is lower. During the year, subsidy receivable under the above scheme aggregating Rs 11,242.55 Lakhs (previous year Rs 10,097.69 Lakhs) has been carried by setting up these grants as Deferred Government Grants and amortised/recognised in the Statement of Profit and Loss on straight line method and disclosed in Other Income.
- (b) Grant of Rs. 1687.30 Lakhs accounted for relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme as Deferred Government Grants. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.
- 40.2 (a) Grant of Rs. 491.06 Lakhs (previous year Rs. 676.51 Lakhs) under Technology Upgradation Funded



## JINDAL POLY FILMS LIMITED

Scheme (TUFS) by the Ministry of Textiles (Government of India) for Nonwoven Project received / receivable in the form of reimbursement of interest paid to the lending banks / agencies for the loan disbursed and accordingly same has been netted off from the interest expenses in respective year.

- (b) Grant of Rs. 466.03 Lakhs (previous year Rs. 570.97 Lakhs) as interest subsidy on long term loan from banks for Nonwoven Project granted by Government of Maharashtra under Textile Policy and accordingly, the same has been netted off from the interest expenses in respective year.

- 41 41.1 Trade Receivables include Rs 38.06 Lakhs (previous year Rs 45.73 Lakhs) under litigation, against which legal cases are pending in various Courts for recovery. The same are considered good and realizable in the opinion of the management.
- 41.2 Employee benefit expenses Rs. 649.08 lakhs (Previous year Rs. 630.31 lakhs) included in repair and maintenance - expenses.
- 41.3 During the year, borrowing cost amounting to Rs. 1,022.37 lakh (Previous Year Rs. 139.95 lakhs) has been debited to Capital-work-in-progress/capitalised by the Company. Rate used to determine the amount of borrowing cost capitalised is 9.86% per annum (Previous Year 10% per annum) which is a weighted average interest rate applicable to Company's borrowings.

- 42 Disclosure of changes in liabilities arising from financing activities, including both cash and non-cash changes :

Particulars	As at 31st March 2019	Cash Flow From Financing Activities	Non Cash Changes Exchange Fluctuation Movements	Banks Overdrafts Payable on Demand *	As at 31st March 2020
Non Current Borrowings (including Current Maturities)	86,670.20	32,431.27	(3,535.69)	-	1,15,565.79
Current Borrowings	19,976.93	4,191.69	-	(59.68)	24,108.94
<b>Total</b>	<b>1,06,647.14</b>	<b>36,622.96</b>	<b>(3,535.69)</b>	<b>(59.68)</b>	<b>1,39,674.73</b>
Particulars	As at 31st March 2018	Cash Flow From Financing Activities	Non Cash Changes Exchange Fluctuation Movements	Banks Overdrafts Payable on Demand *	As at 31st March 2019
Non Current Borrowings (including Current Maturities)	65,917.41	21,383.94	(631.15)	-	86,670.20
Current Borrowings	32,696.80	(12,555.48)	(224.08)	59.69	19,976.93
<b>Total</b>	<b>98,614.21</b>	<b>8,828.46</b>	<b>(855.23)</b>	<b>59.69</b>	<b>1,06,647.13</b>

\*Banks Overdrafts Payable on Demand, disclosed in Cash & Cash Equivalents in Statements of Cash Flow as per Ind AS 7.

### 43 Segment Information

#### 43.1 Description of segments and principal activities

The company's board examines the Company's performance both from a product perspective and have identified following reportable segments of its business:

- 1 Packaging Films
- 2 Nonwoven Fabrics
- 3 Photographic Products & Others (Transferred pursuant to scheme of arrangement w.e.f appointed date 1st April 2019, refer note 51)

The Company's board of Directors reviews the results of each segment on a quarterly basis. The company's board of directors uses Earning Before Interest and Tax (EBITA) to assess the performance of the operating segments.





## JINDAL POLY FILMS LIMITED

### 43.2 Information about reportable segments

Information related to each reportable segment is as follows.

Rs in Lakhs

Reportable Segments	Packaging Films		Nonwoven Fabrics		Photographic Products & Others		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>1 Revenue</b>								
Revenue	3,21,346.70	3,36,435.14	30,331.45	26,400.51	-	6,628.24	3,51,678.15	3,59,463.89
Less : Inter Segment Revenue							-	-
<b>Total Revenue From Operations</b>	<b>3,21,346.70</b>	<b>3,36,435.14</b>	<b>30,331.45</b>	<b>26,400.51</b>	<b>-</b>	<b>6,628.24</b>	<b>3,51,678.15</b>	<b>3,59,463.89</b>
<b>2 Results</b>								
Results ^	48,067.04	23,768.14	4,769.38	3,533.57	-	1,173.45	52,836.43	28,475.15
Add : Other Unallocable Income / (Expenses) (Net)							4,008.78	(43,400.59)
Less : Finance Cost							5,378.41	4,156.65
<b>Profit before tax</b>							<b>51,466.80</b>	<b>(19,082.09)</b>
Less : Provision For Tax (including Deferred Tax)							3,590.94	16,218.83
<b>Profit after Tax</b>							<b>47,875.86</b>	<b>(35,300.92)</b>

^ Including exceptional items

### 3 Other Segmental Informations

Rs in Lakhs

	Segmental Assets		Segmental Liabilities		Capital Expenditures		Depreciation and Amortisation	
	As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Packaging Films	3,01,843.99	2,52,030.96	1,71,487.25	64,541.81	27,806.42	35,521.99	9,122.16	7,897.53
Nonwoven Fabrics	80,019.61	52,993.42	57,142.27	8,437.65	30,850.20	2,603.69	2,439.80	2,227.07
Photographic Products & Others	-	3,483.03	-	818.05	-	-	-	93.86
Unallocable Assets / Liabilities	48,096.88	47,279.51	21,152.36	1,36,102.93			-	-
<b>Total</b>	<b>4,29,960.47</b>	<b>3,55,786.91</b>	<b>2,49,781.88</b>	<b>2,09,900.43</b>	<b>58,656.62</b>	<b>38,125.68</b>	<b>11,561.95</b>	<b>10,218.46</b>

### 43.3 Geographic information

The segments are managed on a worldwide basis, but operate manufacturing facilities and sales offices in India. The geographic information analyses the Company's revenue and receivables from customers of Company's country of domicile and other countries. In presenting the geographic information, segment revenue has been based on the geographic location of customers.



## JINDAL POLY FILMS LIMITED

Rs in Lakhs

Geographical Segments	Within India		Outside India		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Revenue	2,83,255.93	2,71,540.11	68,422.22	97,810.78	3,51,678.15	3,69,350.89
Trade Receivables	6,480.43	8,231.78	6,543.43	6,019.49	13,023.86	14,251.27

### 43.4 Major Customers

- a) In case of Packaging and Photographic Segment (since ceased) , no single customer has contributed 10% or more to their respective segment's revenue for both 2019-20 and 2018-19.
- b) In case of Nonwoven Fabrics Segment, three (previous year four) customers individually account for more than 10% each of the revenue aggregating Rs. 23,761 Lakhs (previous year Rs. 15,598 Lakhs).

## 44 Fair Value Measurements

### 44.1 Financial Instruments by Category

Rs in Lakhs

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2020, including their levels in the fair value hierarchy.

	As at 31 March 2020			As at 31 March 2019		
	FVTPL	Amortised Cost	Carrying Value	FVTPL	Amortised Cost	Carrying Value
<b>Financial assets</b>						
Investments						
Equity shares	0.29	-	0.29	0.38	-	0.38
Mutual Funds	37,903.46	-	37,903.48	40,043.50	-	40,043.50
Trade receivables	-	13,023.86	13,023.86	-	14,251.27-6	14,251.26
Cash and cash equivalents	-	24,715.44	24,715.44	-	1,999.51	1,999.51
Bank balances other than above		2,437.39	2,437.39	-	3,743.73	3,743.73
Other Financial assets						
-Non Current		538.73	538.73	-	472.78	472.78
- Current	-	22,477.52	22,477.52	-	22,640.47	22,640.47
	<b>37,903.75</b>	<b>63,192.95</b>	<b>1,01,096.69</b>	<b>40,043.88</b>	<b>43,107.73</b>	<b>83,151.64</b>

<b>Financial liabilities</b>						
Borrowings	-	1,15,730.47	1,15,730.47	-	86,670.18	88,196.18
Short terms borrowings	-	24,108.94	24,108.94	-	19,976.94	19,976.94
Trade payables	-	25,000.18	25,000.18	-	26,090.34	26,090.34
Other current financial liabilities	56.52	8,555.75	8,612.27	167.37	3,511.29	3,678.66
	<b>56.52</b>	<b>1,73,395.34</b>	<b>1,73,451.86</b>	<b>167.37</b>	<b>1,36,248.75</b>	<b>1,36,416.13</b>

FVTPL refers Fair Value through profit and loss

The management fair value of financial assets and financial liabilities carried as amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.



## JINDAL POLY FILMS LIMITED

### 44.2 Fair Value Hierarchy

- (a) This section explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and liabilities measured at fair value				Rs In lakhs
	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial Investments at FVTPL</b>				
Investments				
Equity shares	0.29	-	-	0.29
Mutual Fund	-	37,903.46	-	37,903.46
Forward Contracts		56.52		56.52
<b>Total</b>	<b>0.29</b>	<b>37,959.98</b>	<b>-</b>	<b>37,960.27</b>
	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial Investments at FVTPL</b>				
Investments				
Equity shares	0.38	-	-	0.38
Mutual Fund	-	40,043.50	-	40,043.50
Forward Contracts		167.37		167.37
<b>Total</b>	<b>0.38</b>	<b>40,210.87</b>	<b>-</b>	<b>40,211.26</b>

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise 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:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There are no transfers between level 1 and level 2 during the year

**(b) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market of similar instruments, these have been included in level 1.
- the fair value of mutual funds is determined as per dealer quotes for similar instruments, these have been included in level 2.
- the fair value of forward foreign exchange contracts is determined as per valuation provided by the bank, these

have been included in level 2.

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis, these have been included in level 3."

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## Financial Risk Management

### (a) Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to control risks through defined framework. The Company's risk management policy is established to identify and analyse the risks faced by the Company, to set appropriate controls. Risk management policy is reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company's Board of Directors oversees compliance with the Company's risk management policy, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board of Directors is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

### (b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

#### Trade and Other Receivables

Trade receivables are subject to credit limits, controls and approval processes. Due to large number of customers, the company is not exposed to material concentration of credit risk. Basis the historical experience, the risk of default in case of trade receivables is low. The Company creates allowances for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

#### Investments

Investments are reviewed for any fair valuation loss on periodically basis and necessary provision/fair valuation adjustments has been made based on the valuation carried by the management to the extent available sources, the management does not expect any investment counterparty to fail to meet its obligations.

### (c) Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or any other financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the Company's reputation.

The Company regularly monitors the cash flow projections to ensure it has sufficient cash on an on-going basis to meet operational needs. Any surplus cash generated over and above working capital and long term requirement is suitably invested in interest bearing term deposits and other highly marketable debt instruments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.



## JINDAL POLY FILMS LIMITED

Rs In lakhs

	Carrying Amounts as at 31 March 2020	Contractual cash flows				
		0 to 1 year	0 to 2 years	2 to 5 years	More than years	Total
<b>Non-derivative Financial Liabilities</b>						
Borrowings	1,41,809.08	44,819.03	25,035.99	45,218.30	26,735.75	1,41,809.08
Trade payables	25,000.18	25,000.18				25,000.18
Other current financial liabilities	8,612.27	8,621.27				8,612.27
<b>Total Non-derivative Liabilities</b>	<b>1,75,421.53</b>	<b>78,440.48</b>	<b>25,035.99</b>	<b>45,218.30</b>	<b>26,735.75</b>	<b>1,75,421.53</b>

	Carrying Amounts as at 31 March 2019	Contractual cash flows				
		0 to 1 year	0 to 2 years	2 to 5 years	More than years	Total
<b>Non-derivative Financial Liabilities</b>						
Borrowings	1,08,173.34	38,525.16	18,000.04	41,114.17	10,533.98	1,08,173.34
Trade payables	26,090.34	26,090.34				26,090.34
Other current financial liabilities	3,678.66	3,678.66				3,678.66
<b>Total Non-derivative Liabilities</b>	<b>1,37,942.39</b>	<b>68,294.20</b>	<b>18,000.04</b>	<b>41,114.17</b>	<b>10,533.98</b>	<b>1,37,942.39</b>

### Financing Arrangements

The Company has adequate short term finance arrangements to meet requirements of day to day operations.

#### (d) 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: currency risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include trade payables, trade receivables, borrowings, etc

#### Currency Risk

“Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company’s functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company is exposed to foreign exchange risk arising from foreign currency transactions mainly due to import of raw materials, primarily with respect to the USD, EURO and small exposure of GBP and others. The objective of the hedges is to minimise the volatility of the functional currency cash flows by hedging foreign currency outflow on regular basis. The Company also take help from external consultants who form views on the currency rates in volatile foreign exchange markets. Currency risks related to the principal amounts of the Company’s foreign currency payables, have been mostly hedged using forward contracts taken by the Company. In respect of other monetary assets and liabilities denominated in foreign currencies, the Company’s policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.



## JINDAL POLY FILMS LIMITED

### Exposure to Currency Risk

The summary of quantitative data about the Company's exposure (Unhedged) to currency risk as reported to the management of the Company is as follows :

#### Foreign Currency and INR in Lakhs

Nature	Cross Currency	As at 31st March 2020		As at 31st March 2019	
		Foreign Currency	INR	Foreign Currency	INR
Financial Liabilities					
Borrowings	USD : INR	255.16	19,235.71	245.23	16,962.83
Borrowings	EURO : INR	808.19	67,119.53	539.86	41,948.47
Trade and Other Payables	USD : INR	100.14	7,548.95	201.85	13,962.07
Trade and Other Payables	EURO : INR	66.60	5,531.05	5.26	408.86
Trade and Other Payables	GBP : INR	-	-	0.13	12.11
Other Current Liabilities					
Advance from Customers	USD : INR	102.42	7,720.99	33.66	2,328.11
Advance from Customers	EURO : INR	18.11	1,503.91	22.44	1,743.77
Advance from Customers	GBP : INR	0.06	5.46	0.33	29.60
Advance from Customers	AED : INR	8.72	179.02		
Financial Assets					
Trade Receivables	USD : INR	72.77	5,486.06	64.16	4,437.80
Trade Receivables	EURO : INR	12.71	1,055.87	20.35	1,580.98
Other Receivables	USD : INR	2.25	169.45	6.26	432.83
Other Receivables	EURO : INR	0.27	22.56	0.29	22.56
Other Current Assets					
Advance to Suppliers	USD : INR	7.04	530.84	1.11	76.76
Advance to Suppliers	EURO : INR	18.29	1,518.93	73.54	5,714.25
Advance to Suppliers	YEN : INR	87.04	60.62	54.16	33.86
Advance to Suppliers	CHF : INR	-	-	0.09	6.14

The summary of quantitative data about the Company's exposure (hedged) to currency risk (against import procurements) as reported to the management of the Company is as follows :

#### Foreign Currency and INR in Lakhs

Currency	Cross Currency	As at 31st March 2020		As at 31st March 2019	
		Foreign Currency	INR	Foreign Currency	INR
Export	USD : INR	12.90	972.48	35.80	2,476.33
	EURO : INR	33.07	2,746.45	30.30	2,354.38
Import					
	USD : INR	15.60	1,176.02	207.50	14,353.04
	EURO : INR	24.67	2,048.83	24.50	1,903.71



## JINDAL POLY FILMS LIMITED

The following significant exchange rates have been applied

	As at 31st March 2020	As at 31st March 2019
USD	75.3859	69.1713
EURO	83.0496	77.7024
GBP	93.0760	90.4756
YEN	0.6965	0.6252
CHF	78.3760	69.4930
AED	20.536	-

### Interest Rate Risk

The Company is exposed to fluctuation in interest rates on its borrowings. The interest rate risk arises due to uncertainties about future index values to which borrowing cost is linked in case of variable rate borrowings of the Company. There is no risk of interest rate on investment made in Term deposit of banks. Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk. The Company does not have exposure in fixed rate borrowings.

### Interest rate sensitivity

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

Rs in Lakhs		
Particulars	Increase/ decrease in basis points	Effect on profit before tax
31st March, 2020	50 basis point	709.05
31st March, 2019	50 basis point	540.87

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### Income Tax

	Rs in Lakhs	
	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>46.1 Recognised in Statement of Profit and Loss</b>		
Current tax	12,581.60	8,236.34
Deferred tax charge / (credit)	(8,990.66)	7,982.49
<b>Recognised in Other Comprehensive Income</b>		
Income tax on items that will not be reclassified to profit or loss	32.25	129.42
<b>Total income tax expense for the year</b>	<b>3,623.19</b>	<b>16,348.25</b>
<b>46.2 Reconciliation of effective tax</b>		
Profit/ (Loss) before tax	51,466.80	(19,082.08)
Indian Statutory Income Tax Rate	25.168%	34.944%
Estimated income tax expenses	12,953.16	(6,538.63)
<b>Tax effect of:</b>		
Impact on Deferred Tax Liabilities (net), due to change in tax rate	(8,338.15)	-
MAT Credit Entitlement written off	688.52	
Other write back/disallowance of expenses	(1,680.34)	17,259.22
Items not taxable, due to carried forward losses	-	(1,327.06)
Reversal of Deferred Tax Assets/Liability on Fair	-	6,954.72
Value Adjustment, Carried in earlier years	<b>3,623.19</b>	<b>16,348.25</b>





## JINDAL POLY FILMS LIMITED

- 46.3 The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the year ended 31 March 2020 and remeasured its deferred tax assets and liabilities, basis the rate prescribed in the said section. The full impact of this change has been recognised during the year.
- 46.4 Subsequent to approval of financial statements for the year ended 31 March, 2019, based on expert opinion obtained, the Company has claimed Rs. 49,137.48 lakhs towards written off of Optionally Convertible Preference Shares and Redeemable Preference Shares as deductible expenditure in its Income-tax return filed for the assessment year 2019-20. However, pending finalisation of assessment, no accounting impact has been given

### 47 Capital Management

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 primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31 March 2020 and 31 March 2019.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits. The Company monitors capital using gearing ratio, which is net debt divided by total capital as under:

	As at 31st March 2020	As at 31st March 2019
Borrowings	1,39,839.41	1,06,647.14
Less : Cash and Cash Equivalents	24,715.44	1,999.51
<b>Net debts</b>	<b>1,15,123.97</b>	<b>1,04,647.63</b>
Equity Share Capital	4,378.64	4,378.64
Other Equity	1,75,799.95	1,41,507.84
<b>Total equity</b>	<b>1,80,178.59</b>	<b>1,45,886.48</b>
<b>Equity and net debt</b>	<b>2,95,302.56</b>	<b>2,50,534.11</b>
Capital Gearing Ratio :	38.99%	41.77%
Debt to Equity Ratio :	0.64	0.72

### 48 Leases As a Lessee

- (a) Effective 1 April 2019 the company adopted Ind AS 116 'Lease' using modified retrospective approach in accordance with the modified retrospective transition method, the comparatives have not been retrospectively adjusted. There was no impact on financial position and retained earnings upon implementation of Ind AS 116 "Leases".
- (b) During the year the Company has recognised "Right of use asset" and "lease liability" for Rs. 213.11 lakhs and 164.68 lakhs respectively in books of accounts:
- (c) There are no income from subleasing right-of-use assets nor any gains or losses from sales and leaseback for the year ended 31 March 2020.
- (d) There are no variable lease payments for the year ended 31 March 2020.
- (e) Total cash outflow (undiscounted) on leases for the year ended March 31, 2020 was Rs. 30.00 lakhs
- (f) "General Description of leasing agreements: –
- Leased Assets: Buildings.
  - Future Lease rentals are determined on the basis of agreed terms
  - At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.



