



**PREMIER
POLYFILM
LTD.**

ANNUAL REPORT 2012-2013



BOARD OF DIRECTORS

Shri Jaspal Singh Marwah
Shri Kamlesh Kumar Sinha
Shri Manoj Kumar Gupta
Shri S.P. Jain - *Executive Director*
Shri Amitabh Goenka – *Executive Director*
Shri Amar Nath Goenka - *Managing Director*

COMPANY SECRETARY

Shri N.K. Bhandari

AUDITORS

De & Bose
Chartered Accountants
8/2, Kiran Sankar Roy Road,
2nd Floor, Room No. 1 & 18,
Kolkata - 700 001

BANKERS

Kotak Mahindra Bank Limited
Chandni Chowk, Delhi - 110006

REGISTERED OFFICE

Flat No. 305, III Floor, Elite House,
36, Community Centre,
Kailash Colony Extension (Zamroodpur),
New Delhi - 110 048

HEAD OFFICE & FACTORY

40/1A, Site IV,
Sahibabad Industrial Area,
Sahibabad, Ghaziabad - (U.P.) 201010

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services (P) Ltd.
Beetal House, 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harsukh Das Mandir,
New Delhi - 110062

ISIN NUMBER : INE 309M01012

CONTENTS

	<i>Page No.</i>
Notice	3
Directors' Report	6
Green Initiative in the Corporate Governance	19
Auditors' Certificate on Corporate Governance	19
Auditors' Report	20
Balance Sheet	24
Statement of Profit & Loss Account	25
Cash Flow Statement	26
Significant Accounting Policies	27
Notes on Accounts	28
Proxy Form	41



NOTICE

NOTICE is hereby given that the **TWENTY FIRST ANNUAL GENERAL MEETING of PREMIER POLYFILM LTD.** will be held on **FRIDAY, the 6th day of SEPTEMBER, 2013 at 12.30 P.M. at SHAH AUDITORIUM,2, RAJ NIWAS MARG, CIVIL LINES, DELHI 110 054** to transact the following business:

ORDINARY BUSINESS:

- 1) To consider and adopt the Balance Sheet of the Company as at 31st March, 2013, the Profit & Loss Account for the period from 1st April, 2012 to 31st March, 2013 and the reports of Directors' and Auditors' thereon.
- 2) To appoint a Director in place of Shri Kamlesh Kumar Sinha, who retires by rotation and being eligible, offers himself for reappointment.
- 3) To appoint a Director in place of Shri S. P. Jain, who retires by rotation and being eligible, offers himself for reappointment.
- 4) To consider and, if thought fit, to pass the following resolution with or without modification(s), as an **ORDINARY RESOLUTION**.

"RESOLVED THAT M/s De & Bose, Chartered Accountants, the retiring Auditors of the Company be and are hereby reappointed to hold such office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by Shri Amar Nath Goenka, Managing Director of the Company."

SPECIAL BUSINESS:

- 5) **To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Article 116 of the Articles of Association of the company & Section 269, 198, 309, 310 & 311 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the limits specified in Schedule XIII to the said Act, the Company hereby reappoints Shri Amitabh Goenka as an Executive Director of the company for a period of three (3) years with effect from 1st November, 2013.

RESOLVED THAT remuneration including perquisites payable to Shri Amitabh Goenka, Executive Director, with effect from 01-11-2013 shall be as under :

(A) Remuneration

(i) Salary:

The Executive Director shall continue to be paid a sum of Rs.70,000/- (Rupee Seventy Thousand only) as basic salary plus perquisites as per (A) (ii) per month in the pay scale of Rs.70,000/- - Rs.1,50,000/- with annual increment as may be decided by the Remuneration Committee and the Board of Directors of the company.

(ii) Perquisites:

In addition to (i) above, the Executive Director shall be entitled to following perquisites:

a) House Rent Allowance:

The Executive Director shall be paid House Rent Allowance @ 30% of basic salary per month.

b) Payment against Employees Provident Fund contribution:

The Executive Director shall be paid 10% or more of basic salary in lieu of Employees Provident Fund per month as may be fixed by the company from time to time for senior officers of the company.

c) Conveyance:

The Executive Director shall be provided with the facility of company car.



PREMIER POLYFILM LTD.

d) Reimbursement of Medical expenses:

The Executive Director shall be provided with the facility of reimbursement of actual medical expenses incurred by him & his family subject to a maximum of 8.33% of basic salary in a year and can be accumulated for a period of three years.

e) Leave Travel Assistance:

The Executive Director shall be provided with the facility of reimbursement of actual fare but not hotel expenses incurred by him for himself and his wife and dependent children once in two years subject to a maximum of one month's basic salary.

f) Telephone Expenses :

The Executive Director shall be paid telephone expenses on actual basis against telephone connection installed at his residence.

In addition to this he shall be provided with a cell phone on actual expenses basis.

g) Leave and Gratuity :

The Executive Director will be also entitled to Leave/Leave Encashment and Gratuity as per rules of the Company applicable to Senior officers of the Company.

(B) OVERALL REMUNERATION

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under Section 198, 309 & other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may, for the time being, be in force.

(C) MINIMUM REMUNERATION

In the event of loss or inadequacy of profits, the Executive Director shall be paid the same salary as mentioned in para (A)(i) above and he shall also continue to enjoy all the perquisites as mentioned in para (A)(ii) above."

By order of the Board
for PREMIER POLYFILM LTD.

Place : New Delhi
Date : 18/05/2013

Sd/-
N.K.BHANDARI
COMPANY SECRETARY

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 01/09/2013 to 06/09/2013 (both days inclusive).
3. As a measure of economy copies of Annual Reports will not be distributed at the Meeting. Members may please bring their own copies of the Annual Report to the Meeting.
4. If a Member desires information on accounts, such request may please be made in writing so as to reach the company at least seven (7) days before the Meeting.
5. **MEMBERS ARE REQUESTED TO PROVIDE THEIR RESPECTIVE EMAILS IDS SO AS TO ENABLE COMPANY TO SEND ANNUAL REPORTS BY EMAIL.**
6. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business in item No.5 is annexed.



PREMIER POLYFILM LTD.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 5

Shri Amitabh Goenka has been continuing as Executive Director of the Company since 1st November, 2010 and his appointment as Executive Director was approved by the Shareholders in the 19th Annual General Meeting held on 19th September, 2011 for a period of three (3) years effective from 01-11-2010 at a remuneration of Rs.38,500/- (Rupees Thirty Eight Thousand Five Hundred only) as basic salary per month in the pay scale of Rs.38,500/- Rs.70,000/- plus perquisites admissible under Schedule XIII to the Companies Act, 1956. At present Shri Amitabh Goenka is drawing a sum of Rs.70,000/- as basic salary per month plus perquisite payable to him.

The present tenure of Shri Amitabh Goenka expires on 31st October, 2013. Now, it is proposed to reappoint him as Executive Director of the company for a period of three (3) years with effect from 01/11/2013 at the present existing remuneration of Rs.70,000/- per month as basic salary plus perquisites. It is now proposed to reappoint Shri Amitabh Goenka in the pay scale of Rs. 70,000/- - Rs.1,50,000/- plus perquisites as given in detail in the Notice Convening Twenty First Annual General Meeting. As per provisions of the Companies Act, 1956 appointment or reappointment and remuneration of Executive Director requires approval of Shareholders in their General Meeting. The company is to hold Twenty Second Annual General Meeting of Shareholders by 30/09/2014 and as such next Annual General Meeting of the company will be held after October, 2013 i.e. after the tenure of Shri Amitabh Goenka as Executive Director is expired. The Board of Directors in their meeting held on 18-05-2013 approved the reappointment of Shri Amitabh Goenka as Executive Director of the company for a period of three (3) years effective from 01-11-2013 subject to approval of Shareholders. Therefore, it is proposed to approve reappointment of Shri Amitabh Goenka as Executive Director before the expiry of his term on 31/10/2013.

Shri Amitabh Goenka is 42 years old and holds Degree in Commerce. He has more than 20 years of experience in industry. He is also director on the Board of M/s Joemillar Aquatek India (P) Limited, M/s Sunhills Vinyls Private Limited, M/s D L Millar & Company Limited, M/s Kay Ess Polymers Limited, proprietor of M/s 1000 Plus Inc. and partner in M/s G. B. & Company.