## JINDAL POLY FILMS LIMITED

- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms."

(g) The maturity profile of the lease liabilities (undiscounted) as of March 31, 2020, is as follows				
Particulars	0-1 year	1-3 years	3-5 Years	Total
Lease Liabilities	72.00	114.00	-	186.00

- (h) Rental expense recorded for short-term leases was INR 284.43 Lakhs for the year ended 31 March 2020
- (i) The Company has given certain premises on operating lease which can be terminated with 3 months prior notice by either party. The aggregate lease rentals received has been disclosed in note no. 26.

**49** The Company is primarily in the Business of manufacture and sale of packaging films and non woven fabrics. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company, has a policy for replacement of the damaged goods.

Reconciliation of revenue as per contract price and as recognised in Statement of Profit or Loss

Particulars	As at 31 March 2020	As at 31 March 2019
Revenue as per Contract price*	3,74,303.55	3,75,136.96
Less: Discounts, incentives etc.	22,715.03	22,350.82
<b>Sales of Products (Refer note 25)</b>	<b>3,51,588.52</b>	<b>3,52,786.15</b>

- 50** Based on the information available and to the extent identified by the management, certain vendors have confirmed their status under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Particulars	As at 31 March 2020	As at 31 March 2019
Principal and interest amount remaining unpaid	144.45	0.26
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
Interest due to payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	-	-
Interest accrued and remaining unpaid	-	-



## JINDAL POLY FILMS LIMITED

Interest remaining due to payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.		
Interest remaining due to payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.		

### 51 Scheme of Arrangement

The Board of Directors of the Company at its meeting held on 12 November 2018 has considered and approved a Scheme of arrangement between the Company and its wholly owned subsidiary company, Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) for demerger of Photo business division of the Company with appointed date i.e. 1 April 2019. The Composite Scheme of Arrangement ("the Scheme") has been filed with Honourable National Company Law Tribunal (NCLT) under the provisions of Section 230-233 and other applicable provisions of the Companies Act, 2013 and rules made there under. The said Scheme has been approved vide NCLT Order dated 9 December 2019. The scheme has been effective w.e.f. 20 December 2019. As per the Scheme, all related assets, liabilities as defined in the Scheme and other obligations forming part of, or relating to or appertaining to or attributable to the Photo division identified as Photographic products business of the Company and strategic investment in JPF Netherland BV, Amsterdam, investment in the units of mutual fund as of the appointed date i.e. 1 April 2019 have been transferred to Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited).

The Accounting effect of this Amalgamation in the Financial statements has been given as under:-

- (a) Pursuant to the Scheme, all assets, liabilities, other obligations and unabsorbed depreciation pertaining to the Photo Division and strategic investment in JPF Netherland BV, Amsterdam, investment in the units of mutual fund were transferred to Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) at book value with effect from the appointed date viz. 1 April 2019.
- (b) Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) has allotted 1,09,46,604 Equity Shares of Rs.10/- each, fully paid up, to the shareholders of the Company in the ratio of 1:4. The pre-demerger Capital of Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) Rs. 5.00 Lakhs i.e. 50,000 Equity Shares of Rs. 10/- each, fully paid up, held by the Company were cancelled pursuant to the Scheme.
- (c) The carrying value of Assets and liabilities of demerged company as on 1 April 2019.



## JINDAL POLY FILMS LIMITED

Particulars	Rs in Lakhs
<b>Assets</b>	
Property, Plant and Equipment	1,042.31
Inventories	1,253.46
Trade Receivables	599.94
Investment in Shares (JPF Netherland BV, Amsterdam)	29.02
Investment in Mutual Funds	10,823.50
Cash and Bank Balances	181.65
Other Financial Assets	299.56
Other Current Assets	111.31
<b>Total Assets (A)</b>	<b>14,340.75</b>
<b>Liability</b>	
Trade Payables	199.48
Other Non-Current Liabilities	563.45
Other Financial Liabilities	47.31
Other Current Liabilities	101.80
<b>Total Liabilities (B)</b>	<b>912.04</b>
<b>Net Assets (A-B)</b>	<b>13,428.71</b>
Less : Others	
Liability towards Gratuity	94.72
Deferred Tax Liability	182.21
<b>Total</b>	<b>276.93</b>
Reserve and Surplus transferred pursuant to Scheme	13,151.78

- (d) Pursuant to issuances of shares, referred in para (b) above, Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) ceases to be a subsidiary of the Company w.e.f. appointed date i.e. 1 April 2019.



## JINDAL POLY FILMS LIMITED

52 The Company has made Investment in subsidiaries / associates as detailed Below:

S. No	Name of Companies	Country of Incorporation	Company's Proportion of Interest	
Subsidiaries			As at 31 March 2020	As at 31 March 2019
1	Jindal Films India Limited	India	100.00%	100.00%
2	Jindal Imaging Limited	India	100.00%	100.00%
3	Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited)**	India	-	100.00%
4	J. and D. Specialty Films Pvt Limited	India	100.00%	100.00%
5	Jindal Packaging Trading DMCC	United Arab Emirates	100.00%	100.00%
Associates				
1	JPF Netherlands B.V. **	Netherlands	-	47.51%
2	JPF Dutch B.V. **	Netherlands	-	47.51%
3	JPF USA Holding LLC **	USA	-	47.51%
4	Jindal Films America LLC **	USA	-	47.51%
5	Jindal Films Europe Virton LLC **	USA	-	47.51%
6	Jindal Films Europe Virton S.p.r.l **	Belgium	-	47.51%
7	Jindal Films Europe Brindisi Srl **	Italy	-	47.51%
8	Jindal Films Europe Kerkrade B.V **	Netherlands	-	47.51%
9	Jindal Films Europe S.a.r.l **	Luxembourg	-	47.51%
10	Jindal Films Europe Services S.a.r.l. **	Luxembourg	-	47.51%
11	Jindal Films Singapore Pte. Ltd **	Singapore	-	47.51%
12	Jindal Films Shanghai Co. Ltd. **	China	-	47.51%
13	Rexor SAS **	France	-	47.51%
14	Apeldoorn Flexible Packaging B.V. **	Netherlands	-	47.51%
15	AFP Vastgoed B.V. **	Netherlands	-	47.51%
17	JPF Germany GmbH **	Germany	-	24.23%
18	Treofan Holdings GmbH **	Germany	-	24.23%
19	Treofan Zweite Holding GmbH **	Germany	-	24.23%
20	Treofan GmbH & Co KG **	Germany	-	24.23%
21	Treofan Italy Srl **	Italy	-	24.23%

\*\*Ceased to be an subsidiary and associate w.e.f 01.04.2019 as per the Scheme of Arrangement, refer note 51



## JINDAL POLY FILMS LIMITED

### 53 Events after the Balance Sheet Date

The Board of Directors of the Company, in its meeting held on 29th June 2020 has recommended dividend of Rs 1 (previous year Rs. 1) per equity share aggregating Rs 437.86 Lakhs (previous year Rs. 527.86 Lakhs including dividend tax of Rs. 90 Lakhs) for the financial year ended 31st March 2020 and same is subject to approval of shareholders at the ensuing Annual General Meeting and as per Ind AS, has not been shown as a liability in the financial statements for the year ended 31st March 2020.

54 Figures for the previous year have been regrouped /rearranged wherever required, to conform current year classifications.

53 Events after the Balance Sheet Date The Board of directors has recommended dividend of Rs. 1.00 (Previous Year Rs. 1.00) per equity share aggregating Rs. 437.86 Lakhs (Previous Year Rs. 527.86 Lakhs) including dividend distribution tax of Rs. NIL (Previous Year Rs. 90 Lakhs) for the financial year ended 31 March 2020 and same is subject to approval of shareholders at the ensuing Annual General Meeting."

54 COVID - 19 pandemic has caused serious disruption on the global economic and business environment. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage. However, the Company has evaluated and considered to the extent possible the likely impact that may arise from COVID-19 pandemic as well as all event and circumstances upto the date of approval of these financial statements on the carrying value of its assets and liabilities as on March 31, 2020. Based on the current indicators of future economic conditions, the Company estimates to recover the carrying amount of its assets. The Company has adequate liquidity to discharge its obligations. These estimates are subject to uncertainty and may be affected by the severity and duration of the pandemic. The Company is continuously monitoring any material changes in future economic conditions.

55 Figures for the previous year have been regrouped /rearranged wherever required, to conform current year classifications.

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

**For Singhi & Co**

Chartered Accountants

Firm Registration No : 302049E

**B K Sipani**

Partner

M No : 088926

Place: New Delhi

Date : 29th June 2020

For and on behalf of the Board of Directors

**Sagato Mukerji**

(Whole Time Director)

DIN - 06465901

**D S Rawat**

(VP Accounts)

**Sanjeev Saxena**

(Whole Time Director)

DIN - 07899506

**Sanjeev Kumar**

(Company Secretary)

ACS -18087

**Vinay Jindal**

(Chief Financial Officer)



## INDEPENDENT AUDITOR'S REPORT

To the Members of Jindal Poly Films Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Jindal Poly Films Limited ("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated 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 financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 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 financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. The results of our audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures wherever performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

S.N.	Key Audit Matter	Auditor's Response
1.	<b>Valuation of inventories</b>  We refer to Note 8 and 3 to the financial statements. As at March 31, 2020, the total carrying amount of inventories was Rs. 58,993.26 lakhs. The assessment of impairment of inventories involves significant estimation uncertainty, subjective assumptions and the application of significant judgment. Reviews are made periodically by management on inventories for obsolescence and decline in net realizable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving history. Key factors considered include the nature of the stock, its ageing, shelf life and turnover rate.	<b>How our audit addressed the key audit matter:</b>  We have checked and analyzed the ageing of the inventories, reviewed the historical trend on whether there were significant inventories written off or reversal of the allowances for inventory obsolescence. We conducted a detailed discussion with the key management and considered their views on the adequacy of allowances for inventory obsolescence considering the current economic environment. We have also reviewed the subsequent selling prices in the ordinary course of business and compared against the carrying amounts of the inventories on a sample basis at the reporting date. We found management's assessment of the allowance for inventory obsolescence to be reasonable based on available evidence





## JINDAL POLY FILMS LIMITED

S.N.	Key Audit Matter	Auditor's Response
2.	<b>Valuation of Current and Non-Current Investments</b>  As disclosed in Note 5&9 to the financial statements. As at March 31, 2020, the total carrying amount of total investments were Rs. 43,956.16 Lakhs. Investments mainly includes mutual funds. Fair valuation of unquoted current investments involves significant estimation uncertainty, subjective assumptions and the application of significant judgment. This was an area of focus for our audit and the area where significant audit effort was directed.	<b>How our audit addressed the key audit matter:</b>  Our audit procedures included updating our understanding of the processes employed by the Company for accounting and valuing their investments. We have reviewed year end confirmation of mutual fund and depository participants. We have verified that the Company was the recorded owner of all investments. Our audit procedures over the valuation of the Investments included reviewing valuation of all Investments held at March 31, 2020. We have reviewed that investments, where probability of realization is very low, should not be carried forward. Based on the audit procedures performed we are satisfied with existence and valuation of investment at March 31, 2020.

### Other Information

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. We have obtained all other information prior to the date of this auditor's report.

\Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective companies included in the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are



## JINDAL POLY FILMS LIMITED

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 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 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 control 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 Group 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 ability of the Parent Company and its subsidiaries 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 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent Auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other Auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of the Parent Company 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 financial statements for the financial year ended March 31, 2020 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.

### Other Matter

- a. One foreign subsidiary, whose financial statements include total assets of Rs. 252 Lakhs as at March 31, 2020, revenues from operations of Rs. Nil and Rs. 153 Lakhs, total net loss after tax of Rs. Nil Lakhs and Rs. 2 Lakhs, total comprehensive income of Nil and Rs. (2) Lakhs, for the quarter and the year ended on that date respectively, and net cash outflows of Rs. 22 Lakhs for the year ended March 31, 2020, as considered in the Statement. The



financial statements have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditors under generally accepted auditing standards applicable in their country. The company's management has converted financial statements of subsidiary located outside India, from accounting principle generally accepted in their country to accounting principle generally accepted in India. We have audited the conversion adjustment made by the Company's management. Our opinion in so far as it relates to the balance and affair of such subsidiary located outside India is based on the report of other auditor and the conversion adjustment prepared by the management of the Company and audited by us. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of the subsidiary is based solely on the report of the other auditor and procedures performed by us as stated in paragraph above.

- b. Three wholly owned subsidiaries, whose financial statements include total assets of Rs. 13,924 Lakhs as at March 31, 2020, total revenues of Rs. 2871 Lakhs and Rs. 12984 Lakhs, total net profit after tax of Rs. 154 Lakhs and Rs. 1,137 Lakhs, total comprehensive income of Rs.1, 139 Lakhs and Rs. 1,139 Lakhs, for the quarter and the year ended on that date respectively, and net cash outflows of Rs.116 Lakhs for the year ended March 31, 2020, as considered in the Statement which have been audited by other auditors, whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of the other auditors and procedures performed by us as stated in "Auditor's Responsibilities" for the Audit of the Consolidated Financial Results" above.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit & Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2013;
- (e) On the basis of the written representations received from the Directors of the Parent Company as on March 31, 2020 taken on record by the Board of Directors of the Parent Company and the reports of the Statutory Auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Parent Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure A" to this report;
- (g) In our opinion and based on the reports of the statutory auditors of subsidiary companies incorporated in India, the remuneration paid/provided during the year by the Parent Company and its subsidiary companies to its directors is in accordance with the provisions of section 197 (16) 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 and based on the consideration of the report of the other auditors on separate financial statements of subsidiary companies:



## JINDAL POLY FILMS LIMITED

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 35 to the consolidated financial statements;
- ii. The Group has made provision for material foreseeable losses 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 Group.

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 302049E**

**Bimal Kumar Sipani**  
**Partner**

**Place: Noida (Delhi-NCR)**

**Date: June 29, 2020**

**Membership No. 088926**

**UDIN:20088926AAAAGI1347**

### **ANNEXURE A**

#### **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 Jindal Poly Films Limited ("the Parent Company") and its subsidiary companies incorporated in India (the Parent Company and its subsidiaries together referred to as "the Group"), as of March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Parent Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent Company and its subsidiary companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over the financial reporting criteria established by the respective 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 were 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 Group's internal financial controls with reference to consolidated financial statements 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 of and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statement included obtaining an understanding of internal financial controls with reference to consolidated financial statement, 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 consolidated 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 with reference to consolidated financial statements.



### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal; financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company ; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization 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 financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of Internal Financial Controls with reference consolidated financial statements, 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 controls with reference to consolidated financial statements 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 Group has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Group 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 however same need to be further strengthened.

### Emphasis of Matter

We draw attention that the parent company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not qualified in respect of this matter.

### Explanatory Statement

Our observation as stated in 'Emphasis of Matter, was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 consolidated financial statements of the Company and this report does not affect our report dated June 29, 2020, which expressed an unqualified opinion on those consolidated financial statements.

### Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary companies incorporated in India, is based on the corresponding reports of the auditors of such companies. Our Opinion is not modified in respect of this matter.

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 302049E**

**Bimal Kumar Sipani**  
**Partner**

**Place: Noida (Delhi-NCR)**  
**Date: June 29, 2020**

**Membership No. 088926**  
**UDIN:20088926AAAAGI1347**



# JINDAL POLY FILMS LIMITED

Consolidated Balance Sheet as at 31st March 2020

Rs in Lakhs

Particulars	Note	As at 31st March 2020	As at 31st March 2019
<b>ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Property, plant and equipment	4	2,35,502.16	2,05,832.31
(b) Capital work-in-progress	4	18,161.49	2,778.07
(c) Right of use asset	4	161.46	-
(d) Other intangible assets	4	567.31	152.82
(e) Intangible assets under development	4	-	367.27
(f) Financial assets			
(i) Investments	5	6,012.45	98,853.54
(ii) Other financial assets	6	538.73	472.78
(g) Other non current assets	7	1,634.63	5,826.75
<b>Total Non Current Assets</b>		<b>2,62,578.22</b>	<b>3,14,283.54</b>
<b>(2) Current Assets</b>			
(a) Inventories	8	58,993.37	49,370.33
(b) Financial Assets			
(i) Investments	9	37,943.71	40,108.76
(ii) Trade Receivables	10	12,662.12	14,465.63
(iii) Cash and Cash Equivalents	11	25,106.41	2,252.55
(iv) Bank Balances other than (iii) above	12	2,437.39	3,743.73
(v) Other Financial Assets	13	22,477.52	19,632.93
(c) Current Tax Assets (Net)	14	3,179.30	3,571.67
(d) Other Current Assets	15	12,973.78	10,623.42
<b>Total Current Assets</b>		<b>1,75,773.59</b>	<b>1,43,769.02</b>
<b>Total Assets</b>		<b>4,38,351.82</b>	<b>4,58,052.56</b>
<b>Equity And Liabilities</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	16	4,378.64	4,378.64
(b) Other Equity		1,81,050.84	2,21,322.17
<b>Total Equity</b>		<b>1,85,429.52</b>	<b>2,25,700.81</b>
<b>(2) Non Current Liabilities</b>			
(a) Financial Liabilities			
Borrowings	17	94,855.70	68,121.98
Lease Obligation (Ref Note No 49)		98.66	-
(b) Provisions	18	19.17	14.43
(c) Deferred Tax Liabilities (Net)	19	20,386.53	46,501.97
(d) Other Non Current Liabilities	20	36,835.76	27,497.41
<b>Total Non Current Liabilities</b>		<b>1,52,195.82</b>	<b>1,42,135.79</b>
<b>(3) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	26,988.85	24,576.77
(ii) Lease Liabilities	17C	66.02	-
(iii) Trade Payables			
Total outstanding dues of Micro Enterprises and Small Enterprises	21	144.45	0.26
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		25,132.41	26,603.64
(iii) Other Financial Liabilities	22	29,409.63	22,533.45
(b) Other Current liabilities	23	18,975.29	16,499.73
(c) Provisions	24	9.86	2.11
<b>Total Current Liabilities</b>		<b>1,00,726.51</b>	<b>90,215.96</b>
<b>Total Equity and Liabilities</b>		<b>4,38,351.82</b>	<b>4,58,052.56</b>
Summary of Significant Accounting Policies	1-3		
Other Notes on Financial Statements	35-53		

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

**For Singhi & Co**

Chartered Accountants

Firm Registration No : 302049E

**B K Sipani**

Partner

M No : 088926

Place: Noida ( Delhi-NCR)

Date : 29th June 2020

For and on behalf of the Board of Directors

**Sagato Mukerji**

(Whole Time Director)

DIN - 06465901

**D S Rawat**

(VP Accounts)

**Sanjeev Kumar**

(Company Secretary)

ACS -18087

**Sanjeev Saxena**

(Whole Time Director)

DIN - 07899506

**Vinay Jindal**

(Chief Financial Officer)

Place :New Delhi

Date : 29th June 2020





# JINDAL POLY FILMS LIMITED

## Consolidated Statement of Profit and Loss for the Year ended 31st March 2020

Rs in Lakhs except EPS

Particulars	Note	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>I. REVENUES</b>			
Revenue from operations	25	3,53,261.90	3,62,324.95
Other income	26	7,356.25	6,794.77
<b>Total Revenue (I)</b>		<b>3,60,618.15</b>	<b>3,69,119.71</b>
<b>II. EXPENSES</b>			
Cost of materials consumed	27	2,24,050.63	2,62,274.89
Purchase of stock-in-trade		180.78	958.47
Changes in inventories of finished goods work-in-progress and stock-in-trade	28	(5,251.33)	(6,484.80)
Employee benefits expense	29	10,061.11	9,270.26
Finance costs	30	5,767.63	4,503.59
Depreciation and amortization expense	31	11,835.28	10,392.17
Other expenses	32	57,496.49	51,872.20
<b>Total Expenses (II)</b>		<b>3,04,140.60</b>	<b>3,32,786.79</b>
<b>III. Profit before exceptional items and tax (I - II)</b>		<b>56,477.55</b>	<b>36,332.92</b>
IV. Exceptional items gain / (loss)	33	(3,753.94)	(60,468.86)
Share of net profit of associates accounted for using the equity method		-	55.76
<b>V. Profit/ (Loss) before tax (III + IV)</b>		<b>52,723.61</b>	<b>(24,080.18)</b>
<b>VI. Tax Expense</b>			
(i) Current tax	46	12,908.36	8,630.46
(ii) Deferred tax charge / (credit)	46	(9,049.20)	8,154.26
Total tax expenses		3,859.16	16,784.71
<b>VII Profit/ (Loss) for the year (V - VI)</b>		<b>48,864.45</b>	<b>(40,864.89)</b>
<b>VIII Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of post employment benefit obligations		130.41	767.71
- Proportionate share of Bargain Purchase Gain by Associates		-	19,833.45
- Income tax relating to above		(32.25)	(129.42)
(ii) Items that may be reclassified to profit or loss			
- Exchange differences (net) on translating the results and net assets of foreign operations		(1.65)	(1,074.81)
- Income tax relating to these items		-	-
Other Comprehensive Income for the year		96.51	19,396.93
<b>IX Total Comprehensive Income for the year (VII + VIII)</b>		<b>48,960.96</b>	<b>(21,467.97)</b>
<b>X Profit/(loss) for the year attributable to :</b>			
Owners of the Parent		48,864.45	(40,864.89)
Non Controlling Interests		-	-
<b>Other Comprehensive Income for the year attributable to :</b>			
Owners of the Parent		96.51	19,396.93
Non Controlling Interests		-	-
<b>Total Comprehensive Income / (Loss) for the year attributable to :</b>			
Owners of the Parent		48,960.96	(21,467.97)
Non Controlling Interests		-	-
<b>XI Earnings per Equity Share (Face Value of Rs. 10/- each)</b>	34		
Basic (in Rs.)		111.60	(93.33)
Diluted (in Rs.)		111.60	(93.33)
Summary of Significant Accounting Policies	1-3		
Other Notes on Financial Statements	36-53		

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

**For Singhi & Co**

Chartered Accountants

Firm Registration No : 302049E

**B K Sipani**

Partner

M No : 088926

Place: Noida ( Delhi-NCR)

Date : 29th June 2020

For and on behalf of the Board of Directors

**Sagato Mukerji**

(Whole Time Director)

DIN - 06465901

**D S Rawat**

(VP Accounts)

**Sanjeev Kumar**

(Company Secretary)

ACS -18087

**Sanjeev Saxena**

(Whole Time Director)

DIN - 07899506

**Vinay Jindal**

(Chief Financial Officer)

Place :New Delhi

Date : 29th June 2020





# JINDAL POLY FILMS LIMITED

Consolidated Statement of Changes in Equity for the year ended 31st March 2020

(a) Equity Share Capital & Reconciliation of number of share outstanding at the beginning and end of the year :

Equity Shares	As at 31st March 2020			As at 31st March 2019		
	Number of Shares	Rs in Lakhs	Rs in Lakhs	Number of Shares	Rs in Lakhs	Rs in Lakhs
Balance as at the beginning of the year	43786413	4,378.64	4,378.64	43786413	4,378.64	4,378.64
Changes in Equity Share Capital during the year	-	-	-	-	-	-
Balance as at the end of the year	43786413	4,378.64	4,378.64	43786413	4,378.64	4,378.64

(b) Other Equity

Rs in Lakhs

Particulars	Reserve & Surplus						Other Comprehensive Income				Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Amalgamation Reserve	General Reserve	Retained Earnings	Exchange differences on translating financial statements of foreign operations	Bargain Purchase	Remeasurements of post employment benefit obligations (net of tax thereon)	Non Controlling Interests	
Balance as at 31 March 2018	6,469.05	21,069.36	11,518.82	4,228.32	42,306.99	1,54,633.81	2,459.43	-	632.16	-	2,43,317.94
Profit/(Loss) for the year	-	-	-	-	-	(40,864.84)	-	-	-	-	(40,864.84)
Other Comprehensive Income for the year	-	-	-	-	-	-	(1,074.81)	19,833.45	638.29	-	19,396.93
Total Comprehensive Income For the Year	-	-	-	-	-	(40,864.84)	(1,074.81)	19,833.45	638.29	-	(21,467.91)
Dividends declared and paid for financial year 2017-18	-	-	-	-	-	437.86	-	-	-	-	437.86
Dividend distribution tax paid	-	-	-	-	-	90.00	-	-	-	-	90.00
Balance as at 31 March 2019	6,469.05	21,069.36	11,518.82	4,228.32	42,306.99	1,13,241.11	1,384.61	19,833.45	1,270.46	-	2,21,322.17
Profit/(Loss) for the year	-	-	-	-	-	48,864.45	-	-	-	-	48,864.45
Other comprehensive income for the year	-	-	-	-	-	96.51	1.65	-	-	-	98.15
Total Comprehensive Income for the year	-	-	-	-	-	48,960.96	1.65	-	-	-	48,962.60
Transfer to retained earnings	-	-	-	-	-	1,270.46	-	-	(1,270.46)	-	-
Derecognition of Associates pursuant to Scheme (Refer Note 51)	-	-	-	-	-	(54,327.71)	(1,393.13)	(19,833.45)	-	-	(75,554.29)
Transferred pursuant to Scheme (Refer Note 51)	-	-	-	-	-	(13,151.78)	-	-	-	-	(13,151.78)
Dividends declared and paid for financial year 2018-19	-	-	-	-	-	437.86	-	-	-	-	437.86
Dividend distribution tax paid	-	-	-	-	-	90.00	-	-	-	-	90.00
Balance as at 31 March 2020	6,469.05	21,069.36	11,518.82	4,228.32	42,306.99	95,465.17	-6.87	-	-	-	1,81,050.84



**Capital Reserve:** Represents the difference of surplus of book value of net assets and aggregate of face value of equity shares allotted by the Holding Company to the shareholders of the Demerged Undertaking (Manufacturing Division) of Jindal Photo Limited on merger with the Holding Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

**Securities Premium :** Represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

**Capital Redemption Reserve:** Represents redemption of preference shares in earlier years and can be utilised in accordance with the provisions of the Companies Act, 2013.

**Amalgamation Reserve :** Represents difference between nominal issue price of shares and value of net assets of transferee companies, pursuant to the scheme of amalgamation in the year 1999-2000 and can be utilised in accordance with the provisions of the Companies Act, 2013.

**General reserve:** It represents appropriation of profits by the board of directors. The said reserve is available for payment of dividend to shareholders as per the provisions of the Companies Act, 2013.

**Retained Earnings:** Retained earnings are profits earned by the Group after transfer to general reserve and payment of dividend to shareholders.

**Foreign Currency Translation Reserve:** Exchange differences relating to translation of the results and net assets of the overseas foreign operations from their functional currency in to group presentation currency (i.e. Rs.) are recognized in Other Comprehensive Income and accumulated in Foreign currency translation reserve. Exchange differences previously accumulated in foreign currency translation reserve in respect of foreign operations are reclassified to Profit and loss on disposal of foreign operation.

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

**For Singhi & Co**

Chartered Accountants

Firm Registration No : 302049E

**B K Sipani**

Partner

M No : 088926

Place: Noida ( Delhi-NCR)

Date : 29th June 2020

For and on behalf of the Board of Directors

**Sagato Mukerji**

(Whole Time Director)

DIN - 06465901

**Sanjeev Saxena**

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**D S Rawat**

(VP Accounts)

**Sanjeev Kumar**

(Company Secretary)

ACS -18087

**Vinay Jindal**

(Chief Financial Officer)

Place :New Delhi

Date : 29th June 2020



# JINDAL POLY FILMS LIMITED

## Consolidated Statement of Cash Flow For The Year Ended 31st March 2020

Rs in Lakhs

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>A. Cash inflow/(outflow) from operating activities</b>		
Net profit before tax and share of profit of associate	52,723.61	(24,135.88)
Adjustments for:		
Depreciation and amortisation	11,835.28	10,392.17
Amortisation of deferred Government grant	(1,911.16)	(1,545.00)
Net loss / (gain) on disposal/ discard of property, plant and equipment	19.40	191.00
Net loss / (gain) on sale of investment in mutual fund units	(3,033.20)	353.58
Unrealised gain on foreign currency transactions and translations (considered as finance cost)	(3,535.68)	(2,365.80)
Net loss / (gain) on foreign currency transactions and translations (considered other than as finance cost)	(52.11)	-
Finance costs	5,767.63	4,503.59
Interest income	(440.55)	(523.62)
Written off of carrying amount of optionally convertible preference shares and redeemable preference shares (refer note 33.1)	-	49,137.46
Written of trading advances (refer note 33.2)	-	9,148.95
Net loss / (gain) on fair value of current investment	(1,003.38)	4,337.33
<b>Operating Profit before Working Capital Changes</b>	<b>60,369.85</b>	<b>49,493.78</b>
<b>Adjustments for :</b>		
(Increase) / decrease in trade and other receivables	(565.12)	(345.40)
(Increase) / decrease in inventories	(10,876.49)	(6,832.36)
(Increase) / decrease in trade and other payables	501.41	15,488.51
<b>Cash generated from Operations</b>	<b>49,429.65</b>	<b>57,804.53</b>
Direct tax paid (net of refund received)	(12,548.24)	(7,873.72)
<b>Net cash generated/ (used in) from Operating Activities</b>	<b>36,881.41</b>	<b>49,930.81</b>
<b>B. Cash Inflow/(Outflow) From Investing Activities</b>		
Purchase of property, plant & equipments and intangible assets	(47,539.90)	(42,271.20)
Sales proceeds of property, plant & equipments	123.70	207.57
Amount received from industrial promotion subsidy under mega project	8,790.18	4,464.43
Purchase of investments in mutual fund units	(31,218.59)	(34,577.95)
Sale of investments (redemption of mutual fund units)	26,596.71	15,066.14
Movement in fixed deposits	1,302.39	1,875.57
Interest received	445.28	480.28
<b>Net Cash generated/ (used in) investing activities</b>	<b>(41,500.22)</b>	<b>(54,755.16)</b>
<b>C. Cash Inflow/(Outflow) From Financing Activities</b>		
Proceeds from non current borrowings	42,651.01	28,122.19
Repayments of non current borrowings	(10,219.74)	(10,290.84)
Proceeds / (repayments) of current Borrowings (Net)	2,471.76	(9,398.54)
Dividend paid (including dividend tax)	(527.86)	(522.97)
Payment of lease obligation	3.23	-
Finance cost paid	(6,664.37)	(4,123.00)
<b>Net Cash generated/ (used in) From Financing Activities</b>	<b>27,714.04</b>	<b>3,786.83</b>
Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	23,095.23	(1,037.52)
Opening Balance of Cash and Cash Equivalents	2,192.84	3,230.38
Less : Balance transferred pursuant to Scheme of Arrangement (Refer note 51)	(181.65)	-
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>25,106.42</b>	<b>2,192.85</b>
<b>Cash &amp; Cash Equivalents Comprise (Refer Note 11)</b>		
Cash on hand	20.85	2.14
Balances with Banks in Current Accounts	13,405.51	2,250.41
Fixed Deposit with original maturity of less than three months	11,680.05	-
Less : Banks Overdrafts Payable on Demand	-	59.69
	<b>25,106.42</b>	<b>2,192.85</b>

Notes (i) Figures in bracket represent outflows.

(ii) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 on "Statement of Cash Flows

(iii) Additional disclosure required under amendment to Ind AS 7, refer Note 41.

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

**For Singhi & Co**

Chartered Accountants

Firm Registration No : 302049E

**B K Sipani**

Partner

M No : 088926

Place: Noida ( Delhi-NCR)

Date : 29th June 2020

For and on behalf of the Board of Directors

**Sagato Mukerji**

(Whole Time Director)

DIN - 06465901

**D S Rawat**

(VP Accounts)

**Sanjeev Kumar**

(Company Secretary)

ACS -18087

**Sanjeev Saxena**

(Whole Time Director)

DIN - 07899506

**Vinay Jindal**

(Chief Financial Officer)

Place :New Delhi

Date : 29th June 2020



## Notes to the Consolidated Financial Statements

### 1 Group Information

Jindal Poly Films Limited (Holding Company) is the largest manufacturer of BOPET and BOPP films in India. The Holding Company produces BOPET, BOPP, CPP, Thermal, Metalized and Coated Films. The manufacturing units at Nasik are amongst the most modern facilities available and are capable of producing high quality products. The Holding Company is also engaged in manufacturing of Nonwoven Fabric products with plant located in Nasik. The group comprising Jindal Poly Films Limited (Holding Company), and has subsidiaries in India and overseas. The equity shares of the Holding Company are listed on the Indian Stock Exchanges (National Stock Exchange & Bombay Stock Exchange).

### 2 Principles of Consolidation

The Consolidated Financial Statements (CFS) relates to Jindal Poly Films Limited (hereinafter referred to as the "Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31 March 2020, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Change in Equity, the Consolidated Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information /notes (herein referred to as "the Consolidated Financial Statements"). The CFS have been prepared in accordance with Indian Accounting Standard AS 110 on "Consolidated Financial Statements" (Ind AS 110), Indian Accounting Standard 28 on "Investments in Associates and Joint Ventures" (AS 28) referred to in section 133 of the Companies Act 2013 and the relevant provisions of The Companies Act, 2013 and are prepared on the following basis:

(a) Subsidiaries are those enterprises controlled by the Group and its subsidiaries. Control is achieved when:

- the Group has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The group reassesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements to control listed above. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

- (b) The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-group transactions, balances and unrealised profits on transactions between group companies are eliminated in full. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets. Appropriate adjustments for deferred taxes are made for temporary differences that arise from the elimination of unrealised profits and losses from intra-group transactions or undistributed earnings of Group's entity included in consolidated statement of profit and loss, if any.
- (c) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company.
- (d) Non-controlling interest in the profit / loss and equity of the subsidiaries' are shown separately in the consolidated statement of profit and loss, consolidated statement of change in equity and consolidated balance sheet, respectively.
- (e) A change in the ownership interest of a subsidiary, without a loss of control and acquisition of non controlling interest is accounted for as an equity transaction. This results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.
- (f) In case of foreign subsidiary, revenue items are translated at the average rates prevailing during the period and assets & liabilities are translated at the closing rate at the end of the reporting period. Any exchange difference arising on translation is recognized in Other Comprehensive Income (OCI) as "Exchange differences on translating the results and net assets of foreign operations".

### (g) Equity Method

Associates are entities over which the group has significant influence but not control or joint control. This is generally the



## JINDAL POLY FILMS LIMITED

case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost (fair value of retained interest, in case of loss of control over subsidiary, being regarded as cost on initial recognition as explained in below note (h)) and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

### (h) Loss of Control over Subsidiary and retained interest in Investee Group

The Group reassesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements to control listed below. Loss of Control is determined when the Group :

- has no power over the investee;
- is not exposed to, or not has rights, to variable returns from its involvement with the investee; and
- not has the ability to use its power to affect its returns.

When loss of control over subsidiary is established, the parent shall derecognises the assets (including goodwill), liabilities and non-controlling interests of the former subsidiary from the consolidated balance sheet at their carrying amounts at the date when control is lost and recognises any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant Ind ASs. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with Ind AS 109 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture. The parent shall recognise any resulting difference as a gain or loss in profit or loss attributable to the parent.

(i) The details of Subsidiaries and Associates companies whose financial statements are consolidated are as follows:

S. No	Name of Companies	Country of Incorporation	Group's Proportion of Interest	
			As at	As at
			31st March 2020	31st March 2019
Subsidiaries				
1	Jindal Films India Limited *	India	100.00%	100.00%
2	Jindal Imaging Limited	India	100.00%	100.00%
3	J. and D. Speciality Films Pvt Limited	India	100.00%	100.00%
4	Jindal Packaging Trading DMCC *	United Arab Emirates	100.00%	100.00%
5	Jindal Photo Imaging Limited **	India	-	100.00%
Associates				
1	JPF Netherlands B.V. (Consolidated) ***		Netherlands	- 49.47%

\*During the year, the Company further invested in 12,33,334 Shares of Rs 10 Each of M/s Jindal Film India Limited.

\*During the year, the Company further invested in 15,49,900 Shares of AED 1000 Each of M/s Jindal Packaging Trading DMCC.

\*\*ceased to be an associate w.e.f. appointed date 1 April 2019 pursuant to the Scheme, refer note 51.

- (j) The Consolidated financial statements are based, in so far they relate to audited financial statements included in respect of subsidiaries (audited by their auditors) and associates in previous year (audited by their auditors), which are prepared for consolidation in accordance with the requirement of Indian Accounting Standard AS 110 on "Consolidated Financial Statements" (Ind AS 110) and Indian Accounting Standard 28 on "Investments in Associates and Joint Ventures" (AS 28) referred to in section 133 of the Companies Act 2013.
- (k) For the purpose of incorporation of profit of associates in previous year (as per equity method) in consolidated financial statements, the consolidated financial statements of JPF Netherlands B V reflecting consolidation for following entities prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU), have been restated, where considered material, to comply with Generally Accepted Accounting Principles in India.



## JINDAL POLY FILMS LIMITED

S. No	Name of Companies	Country of Incorporation	Group's Proportion of Interest as Associate as at 31 March 2020	Group's Proportion of Interest as Associate as at 31 March 2019
1	JPF Dutch B.V.	Netherlands	-	49.47%
2	JPF USA Holding LLC	USA	-	49.47%
3	Jindal Films America LLC	USA	-	49.47%
4	Jindal Films Europe Virton LLC	USA	-	49.47%
5	Jindal Films Europe Virton S.p.r.l	Belgium	-	49.47%
6	Jindal Films Europe Brindisi Srl	Italy	-	49.47%
7	Jindal Films Europe Kerkrade B.V	Netherlands	-	49.47%
8	Jindal Films Europe S.a.r.l	Luxembourg	-	49.47%
9	Jindal Films Europe Services S.a.r.l.	Luxembourg	-	49.47%
10	Jindal Films Singapore Pte. Ltd	Singapore	-	49.47%
11	Jindal Films Shanghai Co. Ltd.	China	-	49.47%
12	Rexor SAS	France	-	49.47%
13	Apeldoorn Flexible Packaging B.V.	Netherlands	-	49.47%
14	AFP Vastgoed B.V.	Netherlands	-	49.47%
16	JPF Germany GmbH	Germany	-	25.23%
17	Treofan Holdings GmbH	Germany	-	25.23%
18	Treofan Zweite Holding GmbH	Germany	-	25.23%
19	Treofan GmbH & Co KG	Germany	-	25.23%
20	Treofan Italy Srl	Italy	-	25.23%

\* ceased to be an associate w.e.f. appointed date 1 April 2019 pursuant to the Scheme, refer note 51

### 3 Summary of Significant Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in the financial statements.

#### (a) Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. These consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. These financial statements were authorised for issue by the Board of Directors on their meeting held on June 29, 2020.

#### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the following items:

- Certain financial assets and liabilities that is measured at fair value.
- Certain financial assets and liabilities that is measured at amortized cost.
- Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the



degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### (c) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Group's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes to these financial statements.

### (d) Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- identification of leases
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

#### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Impairment test: key assumptions underlying recoverable amounts.
- Useful life and residual value of property, plant and equipments and intangible assets.
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Uncertainty relating to the global health pandemic

### (e) Classification of Assets and Liabilities

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset/ liabilities is treated as current when it is:

- Expected to be realised/settled (liabilities) or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period,
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/liabilities are classified as non-current.





Deferred tax assets and liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents.”

### **(f) Property, Plant and Equipment**

#### **Recognition and Measurement**

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP). The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost attributable to qualifying assets and incidental expenditure during construction incurred unto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment.

#### **Subsequent Measurement**

Subsequent expenditure is capitalised only if it is probable that there is an increase in the future economic benefits associated with the expenditure will flow to the Group.

#### **Depreciation**

“Depreciation on Property, Plant & Equipments (other than leased assets) and Intangible Assets are provided using straight Line Method based on estimated useful life prescribed under respective Local Laws. Depreciation on assets acquired under finance lease is spread over the lease term.

Further, in view of different sets of environment in which foreign subsidiaries operate in their respective countries, provision for depreciation is made to comply with local laws and by use of respective companies’ managements estimate. It is practically not possible to align useful life of assets, for determination of depreciation of such subsidiaries with those of the Group. However on review, the group is of the opinion that provision of such depreciation is adequate.”

Property, Plant and Equipment’s residual values, estimated useful lives are reviewed at each balance sheet date and changes, if any, are treated as changes in accounting estimates. Freehold Land, Capital Work in Progress and Intangible Assets under Development are not depreciated.

#### **Capital work-in-progress**

Expenditure incurred during the construction period, including all expenditure direct and indirect expenses, incidental and related to construction and eligible borrowing cost, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment.

#### **De-recognition**

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

### **(g) Intangible Assets**

“Intangible assets (Other than goodwill) acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over the estimated useful life. Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively. An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss. “

### **(h) Impairment of non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the



recoverable amount of assets is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit (CGUs). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.

### (i) 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 a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

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

### (j) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are capitalised as part of the cost of such assets upto the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, up-front fee) are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

### (k) Foreign currency transactions

Functional and presentation currency Consolidated financial statements have been presented in Indian Rupees, which is the Holding Company's primary functional and presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional currency.

Transactions and Balances Transactions in foreign currencies are initially recorded by the entities in Group at their respective functional currency rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in statement of profit and loss. Differences arising on settlement of monetary items are also recognised in statement of profit and loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. These non-monetary items are not re-measured at the reporting date.”

### (l) Employee Benefits

#### Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, exgratia, incentives are recognized in the period during which the employee renders the related service.

#### Post-Employment Benefits

##### (a) Defined Contribution Plans

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognized in the statement of profit and loss during the period during which the employee renders the related service.”

##### (b) Defined Benefit Plans

The employee Gratuity Fund Scheme managed by a trust is a defined benefit plan. The present value of obliga-

tion under such defined benefit plan is determined based on actuarial valuation under the projected unit credit method which recognizes each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at balance sheet date, having maturity periods approximated to the returns of related obligations. In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

- (c) The obligation for leave encashment is provided for and paid on yearly basis.
- (d) The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest)), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in other equity and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:
  - service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
  - net interest expense or income; and
  - remeasurement The Group presents the first two components of defined benefit costs in the statement of profit and loss in the line item employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans."

#### **Other long-term employee benefits**

The Group has long term employment benefit plans i.e. accumulated leave. Accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

#### **(m) Revenue Recognition**

The Group recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when:

- (a) effective control of goods alongwith significant risks and rewards of ownership has been transferred to customer and in case of services, the year in which such services are rendered.
- (b) the amount of revenue can be measured reliably;
- (c) it is probable that the economic benefits associated with the transaction will flow to the Group; and
- (d) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue (other than sale of goods) is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Claim on insurance companies, interest and others, where quantum of accrual cannot be ascertained with reassurance certainty, are accounted for on acceptance basis.

The Group is engaged in the business of manufacturing & sales of various types of packaging films and Nonwoven Fabric Products of various dimensions and grades. As per the Group's usual policy, the low graded/surplus stock of films are sold at special discounted prices and such discounts are adjusted in unit sale price.

#### **(n) Other Income**

Other income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income are recognised on an accrual basis using the effective interest method. Dividend income is recognized in the income statement on the date the entity's right to receive payments is established.



### (o) Export Benefit

Income from export incentives such as duty drawback etc are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

### (p) Inventories

Inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials is determined on FIFO basis and cost of stores, packing materials are determined on weighted average basis. Further the cost for Work-in-Progress includes material cost, stage wise direct cost and other related manufacturing overheads. Non usable wastes are valued at net realizable value. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

### (q) Provisions

Based on the best estimate, provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date. A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### (r) Operating Segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Operating segments comprise Packaging Films and Nonwoven Fabrics being performance measure of the Group, as required under Ind AS 108 (Operating Segments). The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted by the Group. Operating Segments are identified based on the nature of products, the different risks and returns, being the performance measure of the Group. Further disclosure of segments based on geography by location of customers i.e. in India and outside India has been made. Inter-segment revenue, if any, have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

### (s) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts and commodity futures contracts.

#### a) Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts.

#### b) Classification and subsequent measurement

##### Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI).

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are rec-



ognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss and recognised in other income. Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI). This election is made on an investment by investment basis. Fair value gains and losses recognised in OCI are not reclassified to profit and loss."

Fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. In addition, the Group may elect to classify a Financial assets, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss."

### **Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **c) Derecognition**

#### **Financial assets**

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby the asset transfers are recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### **Financial liabilities**

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the Statement of Profit and Loss.

### **(d) Impairment of financial assets**

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in statement of profit or loss.

### **(e) Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Group has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously. Financial assets and liabilities are being offset and the net amount reported in the Financial Statements when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### **(t) Derivative financial instruments**

"The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.



Any gains or losses arising from changes in the fair value of derivatives are recognised in Statement of Profit and Loss." Financial assets and liabilities are being offset and the net amount reported in the Financial Statements when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### (u) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

#### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Such reductions are reversed when the probability of future taxable profits improves.

### (v) Leases

#### Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

#### Lease Liability

The lease payments that are not paid at the commencement date, are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value as that of right-of-use asset in a similar economic environment with similar terms, security and conditions. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and





## JINDAL POLY FILMS LIMITED

- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

### Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset. ROU assets are depreciated over the shorter period of the lease term or useful life of the underlying asset. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease. The ROU assets are presented as a separate line in the Balance Sheet and details of assets are given ROU note under "Notes forming part of the Financial Statement". The Group applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'. As a practical expedient, Ind AS 116 permits lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient. Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option."

### Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership are transferred from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease."

### (w) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

For the purposes of the Statement of Cash Flow, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

### (x) Government Grants

"The Group may receive government grants that require compliance with certain conditions related to the Group's operating activities or are provided to the Group by way of financial assistance on the basis of certain qualifying criteria.





Government grants are recognised at fair value when there is reasonable assurance that the grant will be received upon the Group complying with the conditions attached to the grant. Accordingly, government grant :

- (i) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred and disclosed in other income.
- (ii) related to Packaging Scheme of Incentives Government of Maharashtra are initially carried by setting up these grants as Deferred Government Grants and amortised/recognised in the statement of profit and loss on straight line method and disclosed in Other Income.
- (iii) related to acquisition of property, plant & equipment are initially carried by setting up these grants as Deferred Government Grants and amortised/recognised in the statement of profit and loss on straight line method and netted off from depreciation expenses.
- (iv) Government grants under Export Promotion Credit Guarantee Scheme (EPCG) related to duty saved on import of property, plant and equipment are initially carried by setting up this grant as "Deferred Government Grants" and credited to the statement of profit and loss on the basis of pattern of fulfilment of obligations associated with the grant received and shown under "Other Income".

### (y) Earnings per share

"The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

### (z) Expenditure on new projects , substantial expansion and during construction period

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its originally assessed standard of performance. Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective fixed assets on the completion of its construction.

### (za) Business Combinations

"Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group and fair value of any assets or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind AS.

### Non Controlling Interests

The Group recognises any non-controlling interest in the acquired entity either at fair value or at the non-controlling interest's proportionate share in the recognised amount of the acquired entity's net identifiable assets.

### Measuring Goodwill or a gain from Bargain Purchase

The excess/(short) of the sum of the consideration transferred, the amount of any non-controlling interests in the acquired entity and the acquisition-date fair value of any previous equity interest in the acquired entity over the acquisition-date fair value of the net identifiable assets (net of identifiable assets acquired and liabilities assumed/contingent consideration) acquired is recognised as goodwill/(bargain purchase gain). Any gain on a bargain purchase is recognised



in other comprehensive income and accumulated in equity as Capital Reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as Capital Reserve.

### **Contingent Consideration**

Any contingent consideration is measured at fair value at the date of acquisition. The group would classify an obligation to pay contingent consideration that meets the definition of a financial instrument as a financial liability or as equity. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of contingent consideration are recognised in profit or loss.

When a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in statement of profit and loss or other comprehensive income, as appropriate.

### **(zb) Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") has not notified new standard or amendments to the existing standards, which would have been applicable from 1st April, 2020.



# JINDAL POLY FILMS LIMITED

Notes to the Consolidated Balance Sheet as at 31st March 2019

## 4. Property, Plant and Equipments

Particulars	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount	
	As at 1st April 2019	Demerger as per Scheme	Additions	Deletions / Foreign Currency Translation Reserve	As at 31 March 2020	As at 1st April 2019	Demerger as per Scheme	Additions	Deletions / Foreign Currency Translation Reserve	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
<b>Tangible Assets- Own Assets</b>												
Freehold Land	807.66	50.57	-	-	757.10	-	-	-	-	-	757.10	807.66
Leasehold Land	68.90	68.90	-	-	-	3.47	3.47	-	-	-	-	65.43
Factory Building	35,219.99	747.52	6,285.45	-	40,757.92	4,518.75	183.15	1,315.85	-	5,651.45	35,106.47	30,701.24
Other Building	2,360.51	192.77	89.63	-	2,257.36	221.73	24.05	41.84	-	239.52	2,017.84	2,138.78
Plant and Equipment	1,99,850.23	555.25	36,260.05	193.57	2,35,361.45	28,641.43	386.26	10,473.29	51.28	38,677.17	1,96,684.28	1,71,208.80
Furniture and Fixtures	260.63	12.85	28.85	-	276.63	110.88	8.86	24.54	-	126.56	150.07	149.75
Office Equipments	397.63	13.61	40.66	0.34	424.34	222.62	8.37	52.79	0.20	266.84	157.50	175.00
Computer	543.85	-	78.06	0.52	621.39	345.45	-	56.70	0.48	401.67	219.73	198.40
Vehicles	592.11	66.55	101.79	-	627.36	204.86	51.55	64.87	-	218.18	409.18	387.25
<b>Total</b>	<b>2,40,101.51</b>	<b>1,708.02</b>	<b>42,884.49</b>	<b>194.43</b>	<b>2,81,083.55</b>	<b>34,269.19</b>	<b>665.71</b>	<b>12,029.87</b>	<b>51.97</b>	<b>45,581.39</b>	<b>2,35,502.16</b>	<b>2,05,832.31</b>
<b>Tangible Assets- Right of Use Assets (Ref Note No 49)</b>												
Office Building	-	-	213.11	-	213.11	-	-	51.65	-	51.65	161.46	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>213.11</b>	<b>-</b>	<b>213.11</b>	<b>-</b>	<b>-</b>	<b>51.65</b>	<b>-</b>	<b>51.65</b>	<b>161.46</b>	<b>-</b>
Capital work-in-progress	2,778.07	-	56,960.18	41,576.76	18,161.49	-	-	-	-	-	18,161.49	2,778.07
<b>Total</b>	<b>2,42,879.58</b>	<b>1,708.02</b>	<b>1,00,057.78</b>	<b>41,771.19</b>	<b>2,99,458.14</b>	<b>34,269.19</b>	<b>665.71</b>	<b>12,081.52</b>	<b>51.97</b>	<b>45,633.04</b>	<b>2,53,825.10</b>	<b>2,08,610.38</b>

Particulars	Gross Carrying Amount					Accumulated Depreciation				Net Carrying Amount	
	As at 1 April 2018	Acquisition (Refer Note 4.1)	Additions	Deletions / Foreign Currency Translation Reserve	As at 31 March 2019	As at 1 April 2018	Additions	Deletions / Foreign Currency Translation Reserve	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
<b>Tangible Assets</b>											
Freehold Land	710.44	-	97.43	0.21	807.66	-	-	-	-	807.66	710.44
Leasehold Land	68.90	-	-	-	68.90	2.60	0.87	-	3.47	65.43	66.30
Factory Building	30,146.37	-	5,078.28	4.67	35,219.98	3,299.58	1,223.60	4.44	4,518.75	30,701.23	26,846.78
Other Building	2,122.85	-	317.58	79.92	2,360.51	198.69	52.91	29.87	221.73	2,138.78	1,924.15
Plant and Equipment	1,70,415.72	-	32,600.79	3,166.28	1,99,850.23	22,266.47	9,197.25	2,822.29	28,641.43	1,71,208.81	1,48,149.25
Furniture and Fixtures	241.66	-	18.97	-	260.63	85.58	25.30	-	110.88	149.75	156.08
Office Equipments	343.08	-	54.55	-	397.62	163.56	59.06	-	222.62	175.00	179.51
Computers	423.63	-	120.22	-	543.85	276.72	68.73	-	345.45	198.40	146.91
Vehicles	449.22	-	204.76	61.86	592.11	194.34	68.28	57.75	204.86	387.25	254.88
<b>Total</b>	<b>2,04,921.85</b>	<b>-</b>	<b>38,492.59</b>	<b>3,312.93</b>	<b>2,40,101.51</b>	<b>26,487.55</b>	<b>10,696.00</b>	<b>2,914.35</b>	<b>34,269.19</b>	<b>2,05,832.31</b>	<b>1,78,434.30</b>
Capital work-in-progress	1,484.52	-	37,230.68	35,937.12	2,778.07	-	-	-	-	2,778.07	1,484.52
<b>Total</b>	<b>2,06,406.37</b>	<b>-</b>	<b>75,723.26</b>	<b>39,250.05</b>	<b>2,42,879.58</b>	<b>26,487.55</b>	<b>10,696.00</b>	<b>2,914.35</b>	<b>34,269.19</b>	<b>2,08,610.39</b>	<b>1,79,918.82</b>

Particulars	Gross Carrying Amount					Accumulated Depreciation					Net Carrying Amount	
	As at 1st April 2019	Demerger as per Scheme	Additions	Deletions / Foreign Currency Translation Reserve	As at 31 March 2020	As at 1st April 2019	Demerger as per Scheme	Additions	Deletions / Foreign Currency Translation Reserve	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Intangible Assets												
Softwares	341.90	-	543.61	-	885.51	189.08	-	129.13	-	318.21	567.31	152.82
Total	341.90	-	543.61	-	885.51	189.08	-	129.13	-	318.21	567.31	152.82
Intangible Assets Under Development	367.27	-	-	367.27	-	-	-	-	-	-		367.27
Total	709.17	-	543.61	367.27	885.51	189.08	-	129.13	-	318.21	567.31	520.08



# JINDAL POLY FILMS LIMITED

## Intangible Assets

Rs in Lakhs

Particulars	Gross Carrying Amount						Accumulated Depreciation					Net Carrying Amount	
	As at 1 April 2018	Acquisition (Refer Note 4.1)	Additions	Deletions / Foreign Currency Translation Reserve	Derecognition on Loss of Control (Refer Note 4.2)	As at 31 March 2020	As at 1 April 2019	Additions	Deletions / Foreign Currency Translation Reserve	Derecognition on Loss of Control (Refer Note 4.2)	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Intangible Assets</b>													
Computer Software and Licenses	302.52		39.38	-		341.90	117.54	71.54	-		189.08	152.82	184.98
<b>Total</b>	<b>302.52</b>	<b>-</b>	<b>39.38</b>	<b>-</b>	<b>-</b>	<b>341.90</b>	<b>117.54</b>	<b>71.54</b>	<b>-</b>	<b>-</b>	<b>189.08</b>	<b>152.82</b>	<b>184.98</b>
Intangible Assets Under Development	-	-	367.27	-	-	367.27	-	-	-	-	-	367.27	
<b>Total</b>	<b>302.52</b>		<b>406.65</b>			<b>709.17</b>						<b>520.08</b>	

- 4.1 Interest Expenses Rs 1022.37 Lakhs (Previous Year Rs 139.95 Lakhs) directly attributable to the acquisition of fixed assets are being capitalized during the year as part of the cost of the assets up to the date of such asset is ready for its intended use.
- 4.2 In previous year, disposal of Freehold Lands comprise portion of lands at Gulaothi, acquired by NHA for the purpose of widening of Municipal Road.
- 4.3 Freehold Land includes lands having carrying value of Rs 45.70 Lakhs (Previous Year Rs 45.70 Lakhs), which are pending for registration in the name of the Group.
- 4.4 Assets pledged and Hypothecated against borrowings: Refer Note No. 17

## 4.5. Additional disclosure as per previous GAAP

Summary showing Original Book Value as per previous GAAP (comprising Original Cost and Accumulated Depreciation thereon) is as follows:

## Property, Plant and Equipments

Rs in Lakhs

Particulars	As at 31 March 2020			As at 31 March 2019		
	Original Cost	Accumulated depreciation	Net Book Value	Original Cost	Accumulated depreciation	Net Book Value
<b>Tangible Assets</b>						
Freehold land	757.10	-	757.10	807.66	-	807.66
Leasehold land	-	-	-	78.15	12.72	65.43
Factory Building	40,757.92	5,651.45	35,106.47	43,956.39	13,255.15	30,701.23
Other Building	2,257.36	239.52	2,017.84	3,021.33	882.56	2,138.78
Plant and equipment	2,35,361.45	38,677.17	1,96,684.28	2,93,668.86	1,22,460.06	1,71,208.81
Furniture and fixtures	276.63	126.66	150.07	555.81	406.06	149.75
Office equipments	424.34	266.84	157.50	786.88	611.88	175.00
Computers	621.39	401.67	219.73	1,232.49	1,034.09	198.40
Vehicles	627.36	218.18	409.18	952.38	565.13	387.25
<b>Total</b>	<b>2,81,083.55</b>	<b>45,581.39</b>	<b>2,35,502.16</b>	<b>3,45,059.96</b>	<b>1,39,227.64</b>	<b>2,05,832.31</b>
<b>Tangible Assets- Right of Use Assets (Ref Note No 49)</b>						
Office Building	213.11	51.65	161.46			
<b>Total</b>	<b>213.11</b>	<b>51.65</b>	<b>161.46</b>			
Capital work-in-progress	18,161.49	-	18,161.49	2,778.08	0	2,778.08
<b>Total</b>	<b>2,99,458.14</b>	<b>45,633.04</b>	<b>2,53,825.10</b>	<b>3,47,838.03</b>	<b>1,39,227.64</b>	<b>2,08,610.39</b>

## Intangible Assets

Rs in Lakhs

Particulars	As at 31 March 2020			As at 31 March 2019		
	Original Cost	Accumulated depreciation	Net Book Value	Original Cost	Accumulated depreciation	Net Book Value
<b>Intangible Assets</b>						
Computer Software and Licenses	875.77	308.46	567.31	347.81	194.99	152.82
<b>Total</b>	<b>875.77</b>	<b>308.46</b>	<b>567.31</b>	<b>347.81</b>	<b>194.99</b>	<b>152.82</b>
Intangible Assets Under Development	-	-	-	367.27	-	367.27
<b>Total</b>	<b>875.77</b>	<b>308.46</b>	<b>567.31</b>	<b>715.07</b>	<b>194.99</b>	<b>520.08</b>



## JINDAL POLY FILMS LIMITED

### Notes to the Consolidated Balance Sheet as at 31st March 2020

#### 5 Investments

##### Non Current Investments

		As at 31st March 2020			As at 31st March 2019		
		No of Shares	Face Value (Rs.)	Amount (in Lakhs)	No of Shares	Face Value (Rs.)	Amount (in Lakhs)
5.1	<b>Equity Shares (Quoted)</b> <b>(measured at fair value through profit &amp; loss)</b>						
	Garware Polyester Limited	100	10	0.17	100	10	0.22
	Ester Industries Limited	500	5	0.12	500	5	0.17
				<b>0.29</b>			<b>0.39</b>
5.2	<b>Equity Shares (Un Quoted) - In Associates</b> <b>Investment Accounted for using Equity Method</b>						
-	JPF Netherlands B V (Refer Note 5.2.1)	-	-	-	42,85,428	EURO 0.01	77,546.41
	Add : Group's Share in Profit for	-	-	-	-	-	55.76
	Add : Group's Share in Other Comprehensive Income for the year	-	-	-	-	-	19,028.95
				-			<b>96,631.12</b>
5.3	<b>Equity Shares (Un Quoted)</b> <b>(measured at fair value through profit &amp; loss)</b>						
	Jindal India Thermal Power Limited	6,93,00,000	4.5	304.92	6,93,00,000	4.5	304.92
	<b>(measured fair value at cost), refer note 5.3.1</b>						
	Penrose Merchantile Limited	1,71,000	10	17.11	1,71,000	10	17.11
	JPF NETHERLAND BV	1,70,000	EURO 0.01	3,790.13			
				<b>4,112.16</b>			<b>322.03</b>
5.4	<b>Preference Shares (Un Quoted)</b> <b>Zero % Redeemable Preference Shares</b> <b>(measured at amortised cost)</b>						
	- Jindal Photo Limited (refer note 5.4.1)	1,90,00,000	10	1,900.00	1,90,00,000	10	1,900.00
				<b>1,900.00</b>			<b>1,900.00</b>
				<b>6,012.45</b>			<b>98,853.54</b>
	Aggregate value of quoted Investments		0.29			0.39	
	Aggregate value of unquoted Investments		6,012.16			98,853.15	
	Aggregate Market Value of Quoted Investments		0.29			0.39	
5.3.1	Investment in Equity Shares have been measured at fair value considering cost due to insufficient information to measure fair value. Accordingly cost represent best estimate of fair value within range.						