The Remuneration Committee has not recommended any increase in basic salary of Shri Amitabh Goenka on his reappointment as Executive Director with effect from 01-11-2013. However, his salary scale has been revised by the Remuneration Committee which has been stated in the Notice convening 21st Annual General Meeting subject to approval by the Members of the company in the ensuing Annual General Meeting.

Shri Amitabh Goenka is son of Shri Amar Nath Goenka, Managing Director of the company.

None of the Directors is interested or concerned in this resolution except Shri Amitabh Goenka and Shri Amar Nath Goenka, being father of Shri Amitabh Goenka.

Your Board recommends the resolutions to be passed as an Ordinary Resolution.

The explanation together with the accompanying Notice is and should be treated as an abstract of the terms of appointment of Shri Amitabh Goenka as an Executive Director of the company pursuant to the provisions of Section 302 of the Companies Act, 1956.

By order of the Board
for PREMIER POLYFILM LTD.

Sd/-
N.K.BHANDARI
COMPANY SECRETARY

Place : New Delhi
Date : 18/05/2013



DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the **Twenty First Annual Report** together with Audited Accounts for the year ended on 31st March, 2013.

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Sales & Other Income	7994	7,016
Operating profit before providing for interest & Depreciation	613	514
Less :		
Interest	112	89
Depreciation	179	<u>291</u> <u>185</u> 274
Net Profit before taxation	322	240
Less :		
Tax Expenses		
Current tax	66	49
Deffered tax	66	-
Net Profit after tax	190	191
Balance brought forward from previous year	103	(88)
Balance carried to Balance sheet	293	103
Basic and diluted earning per share	0.91	0.91
Face value per equity Share	5.00	5.00

OPERATIONS

During the period under review your company produced 12,034 M.T. of PVC flooring, Sheetings, Films etc. as against 12,242 M.T. produced during the previous year, achieving a capacity utilization of 74.28 % as compared to around 75.57% in the previous year. The Company could achieve higher capacity utilization but for depressed demand for products due to current recession.

QUALITY CONTROL

Your Company continues to hold prestigious ISO 9001:2008 certification for quality as manufacturer and exporter of PVC products namely Marbled (Contract), Printed and Technical Flooring, Leather Cloth, Sheeting, Humidity Barrier and Geo Membrane. Bureau of Indian Standards has granted BIS certification Mark ISI for Unbacked Flexible PVC Flooring, Sheets or rolls and tiles for 1.5 mm and 2.00 mm thickness vide ISO No. 3462:1986.

FUTURE PROSPECTS

Despite facing tough competition from imported finished goods, the products of your company are well received in the market and the market will not be a constraint after present recession is over. Kotak Mahindra Bank Limited has also sanctioned and disbursed Working Capital Facilities and Term Loan to the company



PREMIER POLYFILM LTD.

and there is no shortage of working capital facilities. Barring unforeseen circumstances, your company expects to do well in future.

DIVIDEND

Due to inadequacy of distributable cash, the Directors of your company are unable to recommend any Dividend for the year 2012-13.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state:-

- (I) That in the preparation of the annual accounts, the applicable accounting standards have been followed.
- (II) That your Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- (III) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for the assets of your company and for preventing and detecting fraud and other irregularities.
- (IV) That your Directors have prepared the annual accounts on a going concern basis

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

Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, as prescribed Under Section 217(1)(e) of the Companies Act, 1956, are annexed as **Annexure 'I'**

AUDITORS

The Auditors M/s De & Bose, Chartered Accountants, Auditors of the company retire at the conclusion of ensuing Annual General Meeting and are eligible for reappointment.

DIRECTORS

Shri Kamlesh Kumar Sinha and Shri S P Jain Directors of your company , retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Shri Amitabh Goenka, Executive Director of the company , will retire on 31-10-2013. The Board of Directors of the company in their Meeting held on 18-05-2013 has reappointed him for another term of three (3) years with effect from 01-11-2013. The Remuneration Committee has not recommended any increase in basic salary on reappointment of Shri Amitabh Goenka as Executive Director. However, salary scale was recommended to be revised to Rs.70,000/- - Rs.1,50,000/- which was approved by the Board of Directors, on the recommendation of Remuneration Committee, in their Meeting held on 18-05-2013 subject to approval by the Members of the company in the ensuing Annual General Meeting.

In terms of Clause 49 of the Listing Agreement notes on Director's seeking appointment/re-appointment are given in **Annexure "II"** and are forming part of the Directors' Report to the Members.

PERSONNEL

None of the employees of your company is covered Under Section 217(2)(A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

STOCK EXCHANGES

The equity shares of your company are listed and Traded at the Stock Exchanges as per details given in the



Annexure “III” and forming part of Directors' Report to the Members.

NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL) AND CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (CDSL)

ISIN Number of company is INE309M01012 which has been allotted by both NSDL & CDSL to the company.

CORPORATE GOVERNANCE

In terms of Clause 49 of The Listing Agreement, a report on The Corporate Governance alongwith a certificate from the Auditors of the Company regarding compliance of the conditions of the Corporate Governance is given in **Annexure “IV”** and **Annexure “VI”** respectively and is forming part of Directors' Report to the Members.

CEO/CFO CERTIFICATE

The Managing Director of the Company is also CEO/CFO of the Company. In Terms of Clause 49 of The Listing Agreement a certificate with regard to Compliance with The Code of Conduct by the Board Members and Senior Management Personnel for the year ended 31st March,2013 duly signed by the Chairman has been included in the Annual Report.

MANAGEMENT DISCUSSIONS AND ANALYSIS

In Terms of Clause 49 of The Listing Agreement notes on Management Discussions and Analysis Report is given in **Annexure “V”** and forming part of the Directors' Report.

INDUSTRIAL RELATIONS :

The industrial relations remained cordial during the year under review.

PUBLIC DEPOSIT

The Company has not invited or accepted deposits from the public covered under section 58A of the Companies Act, 1956.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere appreciation for the whole hearted Co-operation received by the Company from Central and State Governments, Kotak Mahindra Bank Limited and other Government Agencies and look forward to their continuing support. The Directors also record their appreciation for the sincere efforts put in by the employees of the Company at all levels.

For & on Behalf of the
BOARD OF DIRECTORS

Sd/-
(AMAR NATH GOENKA)
CHAIRMAN

Place : New Delhi
Date :18/05/2013



ANNEXURE – “I”

RESEARCH AND DEVELOPMENT (R & D)

- | | |
|--|--|
| 1. Specific areas in which R& D carried out by the Company | The Company continues to develop economical formulations for production.
The Company has developed various designs and colours of flooring, sheeting & Leather Cloth. |
| 2. Benefits derived as a result of the above R&D | Continuous development of economical formulations has helped the company to reduce cost of manufacturing. By introducing new range of colour schemes and designs of finished products the Company products continue to be in demand. The Company continues to develop economical formulations for production. The Company has been developing various attractive designs and colours of Flooring, sheeting & Leather Cloth on continuous basis |
| 3. Future plan of action | The company will consider future plan after funds are available . |
| 4. Expenditure on R&D | |
| a) Capital | Rs. Nil |
| b) Recurring | Rs. 1.06 Lacs approx |
| c) Total | Rs. 1.06 Lacs approx |
| d) Total R&D expenditure as a percentage of total turnover | 0.01% |

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

- | | |
|--|--|
| 1. Efforts, in brief made towards technology absorption, | No technology has been imported and the company continues to adopt the indigenous technology. |
| 2. Benefits derived as a result of the above efforts e.g. Product improvement, cost reduction, product development, import substitution etc. | The Company has installed laboratory scale calendaring line , first time in India , by which every material is tested on lab scale resulting in reduction of wastage and machine time. It gives extra benefits in developing economical formulations within the shortest span of time. |

FOREIGN EXCHANGE EARNINGS & OUTGO

	(Rs. In lacs)
1. Earnings	930
2. Outgo	864



PREMIER POLYFILM LTD.

ANNEXURE “II”

NOTES ON DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AS REQUIRED UNDER CLAUSE 49 IV (G) OF THE LISTING AGREEMENT ENTERED INTO WITH STOCK EXCHANGES

(ANNEXURE TO DIRECTORS REPORT)

At the ensuing Annual General Meeting Shri Amitabh Goenka is proposed to be reappointed as Executive Director of the company with effect from 01-11-2013 on his existing basic salary plus usual perks as are admissible to him. Further Shri Kamlesh Kumar Sinha and Shri S. P. Jain, Directors of your Company, retire by rotation and being eligible offer themselves for reappointment.

Shri Amitabh Goenka was appointed as director of the company under the category of Promoter of the company. Shri Amitabh Goenka is son of Shri Amar Nath Goenka, Managing Director of the company. He is 42 years old and holds Degree in Commerce. He has more than 20 years of experience in industry. He is also director on the Board of M/s Joemillar Aquatek India (P) Limited, M/s Sunhills Vinyls Private Limited, M/s D L Millar & Company Limited, M/s Kay Ess Polymers Limited, proprietor of M/s 1000 Plus Inc. and partner in M/s G. B. & Company.

Shri Amitabh Goenka holds office of the Executive Director of the company upto 31-10-2013. Now, it is proposed to reappoint him as Executive Director of the company for a period of three (3) years with effect from 01/11/2013 at the remuneration and perks/perquisites as given in the Notice convening Twenty First Annual General Meeting. As per provisions of the Companies Act, 1956 appointment or reappointment and remuneration of Executive Director requires approval of Shareholders in their General Meeting. Further the company is to hold 22nd Annual General Meeting of Shareholders by 30/09/2014 i.e. after the period of his appointment expires. The Board of Directors approved the reappointment of Shri Amitabh Goenka in their Meeting held on 18/05/2013 subject to approval of Shareholders. Therefore, it is proposed to approve reappointment of Shri Amitabh Goenka as Executive Director before the expiry of his term on 31/10/2013.

Shri Kamlesh Kumar Sinha is independent director of the Company. He is 66 years of age and is a Post Graduate with Degree in Law and has done certificate course in Business Management. He has experience of around 47 years in commercial affairs with specialization in marketing. He is also director on the Board of M/s Premier Irrigation Exports Limited and M/s Premierworld Technologies Limited. Shri Sinha is also member of Remuneration Committee of directors of the company.

Shri S.P. Jain was appointed as director of the company under the category of Executive. He is also Executive Director of the company. He is 67 years old and holds University Degree. Shri Jain has over 45 years of experience as an Executive. Shri Jain is also Member of Share Transfer Committee, Audit Committee and Shareholders/Investors Grievance Committee of directors of the company.

ANNEXURE – “III”

LIST OF STOCK EXCHANGES

1. National Stock Exchange of India Limited, “Exchange Plaza”, 5 Floor, Plot No. C/1, ‘G’ Block, Bandra Kula Complex, Bandra East, Mumbai – 400051. (Code No. PREMIERPOL)
2. Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001(Code No. 514354)



**ANNEXURE – “IV”
CORPORATE GOVERNANCE REPORT
(ANNEXURE TO DIRECTORS’ REPORT)**

COMPANYS’ PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company has been practicing the principle of good Corporate Governance. The Board of Director supports the broad principles of corporate governance. In addition to the basic governance issues the Board lays strong emphasis on transparency, accountability, integrity, customer satisfaction and efforts for maximization of Shareholders wealth.

CEO/CFO CERTIFICATION

In terms of Clause 49 of the Listing Agreement, the certification by the Managing Director & CEO and CFO on the financial statements and internal controls relating to financial reporting has been obtained. The Managing Director is also CEO and CFO of the Company.

RESPONSIBILITIES

The Board reserves for its consideration and decisions in the matters of policy, capital expenditure, Corporate Governance and reporting to Shareholders. During the year under review, the Board met six (6) times. These Board Meetings were held on 26th April, 2012, 30th May, 2012, 6th July, 2012, 17th July, 2012, 31st October, 2012 and 31st January, 2013. The Directors ensure that their responsibility as Directors of the company and their interest do not clash with interest of the company.

BOARD OF DIRECTORS

Shri Amar Nath Goenka is the Managing Director of the company. The Board as on 31st March, 2013 consisted of six (6) Directors including the Managing Director out of which Shri Jaspal Singh Marwah, Shri Kamlesh Kumar Sinha and Shri Manoj Kumar Gupta are three (3) independent Directors and out of remaining three (3) Directors Shri Amar Nath Goenka and Shri Amitabh Goenka are Promoter Directors and Shri S.P. Jain, is Executive Director. During the financial year under review, the Board met six (6) times. These Board Meetings were held on 26th April, 2012, 30th May, 2012, 6th July, 2012, 17th July, 2012, 31st October, 2012 and 31st January, 2013. The details of (i) Composition and Category of Directors, (ii) Attendance of each Director at the Board Meetings and last Annual General Meeting, (iii) The Directorship/Membership held by each Director and (iv) The details of the Board Meetings are as follows :-

(I) COMPOSITION AND CATEGORY OF DIRECTORS AS ON 31/03/2013

CATEGORY	NAME OF DIRECTOR	STATUS	DATE OF APPOINTMENT
PROMOTER	Shri Amar Nath Goenka	Managing Director	Since Inception of Company i.e. 17/07/1992
	Shri Amitabh Goenka	Executive Director	27/01/2010
EXECUTIVE	Shri S.P. Jain	Executive Director	26/06/2004
INDEPENDENT	Shri Jaspal Singh Marwah	Non Executive	02/09/1999
	Shri Manoj Kumar Gupta	Non Executive	30/03/2001
	Shri Kamlesh Kumar Sinha	Non Executive	19/08/2003



PREMIER POLYFILM LTD.

(ii), (iii) & (iv). ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING (AGM) HELD ON 24TH AUGUST, 2012 AND NO. OF DIRECTORSHIPS IN OTHER BOARDS AND CHAIRMANSHIP/MEMBERSHIP IN OTHER BOARD, COMMITTEES.

Name Of Director	No. of Board meetings held	No. of Board meetings attended	Attendance at the last AGM	No. of Directorship in other Boards as on 31/03/2013*	No. of Membership in other Board committees as 31/03/2013*
Shri Amar Nath Goenka	6	6	Present	2	1
Shri S. P. Jain	6	5	Present	-	3
Shri Jaspal Singh Marwah**	6	6	Present	1	3
Shri Manoj Kumar Gupta	6	6	Present	1	3
Shri Kamlesh Kumar Sinha	6	4	Absent	2	1
Shri Amitabh Goenka	6	5	Present	4	-

* Directorship in Foreign Companies and Partnership companies have not been included in the above table/details.

** Chairman Audit Committee.

No Director of the company was a member in more than 10 Committees or acted as Chairperson of more than five Committees across all companies in which he was a Director.

DETAILS OF THE BOARD MEETINGS HELD DURING THE YEAR APRIL 1, 2012 TO MARCH 31, 2013

DATE OF MEETINGS	BOARD STRENGTH	NUMBER OF DIRECTOR PRESENT
April 26, 2012	6	6
May 30, 2012	6	6
July 06, 2012	6	5
July 17, 2012	6	4
October 31, 2012	6	6
January 31, 2013	6	5

COMMITTEES OF BOARD

A) AUDIT COMMITTEE

Audit Committee of the Board consist of three (3) Directors of the company, i.e. Shri Jaspal Singh Marwah, Chairman of Audit Committee, Shri Manoj Kumar Gupta and Shri S.P. Jain, Directors of the company. The Audit Committee has been authorized to look after the following major functions:

- 1) To ensure internal control system.
- 2) To have discussions with the auditors periodically about the internal control system, the scope of audit including the observations of the auditors.
- 3) To review the quarterly and the annual financial statements before submission to the Board.
- 4) To investigate into any matter in relation to the items specified in Section 292 of the Companies Act, 1956 or referred to it by the Board and for this purpose, shall have full access to information contained in the records of the company and external professional advice if necessary.



PREMIER POLYFILM LTD.

- 5) The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, shall be binding on the Board.
- 6) If the Board does not accept the recommendations of the Audit Committee, it shall record the reasons thereof and communicate such reasons to the Shareholders.
- 7) The Chairman of the Audit Committee shall attend the Annual General Meetings of the company to provide any clarifications(s) on the matters relating to audit.