5.2.1 Please refer Note No. 51.

5.3.1 Investment in Equity Shares have been measured at cost due to insufficient information to measure fair value. Accordingly cost represent best estimate of fair value within range being not material.

5.4.1 In earlier years, Jindal Films India Limited has invested in Zero Percent Redeemable Preference Shares having carrying value as at 31st April 2019 of Rs. 1900.00 Lacs of Jindal Photo Limited. Jindal Films India Limited has considered investment in Zero percent Redeemable Preference Shares of Jindal Photo Limited as quasi capital under Ind AS 109 being investment in group entity. Accordingly amortised cost of effective portion of debt and equity has been segregated considering 12 % discounting rate as follows :

Debt Component	1,058.86	945.41
Equity Component	841.14	954.59
Total	1,900.00	1,900.00



## JINDAL POLY FILMS LIMITED

Notes to the Consolidated Balance Sheet as at 31st March 2020

Rs In Lakhs

	As at 31st March 2020	As at 31st March 2019
<b>6 Other Financial Assets</b>		
Unsecured, Considered Good :		
Surplus in Plan Assets Under Defined Benefit Plan	449.98	309.20
Security Deposits	88.75	163.57
	<b>538.73</b>	<b>472.77</b>
<b>7 Other Non Current Assets</b>		
Unsecured, Considered Good :		
Capital Advances	1,591.36	5,818.53
Prepaid Expenses	7.64	-
Other Receivables - Related Parties	35.63	8.22
Unsecured, Considered Doubtful :		
Other Receivables - Related Parties	-	19.45
Less : Allowances for Doubtful Receivables	-	19.45
	<b>1,634.63</b>	<b>5,826.75</b>
<b>8 Inventories</b>		
Raw Material (includes Goods in Transit, refer note 8.2)	23,434.70	18,250.97
Work In Progress	1,733.64	1,563.62
Finished Goods (Includes Traded Stock)	25,853.94	21,348.11
Stock in Trade	180.78	98.47
Store, Spares and Tools	7,366.37	7,335.28
Packing Material	339.25	498.11
Saleable Waste	84.69	275.76
	<b>58,993.36</b>	<b>49,370.33</b>

8.1 Refer Note 20 and for accounting Policy of Inventories - Note 3

8.2 Raw Material includes Goods in Transit

4,166.19

1,686.23

8.3 Write down of inventories Rs 778.06 Lakhs (Previous year Rs 909.56 Lakhs) due to quality deterioration/defective products, were recognised as expense during the year and included in 'Changes in inventories of finished goods, stock-in-trade and work-in-progress' in Statement of Profit and Loss.



# JINDAL POLY FILMS LIMITED

## Notes to the Consolidated Balance Sheet as at 31st March 2020

### 9 Investments Current Investments (measured at fair value through profit & loss)

Rs in Lakhs

Particulars	As at 31st March 2019		As at 31st March 2019	
	Amount	Units	Amount	Units
<b>Investments in Mutual Fund Units - Unquoted</b>				
ABSL Banking & PSU Debt Direct Fund - Growth Plan	10,95,623	2,973.84	9,19,279	2,224.70
ABSL Corporate Bond Direct Fund - Growth Plan	-	-	27,80,638	2,006.66
ABSL Liquid Direct Fund - Growth Plan	3,23,341	1,033.26	2,33,438	701.33
ABSL Low Duration Fund - Growth Direct Plan	4,21,766	2,166.08	-	-
ABSL Money Manager Direct Fund - Growth Plan	2,04,917	602.00	12,53,311	3,154.58
Axis Banking & PSU Debt Direct Fund - Growth Plan	56,720	1,100.93	45,347	802.46
Axis Liquid Direct Fund - Growth Plan	10,420	229.70	72,515	1,503.61
DSP Liquidity Direct Fund - Growth Plan	-	-	56,333	1,505.99
DSP Short Term Fund Direct Fund - Growth Plan	59,14,908	2,125.58	46,03,560	1,513.22
HDFC Corporate Bond Direct Fund - Growth Plan	1,19,75,013	2,764.26	47,89,341	1,002.68
ICICI Banking & PSU Debt Direct Fund - Growth Plan	60,75,018	1,436.35	47,83,064	1,031.43
ICICI Pru Money Market Direct Fund- Growth Plan	3,03,234	846.83	-	-
ICICI Prudential Corporate Bond Direct Fund - Growth Plan	75,87,517	1,720.47	1,18,73,971	2,335.22
ICICI Prudential Credit Risk Direct Fund - Growth Plan	-	-	31,11,324	654.40
ICICI Prudential Medium Term Bond Direct Fund - Growth Plan	-	-	38,41,101	1,152.04
ICICI Prudential Savings Direct Fund - Growth Plan	-	-	11,99,904	3,316.73
IDFC Bond Fund - Short Term Plan Direct Fund - Growth Plan	77,48,154	1,081.84	25,85,295	1,022.37
IDFC Cash Direct Fund- Growth Plan	45,955	1,103.77	-	-
IDFC Low Duration Direct Fund - Growth Plan	66,17,442	1,912.08	18,73,803	501.17
Kotak Banking & PSU Debt Direct Fund- Growth Plan	53,36,534	2,542.68	-	-
Kotak Bond Short Term Direct Fund - Growth Plan	1,06,37,225	4,269.27	27,48,023	1,002.30
Kotak Credit Risk Direct Fund - Growth Plan	-	-	95,81,027	2,063.50
Kotak Mahindra Liquid Scheme Direct Fund - Growth Plan	-	-	48,375	1,830.66
Kotak Medium Term Fund Direct Fund - Growth Plan	-	-	1,69,17,776	2,705.86
Nippon India Banking & PSU Debt Fund Direct Growth Plan	2,00,69,446	3,470.31	2,00,69,446	2,729.25
SBI Magnum Ultra Short Duration Debt Direct Fund - Growth Plan	7,959	385.90	45,764	1,907.35
SBI Short Term Debt Direct Fund- Growth Plan	29,13,594	703.17	-	-
Tata Short Term Bond Direct Fund - Growth Plan	55,12,496	2,120.98	55,12,496	1,875.29
Tata Liquid Direct Fund - Growth Plan	1,788	56.00	16,998	500.50
UTI Credit Risk Direct Fund - Growth Plan	-	-	59,15,970	1,065.46
HDFC Liquid Direct Fund- Growth Plan	84,432	3,298.41	-	-
		37,943.71		40,108.76
Total Investments in Mutual Fund Units		37,943.71		40,108.76
<b>Aggregate carrying amount of Unquoted Investment</b>		<b>37,943.71</b>		<b>40,108.76</b>
Aggregate carrying amount of Quoted Investment		-		-
Aggregate market value of Quoted Investment		-		-
	-			
	-			





## JINDAL POLY FILMS LIMITED

Notes to the Consolidated Balance Sheet as at 31st March 2020

Rs in Lakhs

	As at 31st March 2020	As at 31st March 2019
<b>10 Trade Receivables</b> (Unsecured, considered Good)		
Receivables From Others (Refer Note 40.1)	12,662.12	14,000.40
Receivables From Related Parties	-	465.23
Unsecured, Considered Doubtful :		
Credit Impaired	-	52.00
Less : Allowances for Credit Losses	-	52.00
	12,662.12	14,465.63
10.1 Trade Receivables are subject to balance confirmation		
10.2 refer note 20		
<b>11 Cash and Cash Equivalents</b>		
Balances with banks in current accounts	13,405.51	2,250.41
Cash in hand	20.85	2.14
Fixed Deposit with original maturity of less than three months	11,680.05	
	25,106.41	2,252.55
<b>12 Bank Balances other than (11) above</b>		
<b>Earmarked Balances with Banks</b>		
- Unpaid Dividend Account	28.58	32.54
- Deposits with remaining maturity for less than 12 months*	2,408.81	3,711.19
	2,437.39	3,743.73
<b>* Pledged as Margin Money with appropriate Authorities/Banks.</b>		
<b>Refer note 35.1.3</b>		
<b>13 Other Financial Assets</b> ( Unsecured, considered Good)		
Amount Receivable Under Package Scheme of Incentive (Refer Note 39.1)(a)	17,957.43	15,505.07
Interest Subsidy Receivables (Refer Note 13.1, 39.2 ,39.3)	3,899.67	2,965.47
Interest Accrued on Deposits and Loans	146.33	151.06
From Related Parties	-	-
From Others	146.33	151.06
Security Deposits	-	116.23
Claims and Other Receivables		
From Related Parties	1.62	425.36
From Others	472.47	469.74
	22,477.53	19,632.93
<b>14 Current Tax Assets (Net)</b>		
Advance Income Tax (Net of Provision)	3,179.30	3,571.67
	3,179.30	3,571.67
<b>15 Other Current Assets</b> ( Unsecured, considered Good)		
Balance with Custom Authorities	337.30	734.67
GST Input Credit ^	646.05	6,473.91
Export Incentive Receivables	721.37	985.85
Prepaid Expenses	239.93	285.82
Advances against Supplies		
- Related Parties	177.37	-
- Others	10,729.38	2,006.82
Others*	122.38	136.35

\* includes imprest to employees

^ subject to reconciliations.



## JINDAL POLY FILMS LIMITED

### 16 Equity Share Capital

Rs in Lakhs except Number of Shares

	As at 31st March 2020	As at 31st March 2019
<b>Authorised</b>		
23,20,00,000 (Previous Year : 23,20,00,000) Equity Shares of Rs 10 Each	23,200.00	23,200.00
3,00,00,000 (Previous Year : 3,00,00,000) Cumulative Redeemable Preference Shares Capital of Rs 10 Each	3,000.00	3,000.00
	<b>26,200.00</b>	<b>26,200.00</b>
<b>Subscribed, Issued and Paid up</b>		
4,37,86,413 (Previous Year : 4,37,86,413) Equity Shares of Rs 10 Each	4,378.64	4,378.64
	4,378.64	4,378.64

#### (a) Reconciliation of the Number of Shares

Equity Shares	As at 31st March 2020		As at 31st March 2019	
	Number of Shares	Amount (In Lakhs)	Number of Shares	Amount (In Lakhs)
Balance as at the beginning of the year	4,37,86,413	4,378.64	4,37,86,413	4,378.64
Add : Issued During the year	-	-	-	-
Balance as at the end of the year	4,37,86,413	4,378.64	4,37,86,413	4,378.64

#### (b) Equity Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years.

1,73,87,000 Equity Shares of Rs 10/- each, issued pursuant to the Scheme of Arrangement (being effective w.e.f. 1st April 2014) between Jindal Photo Limited (Demerged Company) and Jindal Poly Films Limited (Resulting Company), on demerger of Business of Manufacture, production, sale and distribution of photographic products of demerged company into the Resulting Company.

#### (c) Shareholders holding more than 5 percent Equity shares of the Holding Company

Name of the Shareholders	As at 31st March 2020		As at 31st March 2019	
	Number of Shares	% Holding	Number of Shares	% Holding
Soyuz Trading Company Limited	1,22,05,344	27.87%	1,22,05,344	27.87%
Jindal Photo Investments Limited	1,14,95,410	21.11%	1,14,95,410	26.25%
Rishi Trading Company Limited	52,24,016	11.93%	52,24,016	11.93%
Bhavesh Trust	23,69,000	5.41%		

\$ As at 31 March 2019, shareholding was less than 5%

#### (d) Terms/ rights attached to Equity shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend, however same is subject to the approval of the shareholders in the Annual General Meeting of the Company.



## JINDAL POLY FILMS LIMITED

Rs in Lakhs

	Note	As at 31st March 2020	As at 31st March 2019
<b>17 Borrowings</b>			
<b>(Non Current Borrowings)</b>			
<b>17A Non Current Portion</b>			
<b>Secured Borrowings From Banks</b>			
Foreign Currency Loans (i)		40,243.29	25,255.65
Foreign Currency Loans (ii)		13,559.14	
Rupee Loans (iii)		27,274.98	20,649.98
Rupee Loans (iv)		11,429.57	15,756.00
		<b>92,506.98</b>	<b>61,661.63</b>
<b>Secured Borrowings From Public Financial Institution</b>			
Foreign Currency Loans (i)		2,705.19	4,964.68
Rupee Loans (ii)		520.00	1,040.00
Rupee Loans (iii)		1,257.88	1,981.88
		<b>4,483.07</b>	<b>7,986.56</b>
<b>Total Non Current Portion</b>		<b>96,990.05</b>	<b>69,648.19</b>
<b>17B Current Portion</b>			
<b>Secured Borrowings From Banks</b>			
Foreign Currency Loans (i)		3,653.67	6,200.70
Foreign Currency Loans (ii)		966.23	
Rupee Loans (iii)		7,875.00	5,605.65
Rupee Loans (iv)		4,266.00	3,016.00
		<b>16,760.90</b>	<b>14,822.35</b>
<b>Secured Borrowings From Public Financial Institution</b>			
Foreign Currency Loans (i)		2,705.19	2,481.87
Rupee Loans (ii)		520.00	520.00
Rupee Loans (iii)		724.00	724.00
		<b>3,949.19</b>	<b>3,725.87</b>
<b>Total Current Portion</b>		<b>20,710.09</b>	<b>18,548.22</b>
<b>Total Borrowings (17A + 17B)</b>		<b>1,17,700.14</b>	<b>88,196.41</b>
Less: Current Maturities of Non Current Borrowings (disclosed in note 23)		20,710.09	18,548.22
Less : Unamortised Cost of Borrowings		2,134.35	1,526.21
<b>Total Non Current Borrowings</b>		<b>94,855.70</b>	<b>68,121.98</b>



## JINDAL POLY FILMS LIMITED

### 17C Lease liability

Finance lease obligations (Refer Note 3.12)	164.68
Less :Current Maturity of Lease (Refer Note No. 21)	66.02
	<b>98.66</b>

### Securities (Parent Company)

- (i) Secured by first pari passu charge over immovable property including land and buildings and movable fixed & assets, both present and future of Packaging Films division of the Company, situated at village Mundegaon, (ii) Igatpuri, District Nasik in the state of Maharashtra " Nasik Plant".

Further foreign currency term loans aggregating Rs. 43878.69 Lakhs (Previous Year Rs. 28430.79 Lakhs) are guaranteed by Euler Hermes Aktiengesellschaft, Germany.

- (ii) Secured by first pari passu charge over immovable property including land and buildings and movable & fixed assets, both present and future of Nonwovens Fabrics division of the Company, situated at village (iv) Mundegaon, Igatpuri, District Nasik in the state of Maharashtra " Nasik Plant".

### Terms of Repayments of Non-Current portion of Borrowings :

- (i) a. Rs 6,471.09 Lakhs (Previous Year Rs 7,064.34 Lakhs) - Repayable in 12 fixed half yearly equal installments (Previous Year 14 Fixed half yearly equal installment).  
b. Rs 18,105.34 Lakhs (Previous Year Rs 18,174.78 Lakhs) - Repayable in 30 installments (Previous Year 34 installment).  
c. Rs 15,666.87 Lakhs (Previous Year Rs NIL)- Repayable in 19 fixed half yearly equal installments (Previous Year NIL).  
d. Rs 13,559.14 Lakhs (Previous Year Rs. NIL)- Repayable in 19 fixed half yearly equal installments (Previous Year NIL).
- (ii) a. Rs 520.00 Lakhs (Previous Year Rs 1,040.00 Lakhs) - Repayable in 4 fixed quarterly installments (Previous year 8 fixed quarterly installments).  
b. Rs 937.48 Lakhs (Previous Year 2,812.50 Lakhs) - Repayable in 1 fixed half yearly installments (Previous year 3 fixed half yearly installments).  
c. Rs 312.50 lakhs (Previous Year 937.50 Lakhs) - Repayable in 1 fixed half yearly installments (Previous year 3 fixed half yearly installments).  
d. Rs 6,500.00 Lakhs (Previous Year Rs 8,500 Lakhs) - Repayable in 13 fixed quarterly installments (Previous year 17 fixed quarterly installments).  
e. Rs 2,600.00 Lakhs (Previous Year Rs 3,400.00 Lakhs) - Repayable in 5 half yearly installments (Previous year 7 half yearly installments).  
f. Rs 3,500.00 Lakhs (Previous Year Rs 5,000.00 Lakhs) - Repayable in 7 fixed quarterly installments (Previous year 10 fixed quarterly installments).  
g. Rs 875.00 Lakhs (Previous Year Rs NIL)- Repayable in 14 fixed quarterly yearly installments.  
h. Rs 4,000.00 Lakhs (Previous Year Rs NIL)- Repayable in 16 fixed quarterly yearly installments.  
i. Rs 8,550.00 Lakhs (Previous Year Rs NIL)- Repayable in 18 fixed quarterly yearly installments."
- (iii) Rs 6,437.44 Lakhs (Previous year Rs. 10,237.88 Lakhs) repayable in 7 (Previous year 11) quarterly installments and Rs. 6,250.00 lakhs (Previous year Rs. 7500.00 lakhs) repayable in 15 (Previous year 18) fixed equal quarterly installments
- (iv) Rs 2,705.19 Lakhs (Previous Year Rs 4,964.48 Lakhs)- Repayable in 4 Fixed quarterly equal intallments (Previous Year 8 Fixed quarterly equal intallments).