DETAILS OF COMPOSITION, NAMES OF MEMBERS, NO. OF MEETINGS HELD AND ATTENDANCE OF AUDIT COMMITTEE DURING THE YEAR APRIL 1, 2012 TO MARCH 31, 2013

NAME OF DIRECTOR	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Shri Jaspal Singh Marwah (Chairman)	4	4
Shri Manoj Kumar Gupta	4	4
Shri S. P. Jain	4	3

B) REMUNERATION COMMITTEE

The Remuneration Committee of the Board consist of three (3) Directors of the company, i.e. Shri Jaspal Singh Marwah, Chairman of Remuneration Committee, Shri Manoj Kumar Gupta and Shri Kamlesh Kumar Sinha, Directors of the Company. The Committee has been authorized to look after following major functions :

To ensure formation & implementation of Remuneration Policy with regard to followings:

- a) All elements of remuneration package of all the Directors i.e. Salary, benefits, bonuses, stock options, pension etc.
- b) Details of fixed component and performance linked incentives along with the performance criteria.
- c) Service contracts, notice period , severance fees.
- d) Stock option details, if any – and whether issued at a discount as well as the period over which accrued and over which exercisable.
- e) Any other matter related to remuneration/perks to Directors.

DETAILS OF COMPOSITION, NAMES OF MEMBERS, NO. OF MEETINGS HELD AND ATTENDANCE OF REMUNERTION COMMITTEE DURING THE YEAR APRIL 1, 2012 TO MARCH 31, 2013

NAME OF DIRECTOR	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Shri Jaspal Singh Marwah (Chairman)	1	1
Shri Manoj Kumar Gupta	1	1
Shri Kamlesh Kumar Sinha	1	1

DETAILS OF REMUNERATION PAID TO ALL DIRECTORS DURING APRIL, 2012 TO MARCH, 2013

NAME OF DIRECTOR	Sitting Fee	Salary	House Rent Allowances/ Housing Accommodation	Other Allowances	Gas / Electricity/ Club Fee	Medical	Leave Travel Concession	Leave Encashment provision	Gratuity	Accidental Insurance premium	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Shri Amar Nath Goenka	-	5,98,393	3,59,036	-	-	-	-	1,04,976	5,58,630	-	16,21,035
Shri Amitabh Goenka	-	6,60,000	1,98,000	66,000	-	-	-	26,136	52,184	-	10,02,320
Shri Jaspal Singh Marwah	22,500	-	-	-	-	-	-	-	-	-	22,500
Shri Kamlesh Kumar Sinha	7,500	-	-	-	-	-	-	-	-	-	7,500
Shri Manoj Kumar Gupta	22,500	-	-	-	-	-	-	-	-	-	22,500
Shri S P Jain	-	6,60,000	1,98,000	66,000	-	15,000	55,000	14,299	1,09,318	-	11,17,617



C) SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

Names of members of the Shareholders/Investors Grievance Committee alongwith numbers of meetings held and attended by the Committee Members during the year 1st April, 2012 to 31st March, 2013 is as under :-

NAME OF DIRECTOR	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Shri Jaspal Singh Marwah (Chairman)	4	4
Shri Manoj Kumar Gupta	4	4
Shri S. P. Jain	4	3

BROAD TERMS OF REFERENCE TO SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

To review and advise the Company on any grievance in relation to non transfer of shares, non receipt of Annual Report, non receipt of Dividend etc. and any other investors grievances raised by Members/ Shareholders.

COMPLIANCE OFFICER

Shri N.K. Bhandari, Company Secretary

NUMBER OF SHAREHOLDERS COMPLAINTS RECEIVED DURING THE PERIOD APRIL 1, 2012 TO MARCH 31, 2013.

Two complaints were received from shareholders during the financial year 2012-2013 which were settled immediately.

NUMBER OF COMPLAINTS PENDING WITH THE COMPANY

NIL

NUMBER OF SHARES PENDING FOR TRANSFER

NIL

GENERAL INFORMATION FOR SHAREHOLDERS

REGISTERED OFFICE :	305, III FLOOR, ELITE HOUSE, 36, COMMUNITY CENTRE, KAILASH COLONY EXTENSION, (ZAMROODPUR) NEW DELHI 110 048 PHONE 011 29246481 FAX 011 29236482 WEBSITE:www.premierpoly.com EMAIL:investor@premierpoly.com
ANNUAL GENERAL MEETING	DATE : 06-09-2013 TIME: 12.30 P.M. VENUE : SHAHAUDITORIUM, 2, RAJ NIWAS MARG CIVIL LINES, DELHI - 110054
DATE OF BOOK CLOSING (FOR THE PURPOSE OF ANNUAL GENERAL MEETING)	01-09-2013 to 06-09-2013 (Both days inclusive)
DIVIDEND PAYMENT DATE	Not Applicable



PREMIER POLYFILM LTD.

LISTING ON STOCK EXCHANGES

1. National Stock Exchange of India Limited (COMPANY CODE: PREMIERPOL)
2. Bombay Stock Exchange Limited. (COMPANY CODE: 514354)

MARKET PRICE DATA :

Face value of fully paid Equity Share is Rs.5/- each.

MARKET PRICE DATA (HIGH AND LOW) DURING EACH MONTH DURING 2012-2013

Month	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
April, 2012	5.78	5.25	-	-
May, 2012	-	-	-	-
June, 2012	7.71	6.06	-	-
July, 2012	16.99	8.09	-	-
August, 2012	16.50	15.05	16.00	15.25
September, 2012	16.50	15.75	15.75	15.75
October, 2012	17.40	15.40	-	-
November, 2012	15.10	13.00	12.90	12.90
December, 2012	14.50	13.30	13.00	12.30
January, 2013	14.50	11.80	-	-
Febuary, 2013	11.50	10.93	-	-
March, 2013	10.39	9.40	-	-

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

Beetal Financial & Computers Services(P)Ltd.
Beetal House, 99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukh Das Mandir , New Delhi-110062

SHARE TRANSFER SYSTEM

Share transfer requests in physical form and Demat are to be sent to RTA of the company which are processed within 15 days from the date of receipt.

DISTRIBUTION OF SHAREHOLDING AS ON 31-03-2013

CATEGORY	NO. OF EQUITY SHARES OF RS.5/- EACH	% OF SHARE HOLDING
Promoters	96,19,234	45.92
Mutual Funds	3,18,825	1.52
Banks/FIS	1,12,950	0.54
Corporate Bodies	88,99,533	42.48
Individual (Public & NRI)	19,97,953	9.54
Total	2,09,48,495	100.00



PREMIER POLYFILM LTD.

DEMATERIALIZATION OF SHARES AND LIQUIDITY AS ON 31-3-2013 ISIN number of the company is INE309M01012 and shares can be traded at BSE and NSE in dematerialized form. As on 31-03-2013 1,82,00,264 Equity Shares (86.88%) were in dematerialized form. Promoters Holdings is 100% in dematerialized form.

WORKS/PLANT LOCATION 40/1A, Site IV, Sahibabad Industrial Area, Sahibabad Distt. Ghaziabad(U.P.)-201010

ADDRESS FOR CORRESPONDENCE 305, III Floor, "Elite House", 36, Community Centre, Kailash Colony Extension (Zamroodpur), New Delhi - 110048

ANNUAL GENERAL MEETINGS

FINANCIAL YEAR	2009-2010	2010-2011	2011-2012
DATE	09-08-2010	19-09-2011	24-08-2012
TIME	12.30 P. M.	12.30 P. M.	12.30 P. M.
VENUE	Shah Auditorium, 2, Raj Niwas Marg, Civil Lines, Delhi - 110054	Shah Auditorium, 2, Raj Niwas Marg, Civil Lines, Delhi - 110054	Shah Auditorium, 2, Raj Niwas Marg, Civil Lines, Delhi - 110054

No special resolution(s) was/were passed through postal ballot at the last Annual General Meeting.

No Special resolution(s) is/are proposed through postal ballot at the forthcoming Annual General Meeting.