In case of borrowings in Indian rupee, interest rate ranges from 8.28% p.a to 10.50% p.a. and in case of borrowing in foreign currency, interest rate are linked with LIBOR/ EURIBOR (ranging 0.85% to 4.56 %) (prevoious year ranging 0.85 % to 4.19%).



# JINDAL POLY FILMS LIMITED

		(Rs. in Lakhs)	
		As at 31 March 2020	As at 31 March 2019
<b>18 Deferred Tax Liability (Net)</b>			
Deferred Tax Liabilities on :			
- Depreciation / Amortisation of Property, Plant & Equipment			35,493.10
- Financial assets measured at Fair Value through Profit & Loss		26,725.58	622.95
- Financial assets (retained Investment in associates), measured at Fair Value on Initial Recognition		587.34	17,013.47
<b>Total Deferred Tax Liabilities</b>		<b>27,312.92</b>	<b>53,129.52</b>
Deferred Tax Assets on :			
- MAT Credit Entitlement			688.52
- Expenses allowed on payment basis			
- Government Grants and Others		944.79	5,939.03
<b>Total Deferred Tax Assets</b>		<b>6,926.40</b>	<b>6,627.55</b>
<b>Total Deferred Tax Liabilities (Net)</b>		<b>20,386.53</b>	<b>46,501.97</b>
<b>Movement in Deferred Tax Liabilities (Net)</b>			
			Rs. in Lakhs
		Charge/ (Credit) in the Statement of Profit and Loss	As at 31 March 2020
		As at 31 March 2019	
		Transferred pursuant to Scheme of Arrangement (Refer Note 51)	
		Adjustment due to adoption of new tax regime	At current tax rate
<b>Deferred Tax Liabilities / (Assets) *</b>			
- Property, Plant & Equipments	35,493.10	(9,941.86)	26,725.58
- MAT Credit Entitlement	(688.52)	688.52	-
- Financial assets measured at Fair Value through Profit & Loss and expenses allowed on payment basis	622.95	(177.19)	(357.45)
- Financial assets (retained Investment in associates), measured at Fair Value on Initial Recognition	17,013.47	(17,013.47)	-
- Government Grants and Others	(5,939.03)	1,678.94	(5,981.60)
	46,501.97	(7,751.59)	20,386.52
Less : on derecognition of associate	-	-	-
	<b>46,501.97</b>	<b>(7,751.59)</b>	<b>20,386.52</b>
<b>Deferred Tax Liabilities / (Assets) *</b>			
- Property, Plant & Equipments	32,727.66	2,765.44	35,493.10
- Defined Benefit Obligations	(28.06)	28.06	-
- MAT Credit Entitlement	(718.44)	-	(688.52)
- Financial assets measured at Fair Value through Profit & Loss and expenses allowed on payment basis	(6,532.30)	7,155.25	622.95
- Financial assets (retained Investment in associates), measured at Fair Value on Initial Recognition	17,013.47	-	17,013.47
- Government Grants and Others	(4,114.63)	(1,824.41)	(5,939.03)
	<b>38,347.70</b>	<b>8,124.34</b>	<b>46,501.97</b>

\*Items for deferred tax assets has been presented in negative.

18.1 Refer Note 45



## JINDAL POLY FILMS LIMITED

Rs in Lakhs

	Note	As at 31st March 2020	As at 31st March 2019
<b>19 Other Non Current Liabilities</b>			
<b>Deferred Government Grants</b>			
Opening Balance		29,042.41	20,865.09
Less: Transferred pursuant to Scheme of Arrangement (Refer note 51)		563.45	-
Add : Grants/Subsidy addition during the year (refer note 39.1)		12,929.85	10,097.69
Less: Amortisation of Deferred Grants taken to Other Income (refer note 26)		1,911.16	1,545.00
Less : Amortisation of Deferred Grants - Deducted from Depreciation Expenses (refer note 31)"		375.37	375.37
Closing Balance of Deferred Government Grants		39,122.28	29,042.41
Less : Current Portion, disclosed in Note 23		2,286.52	1,545.00
		<b>36,835.76</b>	<b>27,497.41</b>
<b>20 Current Borrowings</b>			
<b>Secured</b>			
Buyers' credit and working capital loans from banks	(i)	2,373.88	6,006.30
Packing credit and buyers' credit from banks	(ii)	6,878.12	4,729.17
<b>Total</b>		<b>9,252.00</b>	<b>10,735.47</b>
<b>Unsecured</b>			
Foreign currency loan from a bank		440.16	-
From a bank		15,672.50	10,237.53
From a company		1,624.19	3,603.77
<b>Total</b>		<b>17,736.85</b>	<b>13,841.30</b>
<b>Total Current Borrowings</b>		<b>26,988.85</b>	<b>24,576.77</b>

### Securities

- (i) In case of loans of Rs. 9,080.65 lakhs (Previous year Rs. 10,735.48 lakhs) by parent company, secured by way of first pari pasu charge on all inventories and book debts of the packaging films business of the Company. These are further secured by way of second pari-pasu charge on immovable & movable properties of the packaging films business of the Company situated at Nasik (Maharashtra) and Gulaothi (U.P.). In case of loan of Rs. 171.36 lakhs (Previous year Rs. Nil) by a subsidiary company, secured by way of first pari pasu charge on all current assets, present and future of the Company and these are further secured by second pari pasu charge on movable properties of the Company.
- (ii) Secured by way of first pari pasu charge on all inventories, book debts etc. of Non Wovens Fabrics Division of the Company situated at Nasik (Maharashtra).



## JINDAL POLY FILMS LIMITED

Particulars		Note	As at 31st March 2020	As at 31st March 2019
<b>21</b>	<b>Trade Payables</b>			
	Total outstanding dues of Micro Enterprises and Small Enterprises; (Refer Note 21.1)		144.45	0.26
	Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises			
	- Related Parties ( Refer note 37)		35.00	188.80
	- Others		25,097.40	26,414.84
			<b>25,276.86</b>	<b>26,603.90</b>
21.1 For Disclosure of outstanding dues to Micro Enterprises and Small Enterprises, Refer Note 49				
21.2 Trade Payables are subject to balance confirmation and reconciliations.				
<b>22</b>	<b>Other Financial Liabilities</b>			
	Particulars	Note	As at 31st March 2020	As at 31st March 2019
	Current maturities of Non Current Borrowings (Refer Note 17)		20,710.09	18,548.22
	Interest accrued		305.28	267.82
	Unpaid Dividends		28.58	32.54
	Employees Payable		1,020.85	1,345.18
	Capital Creditors		7,043.11	2,000.94
	Staff Security Payables		56.56	330.25
	Security Deposits		245.16	8.50
			<b>29,409.63</b>	<b>22,533.45</b>
<b>23</b>	<b>Other Current liabilities</b>			
	Current Portion of Deferred Government Grant (refer note 20)		2,286.52	1,545.00
	Amount received from and Credit balance of customers			
	- From Related Parties		800.20	1,507.98
	- From Others		13,550.56	7,109.10
	Statutory Dues		509.36	5,286.04
	Others		1,828.65	1,051.61
			<b>18,975.29</b>	<b>16,499.73</b>
<b>24</b>	<b>Provisions</b>			
<b>A</b>	<b>Non Current</b>			
	Provisions for Employee Benefits		19.17	14.43
			<b>19.17</b>	<b>14.43</b>
<b>B</b>	<b>Current</b>			
	Provisions for Employee Benefits		9.86	2.11
			<b>9.86</b>	<b>2.11</b>





## JINDAL POLY FILMS LIMITED

Rs in Lakhs

	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>25 Revenue From Operations</b>		
Sales of Products (net of GST)	3,53,172.27	3,62,197.62
Other Operating Revenue		
Duty Drawback	89.63	127.33
	<b>3,53,261.89</b>	<b>3,62,324.96</b>
<b>Sales of Manufactured and Traded Goods</b>		
- Packaging Films	3,22,840.82	3,39,465.21
- Nonwoven Fabrics	30,331.45	26,400.51
- Photographic Products#	-	6,628.24
	<b>3,53,172.27</b>	<b>3,62,197.62</b>
# Refer Note 51		
<b>26 Other Income</b>		
Interest Income	440.55	523.63
Software Services (Information Technology Services)	601.29	424.12
Claims Received	144.72	200.23
Provision no longer required written back	72.53	515.63
Lease and Other Rent	9.39	10.70
Net Gain on sale of Investment in Mutual Fund Units	3,033.20	353.58
Amortisation of Deferred Government Grants (Refer Note 19)	1,911.16	1,545.00
Net gain on fair value of current investment	1,003.38	1,531.05
Net gain on Foreign Currency Transactions and Translations	52.11	1,690.83
Miscellaneous Income	87.92	-
	<b>7,356.25</b>	<b>6,794.77</b>
<b>27 Cost of Materials Consumed</b>		
Packaging Films	2,06,532.15	2,40,909.70
Photographic Products#	-	4,585.19
Nonwoven Fabrics	17,699.26	16,780.00
	<b>2,24,231.41</b>	<b>2,62,274.89</b>
# Refer Note 51		



## JINDAL POLY FILMS LIMITED

	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>28 Changes in Inventories Of Finished Goods, Work In Progress and Stock In Trade</b>		
<b>Opening Stock \$</b>		
Finished Goods	20,837.33	15,446.03
Stock in Trade	42.78	145.32
Work In Progress	1,554.14	837.43
Saleable Waste	275.76	372.38
	<b>22,710.01</b>	<b>16,801.16</b>
<b>Closing Stock</b>		
Finished Goods	25,962.23	21,348.11
Stock in Trade	180.78	98.47
Work In Progress	1,733.64	1,563.62
Saleable Waste	84.69	275.76
	<b>27,961.34</b>	<b>23,285.96</b>
Decrease / (Increase) in Inventories	<b>(5,251.33)</b>	<b>(6,484.80)</b>
\$ Net off Rs. 575.96 lakhs transferred pursuant to Scheme of Arrangement. Refer note 51.		
<b>29 Employee Benefit</b>		
Salaries, Wages ,Bonus & Other Benefits	9,373.67	8,569.20
Contribution to Provident and Gratuity Fund	487.53	421.85
Staff & Workmen Welfare Expenses	199.91	279.21
	<b>10,061.11</b>	<b>9,270.26</b>
<b>30 Finance Costs</b>		
<b>Interest on Financial Liabilities</b>		
- Long Term Borrowings (refer Note 39.2)	5118.93	3,870.53
- Bank Borrowings & Others	369.20	694.53
Other Borrowing Cost	481.78	78.48
Net Loss on Foreign Currency Transactions and Translations (considered as finance cost)	820.09	-
	<b>5,767.64</b>	<b>4,643.54</b>
Less : Capitalised/ transferred to Capital Work in Progress	1022.37	139.95
	<b>5,767.64</b>	<b>4,503.59</b>
<b>31 Depreciation and Amortization Expense</b>		
Depreciation of Property, Plant and Equipment- Own Assets	12,029.87	10,696.00
Depreciation of Property, Plant and Equipment- Right of Use of Assets	51.65	-
Amortization of Intangible Assets	129.13	71.54
	<b>12,210.65</b>	<b>10,767.54</b>
Less : Amortisation of Deferred Government Grants (Refer Note 19)	375.37	375.37
	<b>11,835.28</b>	<b>10,392.17</b>



## JINDAL POLY FILMS LIMITED

Rs in Lakhs

	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>32 Other Expenses</b>		
Stores and Spares Consumed	6,016.70	3,643.42
Power and Fuel	29,907.41	27,019.82
Repairs and Maintenance (refer note 40.2)		
Plant & Machinery	595.03	340.26
Buildings	104.61	46.03
Others	1,644.90	1,265.40
Packing Charges including Material Consumption	8,302.15	8,788.35
Lease and Other Rent (Refer Note 47)	299.05	364.57
Rates & Taxes	270.95	161.05
Travelling & Conveyance	1,042.84	1,036.72
Charity & Donation	35.86	37.77
Corporate Social Responsibility Expenditure	49.54	213.45
Directors Sitting Fee	4.88	2.93
Demerger Expenses	101.14	4.38
Postage & Telephone charges	20.24	144.58
Legal & Professional Expenses	5,676.11	5,039.85
Insurance	409.91	287.70
Auditors' Remuneration (Refer Note 32.1)	41.21	33.33
Provision for Expected Credit Loss	-	52.00
Information Technology Expenses	509.57	359.42
Commission and Other Selling Expenses	334.06	503.33
Net gain/(loss) on disposal/ discard of property, plant and equipment	-	191.00
Bank Charges	410.57	520.73
Miscellaneous Expenses (includes contribution towards Electoral Bond amounting Rs 350 Lakhs, Previous Year : 950 Lakh)	1,146.51	1,816.11
Net Loss on Foreign Currency Transactions and Translations (Other than considered as Finance Cost)	573.25	-
	<b>57,496.49</b>	<b>51,872.20</b>
<b>32.1 Remuneration to Auditors' comprises:</b>		
Audit Fee	18.00	18.00
Limited Review Fee	6.00	4.50
Tax Audit Fee	2.25	3.50
GST Audit Fee	8.00	-
In Other Capacities/Services	1.15	2.70
Reimbursement of Expenses	2.42	1.82
Subsidiaries Companies' Auditors Remuneration	3.39	2.81
	<b>41.21</b>	<b>33.33</b>



## JINDAL POLY FILMS LIMITED

	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>33 Exceptional Items gain / (loss)</b>		
Net Gain/(loss) being exchange difference on transaction and translation of long term foreign currency loans for acquiring fixed assets.	(3,753.94)	631.15
Written off of Carrying amount of Optionally Convertible Preference Shares (refer note 33.1)	-	(24,130.20)
Written off of Carrying amount of Redeemable Preference Shares (refer note 33.1)	-	(25,007.28)
Gain / (Loss) on Fair Value Adjustment of Equity Shares	-	(2,813.58)
Written Off Advance (refer note 33.2)	-	(9,148.95)
	<b>(3,753.94)</b>	<b>(60,468.86)</b>

33.1 In earlier years, the Holding Company has invested in 263590000 Zero Percent Redeemable Preference Shares (RPS) and 440200000 Optionally Convertible Preference Shares (OCPS) of Jindal India Powertech Limited (JIPL) having fair/carrying value of Rs. 49137.48 Lakhs as at 1st April 2018. JIPL was the holding company of Jindal India Thermal Power Limited (JITPL) which operates thermal power plant (1200 MW) located at village Derang, Distt Angul, Orissa. In previous year, the lenders of JITPL have invoked the pledged equity shares to the extent of 66 % equity capital and consequent thereof, JITPL no longer remains a subsidiary of JIPL. The Company has measured above RPS and OCPS at fair value/amortised cost as per Ind AS 109 (Financial Instruments) in earlier years and necessary adjustments was made. As JITPL has substantial negative net worth, continuous cash losses, based on independent valuer's report and in view of remote possibility of recoverability, the Company has decided to write off balance amount of Rs 24130.20 Lakhs and Rs 25007.28 Lakhs (net of fair value adjustment Rs 19890 Lakhs made in earlier years), and shown under exceptional items in previous year .

33.2 In earlier years, the Holding Company had entered into power purchase agreement with Jindal India Thermal Power Limited. (JITPL) and given interest bearing trade advance for power purchase. JITPL due to various business & financial constraints, has expressed its inability at this juncture to repay the balance advance (including interest Rs 763.62 Lakhs) amounting Rs.9149 Lakhs. The Company has assessed its recoverability and in view of remote possibility of recoverability due to continuous cash losses by JITPL, it has been decided to write off this amount and shown under exceptional items in the previous year.



## JINDAL POLY FILMS LIMITED

	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>34 EARNINGS PER SHARE</b>		
<b>Earnings Per Share - Basic</b>		
Profit attributable to the Equity Shareholders (Rs. In Lakhs)	48,864.46	(40,864.83)
Weighted average Number of Equity Shares` outstanding (Nominal Value of Equity Shares - Rs 10/- each)	4,37,86,413	4,37,86,413
Basic Earnings per Share (in Rs.)	111.60	(93.33)
<b>Earnings Per Share - Diluted</b>		
Profit attributable to the Equity Shareholders (Rs. In Lakhs)	48,864.46	(40,864.83)
Weighted average Number of Equity Shares outstanding (Nominal Value of Equity Shares - Rs 10/- each)	4,37,86,413	4,37,86,413
Diluted Earnings per Share (in Rs.)	111.60	(93.33)
<b>Calculation of Weighted average Number of Equity Shares outstanding</b>		
Shares Outstanding as at the beginning of the year	4,37,86,413	4,37,86,413
Add : Shares Issued During the year	-	-
Shares Outstanding as at the end of the year	4,37,86,413	4,37,86,413



## JINDAL POLY FILMS LIMITED

### 35 Contingent Liabilities, Contingent Assets and Commitments

Rs In Lakhs

#### 35.1 Contingent Liabilities:

##### 35.1.1 Claims against the Group not acknowledged as debts

(i)	Income Tax	2,219.26	1,145.05
(ii)	Excise Duty	970.72	1,203.34
(iii)	Service Tax	609.81	98.25
(iv)	Electricity Duty	599.00	599.00
(v)	Custom Duty	207.45	211.95
(vi)	Others	65.27	323.44

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/decisions pending with various forums/ authorities. However, the Company has reviewed all its pending litigations and proceedings and has adequately provided for where provision required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position and does not expects any outflow in respect of the above contingent liabilities.

##### 35.1.2 Securities and Pledge of Fixed Deposits (excluding accrued interest thereon) on behalf of following company against project over run

-Jindal India Thermal Power Limited	2,138.73	1,852.00
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**35.1.3** In light of recent judgment of Honorable Supreme Court dated 28, February 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sustained reliability and its impact on financial position of the Group.

#### 35.2 Commitments

35.2.1	Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	4,034.83	37,922.58
35.2.2	Balance Export obligation for import of capital equipments capitalised prior to 31st March, 2019 under EPCG scheme of the Central Government at the concessional rate of custom duty. The Management expects to fulfil export obligation within due dates.	1,67,915.78	19,368.07
35.2.3	The Group has availed certain government subsidies/ grants. As per the terms and conditions attached to these government subsidies/grants, the Company has to continue with production of goods for specified number of years and others conditions failing which amount of subsidies/ grants availed along with interest, penalty etc. will have to be refunded.		



## JINDAL POLY FILMS LIMITED

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- 36 COVID - 19 pandemic has caused serious disruption on the global economic and business environment. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage. However, the Company has evaluated and considered to the extent possible the likely impact that may arise from COVID-19 pandemic as well as all event and circumstances upto the date of approval of these financial statements on the carrying value of its assets and liabilities as on 31 March 2020. Based on the current indicators of future economic conditions, the Company estimates to recover the carrying amount of its assets. The Company has adequate liquidity to discharge its obligations. These estimates are subject to uncertainty and may be affected by the severity and duration of the pandemic. The Company is continuously monitoring any material changes in future economic conditions.