DISCLOSURES:

- i) Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, or their subsidiaries or relatives that may have potential conflict with the interest of the Company at large.

The Company does not have any related party transactions, which may have potential conflict with the interest of the Company at large.

- ii) Details of non compliance, penalties, stricture by SEBI/Statutory Authorities/Stock Exchanges on matters relating to capital markets during the last three years.

There was no non compliance for the year ended 31st March, 2013 and no penalties and/or any stricture was passed against the company by SEBI/Statutory Authorities/Stock Exchanges on matters relating to capital markets during the last three years.

MEANS OF COMMUNICATION:

The Notice of Board Meetings for consideration of Unaudited and Audited Financial results and the financial results are published in the "THE MINT" and "HARI BHOOMI", the vernacular (Hindi) Newspaper. All material information about the company is promptly sent to the stock exchanges where its equity shares are listed through fax, email and the same is then also sent through Speed Post/Registered Post/Courier to the respective Stock Exchanges. The same are also published at website of the Company.

COMPLIANCE CERTIFICATE OF THE AUDITORS

The company has obtained a Certificate from the Statutory Auditors regarding Compliance of the conditions of Corporate Governance as stipulated in Clause 49 and the same is annexed to as **annexure VI**.



PREMIER POLYFILM LTD.

ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS HELD DURING APRIL 1, 2012 TO MARCH 31, 2013

NAME OF DIRECTOR S/SHRI	DATE OF MEETING & ATTENDANCE					
	1 st Quarter		2 nd Quarter		3 rd Quarter	4 th Quarter
	26-04-2012	30-05-2012	06-07-2012	17-07-2012	31-10-2012	31-01-2013
Amar Nath Goenka	Present	Present	Present	Present	Present	Present
Jaspal Singh Marwah	Present	Present	Present	Present	Present	Present
Manoj Kumar Gupta	Present	Present	Present	Present	Present	Present
Amitabh Goenka	Present	Present	Present	Absent	Present	Present
S. P. Jain	Present	Present	Present	Present	Present	Absent
Kamlesh Kumar Sinha	Present	Present	Absent	Absent	Present	Present

For & on Behalf of the
BOARD OF DIRECTORS.

PLACE: NEW DELHI
DATED: 18/05/2013

Sd/-
AMAR NATH GOENKA
CHAIRMAN

**ANNEXURE "V"
MANAGEMENT DISCUSSION AND ANALYSIS REPORT
(ANNEXURE TO DIRECTORS REPORT)**

INDUSTRY

The company is engaged in the manufacture of vinyl flooring, sheeting and artificial leather cloth. The products of the company are used for a variety of industrial and consumer applications. Overall growth rate of the market size is 5% to 10% annually.

The image of the company, built through decades of quality is the major strength of the company. The company has a significant share of the vinyl flooring, sheeting and artificial leather cloth market and is the quality leader in the vinyl flooring market.

RISK AND CONCERNS

PVC resin is the most important raw material for the company. Demand for PVC resin in the country has been increasing every year. Additional capacity for manufacture of PVC resin was commissioned in the year 2010 but the supply is still not adequate to meet the demand. Further, for certain grade of resin, there is only one manufacturer in the country. Hence any disruption in the supply from this source can affect the operations of the company. There is severe competition in the market for the company's products. The overall capacity in the industry is significantly more than the demand. This can affect adversely their margins in sale of products.

FINANCIAL PERFORMANCE

Net Turnover for the year was Rs. 7,247/- Lacs which was Rs.6,469/- Lacs for the previous year. Profit margins and Sales was low due to dumping of imported material in the market and unhealthy competition from domestic manufacturers due to over capacity.



EXPORT PERFORMANCE

The Company could Export the products to the tune of Rs.930/- Lacs during the current year as against Rs.1,108/- Lacs during the previous year. The reasons for sharp decline in the exports is globally general economic recession in foreign Market.

INTERNAL CONTROL SYSTEM

The Company has proper and adequate internal control system to ensure that its assets are safeguarded and that transactions are properly authorised, reported and recorded. The Company has also a system of internal audit and management reviews to ensure compliance with the prescribed procedure and authority level. M/s D.D. Bansal and Associates, Chartered Accountants, are Internal Auditor of the company to look after the job of Internal Auditor.

PROFITABILITY & BUSINESS

The Company is operating on paper thin margins. The cost of Raw Material in the end product is 73-75%. With ever increasing cost elements of manufacturing there is very little the company can do to increase profits. In view of the domestic and imported products competition the company can not even increase price of its products unilaterally.

Further Plant and Machinery of the company is very old and requires replacements/ major overhauling of almost all the vital machines. The company is unable to meet huge expenses on replacements/overhauling of machines from its own resources and additional borrowing from the Bank, if available, will increase the burden of interest which will be difficult to service from this thin margin. Break downs in the Plant & Machinery affect the production capacity adversely.

Foreseeing such a situation, the Board of Directors of the company is thinking of adding/changing some new business activity of the company in the interest of the company and shareholders.

HUMAN RESOURCES

The Company appreciate the efforts of its dedicated team of employees. Industrial relations were cordial during the year. The Company accords very high priority to safety in all aspects of its operations. The employees are trained in various aspects of safety. Regular safety audits are conducted to ensure high safety standards.

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 (D)(D)(II) OF THE LISTING AGREEMENT TO THE MEMBERS OF PREMIER POLYFILM LTD.

I hereby declare that to the best of my knowledge and belief, all the members of the Board and senior management personnel of the Company have affirmed their respective compliance for the year ended March 31, 2013.

For Premier Polyfilm Ltd.

Sd/-

AMAR NATH GOENKA
CHAIRMAN

PLACE: NEW DELHI
DATED:18/05/2013



PREMIER POLYFILM LTD.

GREEN INITIATIVE IN THE CORPORATE GOVERNANCE

Dear Members,

Date: 18/05/2013

The Ministry of Corporate Affairs vide its Circular No. 17/2011 dated 21st April, 2011 followed by Circular No 18/2011 dated 29th April, 2011 has taken "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies through electronic mode and introduced e-mail as one of the modes of sending communication to the Members under Section 53 of the Companies Act, 1956. To implement the said Circulars, the Company proposes to send to the Members various documents including Notices, Balance Sheet, Profit and Loss Account, Directors' Report, Auditors' Report etc. onwards in electronic form/mode to the email addresses of the Members provided by the them and/or made available to the Company or to the Registrar and Share Transfer Agent (RTA) of the Company i.e. M/s Beetal Financial & Computer Services Private Limited .

All the Members are requested to immediately register their e-mail addresses mentioning their Folio Numbers with RTA of the Company or directly with the company .

For PREMIER POLYFILM LTD.

SD/-

(MANAGING DIRECTOR)

ANNEXURE - VI

AUDITORS'S CERTIFICATE ON CORPORATE GOVERNANCE

To

THE MEMBERS OF PREMIER POLYFILM LTD.

We have examined the compliance of conditions of Corporate Governance by **PREMIER POLYFILM LTD.** for the year ended on March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidelines Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For & on Behalf of the
DE & BOSE
CHARTERED ACCOUNTANTS

Sd/-.

SUBRATA DE

Membership No. 54962
PARTNER

CAMP: NEW DELHI
DATED:18/05/2013



AUDITORS' REPORT

TO THE MEMBERS OF PREMIER POLYFILM LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of **PREMIER POLYFILM LTD.**, which comprise the Balance Sheet as at March 31, 2013, the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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

- i) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2013;
- ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- iii) in the case of the cash flow statement, of the cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order"), as amended by the Companies (Auditors' Report) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.



2. As required by sub-section (3) of Section 227 of the Act, we report that:
- we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
 - in our opinion, the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report have complied with the requirements of the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - on the basis of the written representations received from the Directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Act nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For & on behalf of
DE & BOSE
Chartered Accountants
Firm Registration No. 302175E

Sd/-
SUBRATA DE
Partner
Membership No.054962

Place: New Delhi
Date: 18th day of May, 2013

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of the our report of even date.

- In respect of its fixed assets :
 - The Company has maintained proper records showing full particulars including quantitative details and situations of its fixed assets.
 - As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - In our opinion, the Company has not disposed off any substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
- In respect of its inventories :
 - As explained to us, the said inventories have been physically verified by the management at regular intervals during the year.