## JINDAL POLY FILMS LIMITED

### 37 Related Parties Disclosures

#### A Associates of Reporting Entity

- 1 JPF Netherlands B V \*
- 2 Apeldoorn Flexible Packaging B.V \*
- 3 AFP Vastgoed B.V \*
- 4 JPF Dutch B.V \*
- 5 JPF USA Holding LLC \*
- 6 Jindal Films Americas LLC \*
- 7 Jindal Films Europe Virton LLC \*
- 8 Jindal Films Europe Virton S.p.r.l \*
- 9 Jindal Films Europe Brindisi Sri \*
- 10 Jindal Films Europe Kerkrade B.V. \*
- 11 Jindal Films Europe S.a.r.l. \*
- 12 Jindal Films Europe Services S.a.r.l. \*
- 13 Jindal Films Singapore Pte. Ltd. \*
- 14 Jindal Films Shanghai Co. Ltd. \*
- 15 REXOR SAS \*
- 16 JPF Germany GmbH (w.e.f. 18th December 2018)
- 17 Treofan Holdings GmbH (w.e.f. 18th December 2018)
- 18 Treofan Zweite Holding GmbH (w.e.f. 18th December 2018)
- 19 Treofan GmbH & Co KG (w.e.f. 18th December 2018)
- 20 Treofan Italy Srl. (w.e.f. 18th December 2018)

\* Ceased to be an Associate w.e.f. appointed date 01.04.2019 pursuant to Scheme of Arrangement (Refer note 51)

#### C Major shareholders of the reporting entity” and “Enterprise owned by major shareholders of the reporting entity” (where transactions took place)

- 1 Consolidated Finvest & Holdings Ltd.
- 2 Jindal Poly Investment & Finance Company Limited
- 3 Jindal India Limited
- 4 Anchor Image and Films Private Ltd
- 5 Jindal Photo Investment Limited
- 6 Soyuz Trading Company Limited
- 7 Packflex Business Advisory Services LLP

### B Key Management Personnels

#### Whole Time Directors

Mr. Rathi Binod Pal (Till 31st July,2019)  
Mr. Sanjeev Saxena  
Mr. Sagato Mukerji

#### Non Executive Directors

Mr. R.K Pandey  
Ms. Sonal Agarwal  
Mr. Rathi Binod Pal (w.e.f. 1 August 2019)  
Ms. Shakshi Gupta

#### Chief Executive Officer

Mr. Gaurang B Desai  
(till 20th November,2019)

#### Chief Financial Officer

Mr. Vinay Jindal

#### Company Secretary

Mr. Sanjeev Kumar  
(till 18th December,2019)  
Mr. Amit Jain  
(w.e.f. 19th December,2019)

### D. Other Enterprises (where transactions took place)

- 1 Consolidated Photo & Finvest Limited
- 2 Jindal Photo Limited
- 3 Jindal India Powertech Limited
- 4 Jindal India Thermal Power Limited
- 5 Universus Photo Imagings Limited (Formerly known as Jindal Photo Imaging Limited) (w.e.f. 1 April 2019)



## JINDAL POLY FILMS LIMITED

S. No.	Name of the Related Party	Current Year					Previous Year				
		A. Associates	B. Key Managerial Personnel	C. "Major shareholders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	D. Other Enterprises	Total	A. Associates	B. Key Managerial Personnel	C. "Major shareholders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	D. Other Enterprises	Total
<b>1</b>	<b>Sale of Products</b>										
	Jindal Films America LLC	-	-	-	-	-	8,181.94	-	-	-	8,181.94
	Jindal Films Europe Virton LLC	-	-	-	-	-	0.80	-	-	-	0.80
	Jindal Films Europe Virton S.P.R.L.	-	-	-	-	-	1,203.89	-	-	-	1,203.89
	Apeldoorn Flexible Packaging B.V.	-	-	-	-	-	52.55	-	-	-	52.55
	Jindal Films Europe Brindisi Srl	-	-	-	-	-	1.53	-	-	-	1.53
	Jindal Films Singapore Pte.Ltd	-	-	-	-	-	1,415.45	-	-	-	1,415.45
	Rexor SAS	-	-	-	-	-	1,159.40	-	-	-	1,159.40
<b>2</b>	<b>Services Rendered</b>										
	Jindal Films America LLC	-	-	-	-	-	424.12	-	-	-	424.12
<b>3</b>	<b>Purchase of Material</b>										
	Jindal Films Europe Brindisi Srl	-	-	-	-	-	1.35	-	-	-	1.35
	Jindal Films America LLC	-	-	-	-	-	363.02	-	-	-	363.02
	Jindal Films Europe Virton S.P.R.L.	-	-	-	-	-	627.77	-	-	-	627.77
	Apeldoorn Flexible Packaging	-	-	-	-	-	7.55	-	-	-	7.55
	Jindal India Ltd	-	-	19.25	-	19.25	-	-	99.59	-	99.59
<b>4</b>	<b>Professional Service Received</b>										
	Jindal Films Europe Brindisi Srl., Italy	-	-	-	-	-	0.52	-	-	-	0.52
	Jindal Films Europe Kerkrade B.V	-	-	-	-	-	0.98	-	-	-	0.98
	Jindal Films Europe Virton S.P.R.L.	-	-	-	-	-	2.17	-	-	-	2.17
	Soyuz Trading Company Limited	-	-	2,000.00	-	2,000.00	-	-	4,200.00	-	4,200.00
	Packflex Business Advisory Services LLP	-	-	2,800.00	-	2,800.00	-	-	-	-	-
<b>5</b>	<b>Rent Paid</b>										
	Consolidated Photo & Finvest Ltd	-	-	-	127.66	127.66	-	-	-	131.87	131.87
	Jindal Photo Limited	-	-	-	-	-	-	-	-	0.24	0.24
	Jindal India Limited	-	-	-	-	-	-	-	0.09	-	0.09
<b>6</b>	<b>Reimbursement of expenses received</b>										
	Jindal Poly Investment & Finance Co Ltd	-	-	-	1.48	1.48	-	-	-	1.27	1.27
	Packflex Business Advisory Services LLP	-	-	31.66	-	31.66	-	-	-	-	-
<b>7</b>	<b>Reimbursement of expenses made</b>										
	Jindal Films America LLC	-	-	-	-	-	68.54	-	-	-	68.54
	Jindal Films Europe SARL	-	-	-	-	-	0.45	-	-	-	0.45
<b>8</b>	<b>Short Term Employee Benefit</b>										
<b>(a)</b>	<b>Remuneration to Key Managerial Personnel</b>										
	Mr. Rathi Binod Pal	-	21.71	-	-	21.71	-	54.47	-	-	54.47
	Mr. Sanjeev Saxena	-	53.99	-	-	53.99	-	52.11	-	-	52.11
	Mr. Sagato Mukerji	-	74.20	-	-	74.20	-	38.48	-	-	38.48
	Mr. Gaurang B Desai	-	65.93	-	-	65.93	-	-	-	-	-
	Mr. Sanjeev Kumar	-	17.00	-	-	17.00	-	23.73	-	-	23.73
	Mr. Amit Jain	-	11.08	-	-	11.08	-	-	-	-	-
	Mr. Vinay Jindal	-	51.71	-	-	51.71	-	51.63	-	-	51.63
<b>(b)</b>	<b>Sitting Fees</b>										



## JINDAL POLY FILMS LIMITED

S. No.	Name of the Related Party	Current Year					Previous Year				
		A. Associates	B. Key Managerial Personnel	C. "Major shareholders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	D. Other Enterprises	Total	A. Associates	B. Key Managerial Personnel	C. "Major shareholders of the reporting entity" and "Enterprise owned by major shareholders of the reporting entity"	D. Other Enterprises	Total
	R.K Pandey	-	1.47	-	-	1.47	-	1.04	-	-	1.04
	Sonal Agarwal	-	1.64	-	-	1.64	-	0.54	-	-	0.54
	Rathi Binod Pal	-	0.96	-	-	0.96	-	-	-	-	-
	Shakshi Gupta	-	0.81	-	-	0.81	-	0.41	-	-	0.41
	Prakash Matai	-	-	-	-	-	-	0.95	-	-	0.95
	<b>Balances Outstanding as at Reporting Date</b>										
	<b>Trade and Other Receivables</b>										
	JPF Dutch B.V.	-	-	-	-	-	8.13	-	-	-	8.13
	JPF USA LLC	-	-	-	-	-	3.24	-	-	-	3.24
	JPF Italy Holding SA	-	-	-	-	-	3.46	-	-	-	3.46
	Jindal Films America LLC	-	-	-	-	-	631.44	-	-	-	631.44
	Jindal Films Europe S.a.r.l	-	-	-	-	-	10.96	-	-	-	10.96
	Jindal Poly Investment & Finance Company Limited	-	-	-	-	-	-	-	3.14	-	3.14
	Jindal India Ltd	-	-	27.41	-	27.41	-	-	0.07	-	0.07
	<b>Trade and Other Payables</b>										
	Rexor SAS	-	-	-	-	-	140.18	-	-	-	140.18
	Jindal Films America LLC	-	-	-	-	-	165.46	-	-	-	165.46
	Jindal Films Singapore Pte.Ltd	-	-	-	-	-	525.21	-	-	-	525.21
	Jindal Films Europe Viton SPRL	-	-	-	-	-	122.62	-	-	-	122.62
	Jindal Films Europe Virton LLC	-	-	-	-	-	1.54	-	-	-	1.54
	Jindal Films Europe Kerkrade B.V	-	-	-	-	-	0.98	-	-	-	0.98
	Apeldoorn Flexible Packaging B.V.	-	-	-	-	-	75.62	-	-	-	75.62
	Jindal Films Europe Brindisi Srl	-	-	-	-	-	1.27	-	-	-	1.27
	Packflex Business Advisory Services LLP	-	-	30.24	-	30.24	-	-	-	-	-

### Other transactions with Related party

The Company has transferred assets and liabilities to Universus Photo Imagings Ltd. (Formerly known as Jindal Photo Imaging Ltd.) pursuant to Scheme of Arrangements (Refer note 51).

^ Transactions during the year have been disclosed excluding GST, where applicable.

Terms and conditions of transactions with related parties

\* Fixed Deposit pledged- refer Note no. 35.1.3

\*\* The amount related to gratuity cannot be ascertained separately since they are included in the contribution in respect made to the insurance company on a group basis for all employees. Liability for leave encashment are provided on actual basis for the Company as a whole, hence not included in above.

\*\*\* All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis. For the year ended 31 March, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2018-19: Nil).

\*\*\*\* Outstanding balances at the year-end are unsecured, Interest free (except loans) and settlement occurs in cash.



## JINDAL POLY FILMS LIMITED

### 38 Details pursuant to disclosure requirements of Section 186(4) of the Companies Act 2013 relating to Loans / Guarantees /Investments given or Security provided by the Group:

Name of the Entity	Categories	Terms	Transaction during the year 2019-20	Balance as at 31st March 2020	Rs In Lakhs	
					Transaction during the year 2019-20	Balance as at 31st March 2019
To Banks -On Behalf of M/s Jindal India Thermal Power Limited *	Security- Pledged of Fixed Deposits excluding interest accrued thereon	At the Vacation of Security	286.73	2,138.73	-	1,852.00

Comprehensive disclosure of investments as at 31 March 2020 has been made in Note 5 to the Financial Statements, hence closing balance of other investments, having no movement during the year were not again disclosed in above statement.

39 39.1 (a) Under the Package Scheme of Incentive 2007/2013 approved by the Government of Maharashtra, the Company is entitled to industrial promotion subsidy to the extent of 100% of the fixed capital investment or to the extent of taxes paid to the State Government within a period of 7 years, whichever is lower. During the year, subsidy receivable under the above scheme aggregating Rs 11,242.55 Lakhs (previous year Rs 10,097.69 Lakhs) has been carried by setting up these grants as Deferred Government Grants and amortised/ recognised in the Statement of Profit and Loss on straight line method and disclosed in Other Income.

(b) Grant of Rs. 1687.30 Lakhs accounted for relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme as Deferred Government Grants. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations."

39.2 (a) Grant of Rs. 491.06 Lakhs (previous year Rs. 676.51 Lakhs) under Technology Upgradation Funded Scheme (TUFFS) by the Ministry of Textiles (Government of India) for Nonwoven Project received / receivable in the form of reimbursement of interest paid to the lending banks /agencies for the loan disbursed and accordingly same has been netted off from the interest expenses in respective year.

(b) Grant of Rs. 466.03 Lakhs (previous year Rs. 570.97 Lakhs) as interest subsidy on long term loan from banks for Nonwoven Project granted by Government of Maharashtra under Textile Policy and accordingly, the same has been netted off from the interest expenses in respective year.

40 40.1 Trade Receivables include Rs 38.06 Lakhs (previous year Rs 45.73Lakhs) under litigation, against which legal cases are pending in various Courts for recovery. The same are considered good and realizable in the opinion of the management.

40.2 Employee benefit expenses Rs. 649.08 lakhs (Previous year Rs. 630.31 lakhs) included in repair and maintenance - expenses.

40.3 During the year, borrowing cost amounting to Rs. 1,022.37 lakh (Previous Year Rs. 139.95 lakhs) has been debited to Capital-work-in-progress/capitalised by the Company. Rate used to determine the amount of borrowing cost capitalised is 9.86% per annum (Previous Year 10% per annum) which is a weighted average interest rate applicable to Company's borrowings.



## JINDAL POLY FILMS LIMITED

### 41 Disclosure of changes in liabilities arising from financing activities, including both cash and non-cash changes :

Rs in Lakhs

Particulars	As at 31 March 2019	Cash Flow From Financing Activities	Non Cash Changes	Banks Overdrafts Payable on Demand *	As at 31 March 2020
			Exchange Fluctuation Movements		
Non Current Borrowings (including Current Maturities)	86,670.20	32,431.27	(3,535.69)	-	1,15,565.79
Current Borrowings	24,576.77	2,471.76	-	(59.68)	26,988.85
<b>Total</b>	<b>1,11,246.97</b>	<b>34,903.03</b>	<b>(3,535.69)</b>	<b>(59.68)</b>	<b>1,42,554.64</b>
Particulars	As at 31st March 2018	Cash Flow From Financing Activities	Non Cash Changes	Banks Overdrafts Payable on Demand *	As at 31st March 2019
			Exchange Fluctuation Movements		
Non Current Borrowings (including Current Maturities)	69,470.00	17,831.35	(631.15)	-	86,670.20
Current Borrowings	34,139.70	(9,398.54)	(224.08)	59.69	24,576.77
<b>Total</b>	<b>1,03,609.70</b>	<b>8,432.81</b>	<b>(855.23)</b>	<b>59.69</b>	<b>1,11,246.97</b>

\*Banks Overdrafts Payable on Demand, disclosed in Cash & Cash Equivalents in Statements of Cash Flow as per Ind AS 7.

### 42 Segment Information

#### 42.1 Description of segments and principal activities

The Company's board examines the Company's performance both from a product perspective and have identified following reportable segments:

- 1 Packaging Films
- 2 Nonwoven Fabrics
- 3 Photographic Products & Others (Transferred pursuant to scheme of arrangement w.e.f appointed date 1st April 2019, refer note 51)

The Company's board of directors reviews the results of each segment on a quarterly basis. The Company's board of directors uses Earning Before Interest and Tax (EBITA) to assess the performance of the operating segments.

#### 42.2 Information about reportable segments

Information related to each reportable segment is as follows.

Reportable Segments	Packaging Films		Nonwoven Fabrics		Photographic Products & Others		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>1 Revenue</b>								
Revenue	3,22,930.45	3,29,296.19	30,331.45	26,400.51	-	6,628.24	3,53,261.90	3,62,324.95
Less : Inter Segment Revenue							-	-
<b>Total Revenue From Operations</b>	<b>3,22,930.45</b>	<b>3,29,296.19</b>	<b>30,331.45</b>	<b>26,400.51</b>	<b>-</b>	<b>6,628.24</b>	<b>3,53,261.90</b>	<b>3,62,324.95</b>
<b>2 Results</b>								
Results ^	49,631.50	24,755.92	4,769.38	3,533.57	-	1,173.45	54,400.88	29,462.94
Add : Other Unallocable Income / (Expenses) (Net)							4,090.36	(49,039.53)
Less : Finance Cost							5,767.63	4,503.59
<b>Profit before tax</b>							<b>52,723.61</b>	<b>(24,080.18)</b>
Less : Provision For Tax (including Deferred Tax)							3,859.16	16,784.71
<b>Profit after Tax</b>							<b>48,864.45</b>	<b>(40,864.89)</b>

^ including exceptional items



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3 Other Segmental Informations								
	Segmental Assets		Segmental Liabilities		Capital Expenditures		Depreciation and Amortisation	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
Packaging Films	3,07,888.69	2,59,163.43	1,75,342.96	1,51,020.37	25,904.71	37,589.10	9,395.49	8,071.24
Nonwoven Fabrics	80,019.61	52,993.42	57,142.27	8,437.65	30,850.20	2,603.69	2,439.80	2,227.07
Photographic Products & Others	-	3,483.02	-	818.05	-	-	-	93.86
Unallocable Assets / Liabilities	50,443.53	1,42,412.01	20,437.11	72,075.00	-	-	-	-
<b>Total</b>	<b>4,38,351.82</b>	<b>4,58,051.88</b>	<b>2,52,922.34</b>	<b>2,32,351.07</b>	<b>56,754.91</b>	<b>40,192.79</b>	<b>11,835.28</b>	<b>10,392.17</b>

### 42.3 Geographic information

The segments are managed on a worldwide basis, but operate manufacturing facilities and sales offices in India. The geographic information analyses the Company's revenue and receivables from customers of Company's country of domicile and other countries. In presenting the geographic information, segment revenue has been based on the geographic location of customers.

Geographical Segments	Within India		Outside India		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Revenue	2,79,769.36	2,55,921.15	73,492.53	1,06,403.81	3,53,261.89	3,62,324.96
Trade Receivables	5,620.41	2,489.01	7,041.71	12,611.85	12,662.12	15,100.86

### 42.4 Major Customers

(a) In case of Packaging and Photographic Segment (since ceased), no single customer has contributed 10% or more to their respective segment's revenue for both 2019-20 and 2018-19.

(b) In case of Nonwoven Fabrics Segment, three (previous year four) customers individually account for more than 10% each of the revenue aggregating Rs. 23,761 Lakhs (previous year Rs. 15,598 Lakhs).

## 43 Fair Value Measurements

### 43.1 Financial Instruments by Category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2020, including their levels in the fair value hierarchy.