- b. In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :
- The Company has not granted / taken any loans to / from any company, firm or other party covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventories , fixed assets and also for the sale of goods and services. Further, on the basis of our examination of the books and the records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956 :
- a. According to the information and explanations given to us, particulars of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b. In our opinion and according to the information and explanations given to us, each of these transactions aggregating during the year to Rs.500,000/- (Rupees Five Lacs only) or more in respect of any party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public under Sections 58A,58AA or any other relevant provision of the Companies Act,1956 and the rules framed thereunder.
7. Internal audit is being carried out by a firm of Chartered Accountants. In our opinion, the scope and coverage of the said internal audit needs to be strengthened so as to make it commensurate with the size of the Company and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company, including pursuant to the Companies (Cost Accounting Records) Rules,2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, and of the opinion that prima facie the prescribed cost records have been maintained and are being made up. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues :
- a. According to the information and explanations given to us and the records of the Company produced before us, the Company is generally regular in depositing the undisputed statutory dues for the year including Provident Fund, Employees' State Insurance, Sales Tax , Customs Duty , Excise Duty and other statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there is no undisputed amounts outstanding as at 31st March, 2013 for period of more than six months from the date of becoming payable.
 - b. The disputed statutory dues as at 31st March, 2013 aggregating to Rs.15,455,289 /-, that have not



PREMIER POLYFILM LTD.

been deposited on account of matters pending before appropriate authorities are as under :

Nature of the statute	Nature of the dues	Forum where dispute is pending	Amount(Rs.)
UP Trade Tax Act	Sales Tax	Allahabad High Court	13,866,816/-
Sales Tax Act	Entry Tax	Allahabad High Court	1,588,473/-

10. As per records, the Company has no accumulated losses at the end of financial year and neither incurred any cash losses during the financial year covered by our audit nor in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that during the year under audit, the Company has not defaulted in repayment of dues to financial institution and banks . As the Company has not issued any debentures, there is no dues from any debenture holder.
12. The Company has not granted any loan and advance in the nature of inter corporate deposits on the basis of security by way of pledge of shares . Therefore, the provisions of Clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of Clause 4 (xiii) of the Order are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4 (xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others, from banks or financial institutions.
16. As per records, the Company has raised term loan during the financial year covered under audit and the loan was not applied for the purpose for which the loans were obtained. As explained to us, the Company is in the process of acquisition of plant and machinery , the purpose of term loan, and the term loan for the time being is invested in non-encumbranced term deposit with bank.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The Company has not made any allotment of share during the financial year covered under audit.
19. The Company has not issued any debentures. Accordingly, the provisions of Clause 4 (xix) of the Order are not applicable to the Company.
20. The company has not raised any money by way of public issue during the financial year covered under audit.
21. During the course of our examination of books and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For & on behalf of
DE & BOSE
Chartered Accountants
Firm Registration No. 302175E

Sd/-
SUBRATA DE
Partner
Membership No.054962

Place: New Delhi
Date: 18th day of May, 2013



BALANCE SHEET AS AT 31ST MARCH, 2013

DESCRIPTION	Note	AS AT		AS AT	
		31.03.2013		31.03.2012	
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
EQUITY AND LIABILITIES					
1. Shareholders' Funds					
(a) Share Capital	2.1	105,900,788		105,900,788	
(b) Reserves and Surplus	2.2	113,859,694	219,760,482	94,868,733	200,769,521
2. Non-Current Liabilities					
(a) Long-term Borrowings	2.3	13,866,257		-	
(b) Deferred Tax Liabilities (Net)	2.4	6,582,233		-	
(c) Long-term Provisions	2.5	14,510,766	34,959,256	10,990,253	10,990,253
3. Current Liabilities					
(a) Short-term borrowings					
(i) Loans repayable on demand	2.6 & 2.7	32,688,334		83,920,879	
(ii) Loans from related parties	2.8	6,537,403		14,935,000	
(iii) Deposits	2.9	211,000	39,436,737	211,000	99,066,879
(b) Trade Payables	2.10	65,279,924		61,542,644	
(c) Other Current Liabilities	2.11	53,128,235		53,245,199	
(d) Short-term Provisions	2.12	3,946,383	161,791,279	3,695,466	217,550,188
TOTAL			416,511,017		429,309,962
ASSETS					
1. Non-current Assets					
(a) Fixed Assets					
Tangible Assets	2.13	100,624,325		116,418,267	
(b) Long-term Loans and Advances	2.14	4,232,333		4,002,723	
(c) Other Non-Current Assets	2.15	1,495,293	106,351,951	1,129,179	121,550,169
2. Current Assets					
(a) Inventories	2.16	141,078,993		146,600,490	
(b) Trade Receivables	2.17	114,896,863		87,916,633	
(c) Cash and Cash Equivalents	2.18	44,794,476		62,781,931	
(d) Short-term loans and advances	2.19	8,306,683		4,934,785	
(e) Other Current Assets	2.20	1,082,051	310,159,066	5,525,954	307,759,793
TOTAL			416,511,017		429,309,962
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS					
	1 & 2				

The notes referred to above form an integral part of the Balance Sheet. This is the Balance Sheet referred to in our report of even date.

For DE & BOSE

CHARTERED ACCOUNTANTS

Firm Registration No. 302175E

SUBRATA DE
PARTNER

N.K.BHANDARI
COMPANY SECRETARY

AMAR NATH GOENKA
MANAGING DIRECTOR
CEO & CFO

JASPAL SINGH MARWAH
DIRECTOR

Membership No. 054962
8/2 Kiran Sankar Roy Road,
Kolkata- 700001

CAMP : New Delhi
The 18th day of May, 2013



PREMIER POLYFILM LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

DESCRIPTION	Note	YEAR ENDED 31.03.2013 (Rs.)	YEAR ENDED 31.03.2012 (Rs.)
REVENUE			
Revenue from Operations	2.21	704,607,162	625,756,374
Other Income	2.22	20,083,756	21,134,104
TOTAL REVENUE		<u>724,690,918</u>	<u>646,890,478</u>
EXPENSES			
Cost of Material Consumed	2.23	474,779,386	456,608,413
Purchase of Stock-in-trade	2.24	4,279,364	8,714,394
Changes in inventories of Finished Goods and Work-in-Progress	2.25	7,190,295	(26,525,306)
Employee Benefits Expenses	2.26	57,750,213	50,713,087
Finance Cost	2.27	11,175,820	8,935,044
Manufacturing Expenses	2.28	78,026,395	69,389,005
Administrative and Other expenses	2.29	23,511,838	22,010,764
Selling and Distribution Expenses	2.30	19,715,469	14,577,396
Depreciation	2.13	17,947,488	18,496,438
TOTAL EXPENSES		<u>694,376,268</u>	<u>622,919,235</u>
Profit before exceptional Items and Tax		30,314,650	23,971,243
Exceptional items	2.31	1,834,619	-
Profit before taxation		32,149,269	23,971,243
Tax Expense :			
Current Tax		6,600,000	4,900,000
Deferred Tax		6,582,233	-
Earlier years		(23,925)	-
Profit for the year		<u>18,990,961</u>	<u>19,071,243</u>
Basic and Diluted Earnings per Share	2.37	0.91	0.91
Face Value per Share		5.00	5.00
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS			
	1 & 2		

The notes referred to above form an integral part of the Statement of Profit and Loss. This is the Statement of Profit and Loss referred to in our report of even date.

For DE & BOSE
CHARTERED ACCOUNTANTS
Firm Registration No. 302175E

SUBRATA DE
PARTNER

N.K.BHANDARI
COMPANY SECRETARY

AMAR NATH GOENKA
MANAGING DIRECTOR
CEO & CFO

JASPAL SINGH MARWAH
DIRECTOR

Membership No. 054962
8/2 Kiran Sankar Roy Road,
Kolkata- 700001
CAMP : New Delhi
The 18th day of May, 2013



PREMIER POLYFILM LTD.

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2013

Description	Year Ended 31.3.2013	Year Ended 31.3.2012
	(Rs.)	(Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items	32,149,269	23,971,243
Adjusted for :		
Loss on sale of fixed assets	304,017	46,632
Depreciation	17,947,488	18,496,438
Interest expenses	9,302,056	8,038,484
Interest income	(3,986,522)	(5,372,977)
Unsecured loan written back	(1,834,619)	-
Liabilities written back	(2,285,655)	(383,147)
Operating profit before working capital changes	51,596,034	44,796,673
Adjusted for :		
Trade and other receivables	(26,980,230)	(17,909,756)
Inventories	5,521,497	(45,308,991)
Loans and advances	(3,611,508)	4,256,009
Trade and other payables	8,105,691	16,798,969
Cash generated from operations	34,631,484	2,632,904
Tax paid (Net)	5,993,110	4,434,598
Net cash from /(used in) operating activities	28,638,374	(1,801,694)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(2,800,195)	(33,523,232)
Sale of fixed assets	342,632	92,600
Proceeds from Term Deposit with banks (Net)	13,044,292	(14,084,934)
Interest Income	8,440,425	1,462,421
Net cash from /(used in) investing activities	19,027,154	(46,053,145)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	20,000,000	-
Repayment of long term borrowings	(2,768,850)	(389,630)
Proceeds from short term borrowings	(17,262,926)	56,621,349
Repayment of short term borrowings	(40,532,597)	(15,444,817)
Interest paid	(11,678,204)	(4,158,013)
Net cash from /(used in) financing activities	(52,242,577)	36,628,889
Net decrease in cash and cash equivalents	(4,577,049)	(11,225,950)
Opening balance of cash and cash equivalents	15,335,003	26,560,953
Closing balance of cash and cash equivalents (Note)	10,757,954	15,335,003
	(4,577,049)	(11,225,950)
Note:		
Cash and cash equivalents comprise:		
Cash in hand	611,269	341,920
Balance with banks		
In Current accounts	846,011	1,993,083
In term deposit accounts	9,300,674	13,000,000
	10,757,954	15,335,003

As per our report of even date.

For DE & BOSE

CHARTERED ACCOUNTANTS

Firm Registration No. 302175E

SUBRATA DE

PARTNER

N.K.BHANDARI
COMPANY SECRETARY

AMAR NATH GOENKA
MANAGING DIRECTOR
CEO & CFO

JASPAL SINGH MARWAH
DIRECTOR

Membership No. 054962

8/2 Kiran Sankar Roy Road,

Kolkata- 700001

CAMP : New Delhi

The 18th day of May, 2013



NOTE - 1 : SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting :

The Company follows the Mercantile system of Accounting under historical cost convention except otherwise stated. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

1.2 Use of Estimates :

The Preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.3 Fixed Assets :

Fixed Assets are valued at cost of net of CENVAT less accumulated depreciation. All costs relating to the acquisition and installation of fixed assets are capitalised.

1.4 Inventories :

- i) Raw Materials and Stores & Spares are valued at lower of cost and net realisable value.
- ii) Work-in-progress is valued at actual material cost plus estimated manufacturing cost.
- iii) Finished Goods are valued at lower of cost and net realisable value.

1.5 Revenue Recognition :

Revenue from the sale of goods are recognised upon passing of title to the customers which generally coincides with their delivery.

1.6 Depreciation :

Depreciation on Fixed assets excepting Leasehold Land is provided on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956(as amended upto date). However, Leasehold Land is amortised every year at a uniform rate over the period of lease.

1.7 Foreign Currency Transaction :

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of transactions.

Foreign currency balance of monetary items as on the balance sheet date are realigned in the accounts on the basis of exchange rates prevailing at the close of the year. Any income or expenses on account of exchange difference either on settlement or on translation is recognised as Revenue.

1.8 Retirement Benefits :

The Company has Defined Contribution plans for post employment benefits namely Provident Fund Contribution which is made at the prescribed rates to the Provident Fund Commissioner and is charged to the Profit and Loss Account. There are no other obligation other than the contribution payable.

The Company has defined benefit plans namely leave encashment as Compensated Absence and Gratuity for employees. The liability for Gratuity and Compensated Absence is determined on the basis of an actuarial valuation at the end of the year. Gains and losses arising out of actuarial evaluation are recognised immediately in the Profit and Loss as income or expenses.

1.9 Provision for Current and Deferred Tax :

Provision for Current Tax is made for an amount of Rs. 66,00,000 after taking into consideration of benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred Tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are reversible in one or more subsequent periods. Deferred Tax assets are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised .

1.10 Impairment of Assets :

As asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

1.11 Provision, Contingent liabilities and Contingent assets :

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



PREMIER POLYFILM LTD.

1.12 Segment Reporting :

The Company is mainly engaged in manufacturing and sale of PVC Films and Sheets. From the operations of the Company, it is considered as a single business Products and accordingly segment reporting on business segment is not required. The company has identified its geographical segments based in the areas in which the customers of the company are located. However, it is not feasible to maintain the accounts on the basis of geographical segments. Hence , segment reporting on geographical segments is not prepared.

1.13 The Balance Sheet and Profit and Loss Account have complied the accounting standards according to sub-section (3C) of Section 211 of the Companies Act, 1956.

NOTE - 2 : NOTES ON ACCOUNTS

2.1: SHARE CAPITAL

PARTICULARS	AS AT 31.03.2013		AS AT 31.03.2012	
	Number	Amount Rs.	Number	Amount Rs.
Authorised Capital				
Equity Shares of Rs.5.00 each	<u>30,000,000</u>	<u>150,000,000</u>	30,000,000	150,000,000
Issued Capital				
Equity Shares of Rs. 5.00 each fully paid up As per Last Balance Sheet	<u>21,415,000</u>	<u>107,075,000</u>	21,415,000	107,075,000
Subscribed Capital				
Equity Shares of Rs. 5.00 each fully paid up As per Last Balance Sheet	<u>21,411,820</u>	<u>107,059,100</u>	21,411,820	107,059,100
Paid up Capital				
Equity Shares of Rs. 5.00 each fully paid up At the beginning and at the end of the year	<u>20,948,495</u>	<u>104,742,475</u>	20,948,495	104,742,475
Forfeited Shares				
As per Last Balance Sheet		<u>1,158,313</u>		<u>1,158,313</u>
TOTAL		<u>105,900,788</u>		<u>105,900,788</u>

2.1.1 : Shareholders holding more than 5% of the equity shares in the Company

NAME OF THE SHAREHOLDER	AS AT 31.03.2013		AS AT 31.03.2012	
	Number of shares of the Company held by the shareholder	% holding	Number of shares of the Company held by the shareholder	% holding
D.L.Millar & Company Ltd	<u>2,493,484</u>	<u>11.90</u>	2,449,000	11.69
Premier Polyplast and Processors Ltd.	<u>2,669,875</u>	<u>12.75</u>	2,669,875	12.75
Sri Vishvanath Enterprises Ltd.	<u>4,361,600</u>	<u>20.82</u>	4,361,600	20.82
Amitabh Goenka	<u>1,787,425</u>	<u>8.53</u>	1,808,925	8.64
Sanghai Holding (P) Ltd.	<u>3,000,000</u>	<u>14.32</u>	3,000,000	14.32

2.1.2. Rights, preferences and restrictions attached to the Equity Shares

The Equity Shares of the Company , having par value of Rs.5.00 per share, rank pari passu in all respects including voting rights and entitlement to dividend.



PREMIER POLYFILM LTD.

2.2: RESERVES AND SURPLUS

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Securities Premium Account		
As per Last Balance Sheet	84,573,640	84,573,640
Surplus as per Statement of Profit and Loss		
At the commencement of the year	10,295,093	(8,776,150)
Add / (Less) : Changes during the year	<u>18,990,961</u>	<u>19,071,243</u>
TOTAL	<u>113,859,694</u>	<u>94,868,733</u>

2.3: SECURED LOANS - LONG TERM

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Term Loan from Bank	<u>13,866,257</u>	-
TOTAL	<u>13,866,257</u>	-

2.3.1 Term Loan from Kotak Mahindra Bank Limited is secured by equitable mortgage of immovable properties and first Charge on all present and future current assets of the company alongwith fixed assets. The Loan is also secured by personal guarantees of Shri Amar Nath Goenka, Mrs. Indira Goenka and Shri Amitabh Goenka.