	As at 31 March 2020			As at 31 March 2019		
	FVTPL	Amortised Cost	Carrying Value	FVTPL	Amortised Cost	Carrying Value
<b>Financial assets</b>						
Investments						
Equity shares	4,112.45	-	4,112.45	322.42	-	322.42
Preference Shares	-	1,900.00	1,900.00	-	1,900.00	1,900.00
Investments in Associates	-	-	-	-	96,631.12	96,631.12
Mutual Funds	37,943.71	-	37,943.71	40,108.76	-	40,043.50
Trade receivables	-	12,662.12	12,662.12	-	14,465.63	14,251.27
Cash and cash equivalents	-	25,106.41	25,106.41	-	2,252.55	1,999.51
Bank balances other than above	-	2,437.39	2,437.39	-	3,743.73	3,743.73
Other financial assets						
- non-current	-	538.73	538.73	-	472.78	472.78
- current	-	22,477.52	22,477.52	-	19,632.26	22,640.46
	<b>42,056.16</b>	<b>65,122.17</b>	<b>1,07,178.33</b>	<b>40,043.89</b>	<b>43,631.08</b>	<b>83,674.97</b>



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	As at 31 March 2020			As at 31 March 2019		
	FVTPL	Amortised Cost	Carrying Value	FVTPL	Amortised Cost	Carrying Value
<b>Financial liabilities</b>						
Borrowings	-	1,15,730.47	1,15,730.47	-	86,670.19	86,670.19
Short terms borrowings	-	26,988.85	26,988.85	-	24,576.78	24,576.78
Trade payables	-	25,276.85	25,276.85	-	26,603.90	26,603.90
Other current financial liabilities	56.52	8,643.02	8,699.54	167.37	3,817.86	3,985.24
	-	<b>1,76,639.19</b>	<b>1,76,695.71</b>	-	<b>1,41,668.73</b>	<b>1,41,836.10</b>

FVTPL refers Fair Value through profit and loss

The management fair value of financial assets and financial liabilities carried as amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

### 43.2 Fair Value Hierarchy

- (a) This section explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

#### Financial assets and liabilities measured at fair value

This section explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial Investments at FVTPL</b>				
Investments				
Equity shares	4,112.45	-	-	4,112.45
Mutual Funds	-	37,943.71	-	37,943.71
Forward Contracts	-	56.52	-	56.52
<b>Total</b>	<b>4,112.45</b>	<b>38,000.23</b>	<b>-</b>	<b>42,112.68</b>
	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial Investments at FVTPL</b>				
Investments				
Equity shares	322.42	-	-	322.42
Mutual Funds	-	40,108.76	-	40,108.76
Forward Contracts	-	167.37	-	167.37
<b>Total</b>	<b>322.42</b>	<b>40,276.13</b>	<b>-</b>	<b>40,598.56</b>

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise 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:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There are no transfers between level 1 and level 2 during the year





**(b) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market of similar instruments, these have been included in level 1.
- the fair value of mutual funds is determined as per dealer quotes for similar instruments, these have been included in level 2.
- the fair value of forward foreign exchange contracts is determined as per valuation provided by the bank, these have been included in level 2.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis, these have been included in level 3."

#### **44 Financial Risk Management**

**(a) Risk Management Framework**

The parent Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to control risks through defined framework. The Company's risk management policy is established to identify and analyse the risks faced by the Company, to set appropriate controls. Risk management policy is reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company's Board of Directors oversees compliance with the Company's risk management policy, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board of Directors is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

**(b) Credit Risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**Trade and Other Receivables**

Trade receivables are subject to credit limits, controls and approval processes. Due to large number of customers, the company is not exposed to material concentration of credit risk. Basis the historical experience, the risk of default in case of trade receivables is low. The Company creates allowances for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

**Investments**

Investments are reviewed for any fair valuation loss on periodically basis and necessary provision/fair valuation adjustments has been made based on the valuation carried by the management to the extent available sources, the management does not expect any investment counterparty to fail to meet its obligations.

**(c) Liquidity Risk**

Liquidity risk is the risk that the Company may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or any other financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the Company's reputation.

The Company regularly monitors the cash flow projections to ensure it has sufficient cash on an on-going basis to meet operational needs. Any surplus cash generated over and above working capital and long term requirement is suitably invested in interest bearing term deposits and other highly marketable debt instruments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.



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	Carrying Amounts as at 31 March 2020	Contractual cash flows				
		0 to 1 years	1 to 2 years	2 to 5 years	More than 5 years	Total
<b>Non-derivative Financial Liabilities</b>						
Borrowings	1,44,688.99	44,819.03	25,035.99	45,218.35	26,736.71	1,44,688.99
Trade payables	25,276.85	24,855.73	-	-	-	25,276.85
Other current financial liabilities	8,643.02	8,621.27	-	-	-	8,643.02
<b>Total Non-derivative Liabilities</b>	<b>1,78,608.86</b>	<b>78,296.03</b>	<b>25,035.99</b>	<b>45,218.35</b>	<b>26,736.71</b>	<b>1,78,608.86</b>
	Carrying Amounts as at 31 March 2019	Contractual cash flows				
		0 to 1 years	1 to 2 years	2 to 5 years	More than 5 years	Total
<b>Non-derivative Financial Liabilities</b>						
Borrowings	1,12,773.18	38,525.16	18,000.04	41,114.17	10,533.98	1,12,773.18
Trade payables	26,603.90	26,090.38	-	-	-	26,603.90
Other current financial liabilities	3,817.86	3,678.66	-	-	-	3,817.86
<b>Total Non-derivative Liabilities</b>	<b>1,37,942.39</b>	<b>68,294.20</b>	<b>18,000.04</b>	<b>41,114.17</b>	<b>10,533.98</b>	<b>1,37,942.39</b>

### (d) 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: currency risk, interest rate risk and commodity price risk. Financial instruments affected by market risk include trade payables, trade receivables, borrowings, etc.

#### Currency Risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company is exposed to foreign exchange risk arising from foreign currency transactions mainly due to import of raw materials, primarily with respect to the USD, EURO and small exposure of GBP and others. The objective of the hedges is to minimise the volatility of the functional currency cash flows by hedging foreign currency outflow on regular basis. The Company also take help from external consultants who form views on the currency rates in volatile foreign exchange markets. Currency risks related to the principal amounts of the Company's foreign currency payables, have been mostly hedged using forward contracts taken by the Company. In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances."

#### Exposure to Currency Risk

The summary of quantitative data about the Company's exposure (Unhedged) to currency risk as reported to the management of the Company is as follows :

Foreign Currency and INR in Lakhs					
Nature	Cross Currency	As at 31 March 2020		As at 31 March 2019	
		Foreign Currency	INR	Foreign Currency	INR
<b>Financial Liabilities</b>					
Borrowings	USD : INR	255.16	19,235.71	245.23	16,962.83
Borrowings	EURO : INR	808.19	67,119.53	539.86	41,948.47
Trade and Other Payables	USD : INR	100.14	7,548.95	201.85	13,962.07
Trade and Other Payables	EURO : INR	66.60	5,531.05	5.26	408.86
Trade and Other Payables	GBP : INR	-	-	0.13	12.11



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Foreign Currency and INR in Lakhs					
Nature	Cross Currency	As at 31 March 2020		As at 31 March 2019	
		Foreign Currency	INR	Foreign Currency	INR
<b>Other Current Liabilities</b>					
Advance from Customers	USD : INR	102.42	7,720.99	33.66	2,328.11
Advance from Customers	EURO : INR	18.11	1,503.91	22.44	1,743.77
Advance from Customers	GBP : INR	0.06	5.46	0.33	29.60
Advance from Customers	AED : INR	8.72	179.02	-	-
<b>Financial Assets</b>					
Trade Receivables	USD : INR	72.77	5,486.06	64.16	4,437.80
Trade Receivables	EURO : INR	12.71	1,055.87	20.35	1,580.98
Other Receivables	USD : INR	2.25	169.45	6.26	432.83
Other Receivables	EURO : INR	0.27	22.56	0.29	22.56
<b>Other Current Assets</b>					
Advance to Suppliers	USD : INR	7.04	530.84	1.11	76.76
Advance to Suppliers	EURO : INR	18.29	1,518.93	73.54	5,714.25
Advance to Suppliers	YEN : INR	87.04	60.62	54.16	33.86
Advance to Suppliers	CHF : INR	-	-	0.09	6.14

The summary of quantitative data about the Group's exposure (hedged) to currency risk (against import procurements) is as follows :

Foreign Currency and INR in Lakh					
Currency	As at 31st March, 2020			As at 31st March, 2019	
	Cross Currency	Foreign Currency	INR	Foreign Currency	INR
Export	USD : INR	12.90	972.48	35.80	2,476.33
	EURO : INR	33.07	2,746.45	30.30	2,354.38
Import	USD : INR	15.60	1,176.02	207.50	14,353.04
	EURO : INR	24.67	2,048.83	24.50	1,903.71

The following significant exchange rates have been applied

	As at 31st March 2020	As at 31st March 2019
USD	75.3859	69.1713
EURO	83.0496	77.7024
GBP	93.0760	90.4756
YEN	0.6965	0.6252
CHF	78.3760	69.4930
AED	20.5360	

### Interest Rate Risk

The Company is exposed to fluctuation in interest rates on its borrowings. The interest rate risk arises due to uncertainties about future index values to which borrowing cost is linked in case of variable rate borrowings of the Company. There is no risk of interest rate on investment made in Term deposit of banks. Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk. The Company does not have exposure in fixed rate borrowings.



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### Interest rate sensitivity

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

(Rs. in lakhs)

Year end	Increase/ decrease in basis points	Effect on profit before tax
31 March 2020	50 basis point	723.44
31 March 2019	50 basis point	540.87

45	Income Tax		(Rs in Lakhs)
		For the year ended 31 March 2020	For the year ended 31 March 2019
45.1	Recognised in Statement of Profit and Loss		
	Current tax	12,908.36	8,630.46
	Deferred tax charge / (credit)	(9,049.20)	8,154.26
	Recognised in Other Comprehensive Income		
	Income tax on items that will not be reclassified to profit or loss	32.25	129.42
	<b>Total income tax expense for the year</b>	<b>3,891.41</b>	<b>16,914.14</b>
45.2	Reconciliation of effective tax		
	<b>Profit/ (Loss) before tax</b>	<b>52,723.61</b>	<b>(24,080.18)</b>
	Indian Statutory Income Tax Rate	25.168%	34.944%
	Estimated income tax expenses	<b>13,269.48</b>	<b>(6,538.63)</b>
	<b>Tax effect of:</b>		
	Impact on Deferred Tax Liabilities (net), due to change in tax rate	(8,338.15)	-
	MAT Credit Entitlement written off	688.52	
	Other write back/disallowance of expenses	(1094.61)	17,825.10
	Items not taxable, due to carried forward losses	(736.61)	(1,327.06)
	Reversal of Deferred Tax Assets/Liability on Fair Value Adjustment, Carried in earlier years	-	6,954.72
		<b>3,891.41</b>	<b>16,914.14</b>

45.3 The Group elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the year ended 31 March 2020 and remeasured its deferred tax assets and liabilities, basis the rate prescribed in the said section. The full impact of this change has been recognised during the year.

45.4 Subsequent to approval of financial statements for the year ended 31 March, 2019, based on expert opinion obtained, the parent company has claimed Rs. 49,137.48 lakhs towards written off of Optionally Convertible Preference Shares and Redeemable Preference Shares as deductible expenditure in its Income-tax return filed for the assessment year 2019-20. However, pending finalisation of assessment, no accounting impact has been given.

### 46 Capital Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and



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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 primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31 March 2020 and 31 March 2019.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits. The Company monitors capital using gearing ratio, which is net debt divided by total capital as under:

	As at 31 March 2020	As at 31 March 2019
Borrowings	1,42,719.32	1,11,246.98
Less : Cash and Cash Equivalents	25,106.41	2,252.55
<b>Net debts</b>	<b>1,17,612.91</b>	<b>1,08,994.42</b>
Equity Share Capital	4,378.64	4,378.64
Other Equity	1,81,050.84	2,21,322.17
<b>Total equity</b>	<b>1,85,429.48</b>	<b>2,25,700.81</b>
<b>Equity and net debt</b>	<b>3,03,042.39</b>	<b>3,34,695.24</b>
Capital Gearing Ratio :	38.81%	32.57%
Debt to Equity Ratio :	0.63	0.48

### 47 Leases

#### As a Lessee

- (A) Effective 1 April 2019 the company adopted Ind AS 116 'Lease' using modified retrospective approach in accordance with the modified retrospective transition method, the comparatives have not been retrospectively adjusted. There was no impact on financial position and retained earnings upon implementation of Ind AS 116 "Leases".
- (B) During the year the Company has recognised "Right of use asset" and "lease liability" for Rs. 213.11 lakhs and 164.68 lakhs respectively in books of accounts:
- (C) There are no income from subleasing right-of-use assets nor any gains or losses from sales and leaseback for the year ended 31 March 2020.
- (D) There are no variable lease payments for the year ended 31 March 2020.
- (E) Total cash outflow (undiscounted) on leases for the year ended March 31, 2020 was Rs. 30.00 lakhs
- (F) General Description of leasing agreements: –
  - Leased Assets: Buildings.
  - Future Lease rentals are determined on the basis of agreed terms
  - At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
  - Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.
- (G) The maturity profile of the lease liabilities (undiscounted) as of March 31, 2020, is as follows:

Particulars	0-1 year	1-3 years	3-5 Years	Total
Lease Liabilities	72.00	114.00	-	<b>186.00</b>

- (H) Rental expense recorded for short-term leases was INR 284.43 Lakhs for the year ended 31 March 2020.
- (I) The Company has given certain premises on operating lease which can be terminated with 3 months prior notice by either party. The aggregate lease rentals received has been disclosed in note no. 26.

48 The Group is primarily in the Business of manufacture and sale of packaging films and non woven fabrics. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company, has a policy for replacement of the damaged goods.



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Reconciliation of revenue as per contract price and as recognised in Statement of Profit or Loss:

Rs. in lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Revenue as per Contract price*	3,75,887.30	3,84,548.44
Less: Discounts, incentives etc.	22,715.03	22,350.82
<b>Sales of Products (Refer note 25)</b>	<b>3,53,172.27</b>	<b>3,62,197.62</b>

49 Based on the information available and to the extent identified by the management, certain vendors have confirmed their status under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Rs. in lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Principal and interest amount remaining unpaid	144.45	0.26
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
Interest due to payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	-	-
Interest accrued and remaining unpaid	-	-
Interest remaining due to payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-
Interest remaining due to payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

### 50 Events after the Balance Sheet Date

The Board of directors of parent company has recommended dividend of Rs. 1.00 (Previous Year Rs. 1.00) per equity share aggregating Rs. 437.86 Lakhs (Previous Year Rs. 527.86 Lakhs) including dividend distribution tax of Rs. NIL (Previous Year Rs. 90 Lakhs) for the financial year ended 31 March 2020 and same is subject to approval of shareholders at the ensuing Annual General Meeting.

### 51 Scheme of Arrangement

The Board of Directors of the parent company at its meeting held on 12 November 2018 has considered and approved a Scheme of arrangement between the Company and its wholly owned subsidiary company, Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) for demerger of Photo business division of the Company with appointed date i.e. 1 April 2019.

The Composite Scheme of Arrangement ("the Scheme") has been filed with Honourable National Company Law Tribunal (NCLT) under the provisions of Section 230-233 and other applicable provisions of the Companies Act, 2013 and rules made there under. The said Scheme has been approved vide NCLT Order dated 9 December 2019. The scheme has been effective w.e.f. 20 December 2019.

As per the Scheme, all related assets, liabilities as defined in the Scheme and other obligations forming part of, or relating to or appertaining to or attributable to the Photo division identified as Photographic products business of the Company and strategic investment in JPF Netherland BV, Amsterdam, investment in the units of mutual fund as of the appointed date i.e. 1 April 2019 have been transferred to Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited).

The Accounting effect of this Amalgamation in the Financial statements has been given as under:-

(a) Pursuant to the Scheme, all assets, liabilities, other obligations and unabsorbed depreciation pertaining to the Photo Division and strategic investment in JPF Netherland BV, Amsterdam, investment in the units of mutual fund were transferred to Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) at book value with effect from the appointed date viz. 1 April 2019.



## JINDAL POLY FILMS LIMITED

- (b) Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) has allotted 1,09,46,604 Equity Shares of Rs. 10/- each, fully paid up, to the shareholders of the Company in the ratio of 1:4. The pre-demerger Capital of Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) Rs. 5.00 Lakhs i.e. 50,000 Equity Shares of Rs. 10/- each, fully paid up, held by the Company were cancelled pursuant to the Scheme.
- (c) The carrying value of Assets and liabilities of demerged company as on 1 April 2019.

Particulars	(Rs. in Lakhs)
<b>Assets</b>	
Property, Plant and Equipment	1,042.31
Inventories	1,253.46
Trade Receivables	599.94
Investment in Shares (JPF Netherland BV, Amsterdam)	29.02
Investment in Mutual Funds	10,823.50
Cash and Bank Balances	181.65
Other Financial Assets	299.56
Other Current Assets	111.31
<b>Total Assets (A)</b>	<b>14,340.75</b>
<b>Liability</b>	
Trade Payables	199.48
Other Non-Current Liabilities	563.45
Other Financial Liabilities	47.31
Other Current Liabilities	101.80
<b>Total Liabilities (B)</b>	<b>912.04</b>
<b>Net Assets (A-B)</b>	<b>13,428.71</b>
<b>Less : Others</b>	
Liability towards Gratuity	94.72
Deferred Tax Liability	182.20
<b>Total</b>	<b>276.92</b>
Reserve and Surplus transferred pursuant to Scheme	<b>13,151.79</b>

- (d) Pursuant to issuances of shares, referred in para (b) above, Jindal Photo Imaging Limited (now known as Universus Photo Imagings Limited) ceases to be a subsidiary of the Company w.e.f. appointed date i.e. 1 April 2019.





52 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries and Associates:

Note 52.1 The Consolidation of Photo division and Other associates ceases to exists post demerger order from Hon'ble NCLT

Place: New Delhi  
Date: 29th June 2020

**D S Rawat**  
(VP Accounts)

**Sanjeev Kumar**  
(Company Secretary)  
ACS-18087

**Vinay Jindal**  
(Chief Financial Officer)



**Form AOC-I**  
**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**  
**Statement Containing salient features of the financial statements (as per Indian Accounting Standards, referred to in section 133 of the companies act 2013 of Subsidiaries and Associates)**

**Part A : Subsidiaries**

**Figures in Lakhs**

Sr. No	Name of the Subsidiary	The Date Since When Subsidiary Was acquired	Reporting Period	Reporting Currency and Exchange Rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Exchange Rate as on 31st Mar 2020	Share Capital	Reserve and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) Before Taxation	Provision For Taxation / (Deferred Tax Reversal & Benefits)	Profit/(Loss) After Taxation	Proposed Dividend	% of Share Holding
1	Jindal Films India Limited	25.11.2013.	1 April 2019 - 31 March 2020	INR	1.00	281.67	9,387.50	13,914.18	4,245.00	6,061.27	12,984.18	1,407.75	268.22	1,139.53	-	100.00
2	Jindal Packaging Trading DMCC	25.08.2016.	1 April 2019 - 31 March 2020	AED	20.53	338.54	-110.12	252.24	23.82	-	152.90	-2.18	-	-2.18	-	100.00
3	Jindal Imaging Limited	Due to merger of Manufacturing Division of Jindal Photo Limited being effective from 1st April 2014	1 April 2019 - 31 March 2020	INR	1.00	10.00	-61.33	1.83	53.16	-	-	-1.09	-	-1.09	-	100.00
4	J. and D. Speciality Films Pvt Limited	14-Mar-19	1 April 2019 - 31 March 2020	INR	1.00	10.00	-2.17	8.05	0.22	-	-	-1.20	-	-1.20	-	100.00

As per our report of even date attached

**For Singhi & Co**  
Chartered Accountants  
Firm Registration No : 302049E

**B K Sipani**  
Partner  
M No : 088926

Place: New Delhi  
Date: 29th June 2020

**For and on behalf of the Board of Directors**

**Sagato Mukerji**  
(Whole Time Director)  
DIN - 06465901

**D S Rawat**  
(VP Accounts)

**Sanjeev Kumar**  
(Company Secretary)  
ACS -18087

**Sanjeev Saxena**  
(Whole Time Director)  
DIN: 7899506

**Vinay Jindal**  
(Chief Financial Officer)

# **JINDAL POLY FILMS LIMITED**

**Registered Office :** 19th K.M., Hapur-Bulandshahr Road, P.O. Gulaothi, Distt. Bulandshahr, Uttar Pradesh

**Corporate Office :** Plot No. 12, Sector B-1, Local Shopping Complex, Vasant Kunj, New Delhi-110 070

Tel No. (011) 40322100, Fax No (011) 40322129

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