2.3.2 Repayable in equated monthly instalments upto 5 year period from the date of loan. This is payable by 2016-17 and carries an interest of 13.75% p.a.

Borrowings repayable

in the first year (Note 2.11) 3,620,398 -

Current maturities of long-term debt

in the second year 4,150,801 -

in the third to fourth year 9,715,456 -

13,866,257 -

2.4 : DEFERRED TAX LIABILITIES

PARTICULARS	As at 31.03.2013	As at 31.03.2012
	Rs.	Rs.
Deferred tax liabilities		
On fiscal allowances on fixed assets	<u>12,268,906</u>	16,622,583
	<u>12,268,906</u>	<u>16,622,583</u>
Deferred tax assets		
On employees' retirement	5,686,673	-
On unabsorbed losses and depreciation	-	16,622,583
	<u>5,686,673</u>	<u>16,622,583</u>

2.5 : LONG TERM PROVISIONS

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Provision for Employee Benefits		
Retirement benefits	<u>14,510,766</u>	10,990,253
TOTAL	<u>14,510,766</u>	<u>10,990,253</u>



PREMIER POLYFILM LTD.

2.6 : LOANS FROM BANK - SECURED

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Cash Credit Facility	<u>11,823,772</u>	<u>29,906,698</u>
TOTAL	<u>11,823,772</u>	<u>29,906,698</u>

2.6.1 Cash credit facility from Kotak Mahindra Bank Limited is secured by equitable mortgage of immovable properties and first charge on all present and future current assets of the Company alongwith fixed assets. The Cash Credit Facilities are also secured by personal Guarantees of Shri Amar Nath Goenka, Mrs. Indira Goenka and Shri Amitabh Goenka.

2.7 : LOANS FROM OTHER PARTIES - UNSECURED

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Others	<u>20,864,562</u>	<u>54,014,181</u>
TOTAL	<u>20,864,562</u>	<u>54,014,181</u>

2.8 : LOANS FROM RELATED PARTIES - UNSECURED

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Others (Refer to Note No. 2.36)	<u>6,537,403</u>	<u>14,935,000</u>
TOTAL	<u>6,537,403</u>	<u>14,935,000</u>

2.9 : DEPOSITS

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
From Distributors	<u>211,000</u>	<u>211,000</u>
TOTAL	<u>211,000</u>	<u>211,000</u>

2.10 : TRADE PAYABLES

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Sundry Creditors – Other than Micro, Small and Medium Enterprises	<u>65,279,924</u>	<u>61,542,644</u>
TOTAL	<u>65,279,924</u>	<u>61,542,644</u>

2.11 : OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Current Maturities of Long Term Debts (Refer to Note No. 2.3.2)	3,620,398	255,505
Interest Accrued and due on Unsecured Loan (Including on related parties, Refer to Note No. 2.36)	11,953,298	14,329,446
Sundry Creditors - Expenses	2,211,895	2,682,129
Other Liabilities	29,187,488	28,872,452
Advance from Customers	6,155,156	7,105,667
TOTAL	<u>53,128,235</u>	<u>53,245,199</u>

2.12 : SHORT TERM PROVISIONS

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Current portion of long-term employee benefit Retirement benefits	<u>3,016,350</u>	<u>3,348,398</u>
Current Taxation (net of advance payment)	<u>930,033</u>	<u>347,068</u>
TOTAL	<u>3,946,383</u>	<u>3,695,466</u>



2.13: FIXED ASSETS

PARTICULARS	GROSS CARRYING AMOUNT (A)				DEPRECIATION / AMORTISATION (B)				NET CARRYING AMOUNT (A-B)	
	As at 31.03.2012	ADDITION	DISPO- SAL /ADJ.	As at 31.03.2013	As at 31.03.2012	ADDITION	DISPO- SAL /ADJ.	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets -										
Leasehold Land	35,321,890	-	-	35,321,890	1,476,137	77,003	-	1,553,140	33,768,750	33,845,753
Buildings	33,032,705	-	-	33,032,705	15,001,432	903,830	-	15,905,262	17,127,443	18,031,273
Plant and Machinery	269,538,091	794,349	2,148,257	268,184,183	221,313,557	13,597,290	1787836	233,123,011	35,061,172	48,224,534
Electrical Installations	29,663,515	-	-	29,663,515	25,926,819	1,566,233	-	27,493,052	2,170,463	3,736,696
Furniture, Fixture and Office Equipments etc.	5,485,371	375,245	32,800	5,827,816	2,354,665	457,063	26609	2,785,119	3,042,697	3,130,706
Vehicles	13,476,646	1,630,601	915,239	14,192,008	4,027,341	1,346,069	635202	4,738,208	9,453,800	9,449,305
TOTAL	386,518,218	2,800,195	3,096,296	386,222,117	270,099,951	17,947,488	2449647	285,597,792	100,624,325	116,418,267
Previous Year	353,217,645	33,523,233	222,660	386,518,218	251,686,941	18,496,438	83,428	270,099,951	116,418,267	

2.12.1 In case of Leasehold Land acquired during the year 2011-12, the Lease Deed is yet to be executed in favour of the Company. Hence, no amortisation is made on said land.



PREMIER POLYFILM LTD.

2.14 : LONG TERM LOANS AND ADVANCES

(Secured and Considered Good)

PARTICULARS	AS AT 31.03.2013		AS AT 31.03.2012	
	Rs.		Rs.	
Deposit with Government Authorities and Others	4,232,333		4,002,723	
TOTAL	4,232,333		4,002,723	

2.15 : OTHER NON-CURRENT ASSETS

PARTICULARS	AS AT 31.03.2013		AS AT 31.03.2012	
	Rs.		Rs.	
Non Current bank balances (Refer Note 2.18)	1,495,293		1,129,179	
TOTAL	1,495,293		1,129,179	

2.16: INVENTORIES

PARTICULARS	AS AT 31.03.2013		AS AT 31.03.2012	
	Rs.		Rs.	
Raw Materials	48,364,125		47,092,336	
Work-in-Progress	7,546,000		26,736,000	
Finished Goods	80,464,316		68,464,611	
Stores and Spares	4,704,552		4,307,543	
TOTAL	141,078,993		146,600,490	

2.17: TRADE RECEIVABLES (Unsecured)

PARTICULARS	AS AT 31.03.2013		AS AT 31.03.2012	
	Rs.		Rs.	
Outstanding for a period exceeding six months				
Considered doubtful	16,471,222		13,134,963	
Others – Considered good	98,425,641		74,781,670	
TOTAL	114,896,863		87,916,633	

2.18: CASH AND CASH EQUIVALENTS

PARTICULARS	AS AT 31.03.2013		AS AT 31.03.2012	
	Rs. Non-current	Rs. Current	Rs. Non-current	Rs. Current
Balances with Banks				
- In Current Accounts	-	846,011	-	1,993,083
- In Term Deposit with maturity period within three months from the reporting date	-	9,300,674	-	13,000,000
Cash in Hand	-	611,269	-	341,920
Other Balances with Banks				
- In Term Deposit under lien with maturity period within three months from the reporting date	-	6,755,322	-	10,308,258
- In Term Deposit having original maturity period more than twelve months.	53,171	22,478,798	-	28,000,000
- In Term Deposit under lien having original maturity period more than twelve months	1,442,122	4,802,402	1,129,179	9,138,670
	1,495,293	44,794,476	1,129,179	62,781,931
Amount disclosed under non-current asset (Refer Note 2.15)	(1,495,293)	-	(1,129,179)	-
TOTAL	-	44,794,476	-	62,781,931



PREMIER POLYFILM LTD.

2.19: SHORT TERM LOANS AND ADVANCES

(Unsecured – Considered Good)

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Advances	7,642,949	2,138,482
Deposit with Government Authorities and Others	564,425	2,550,425
Others	99,309	245,878
TOTAL	8,306,683	4,934,785

2.20: OTHER CURRENT ASSETS

PARTICULARS	AS AT 31.03.2013	AS AT 31.03.2012
	Rs.	Rs.
Interest Accrued but not due		
On Term Deposit	882,051	5,335,954
On Security Deposit	200,000	190,000
TOTAL	1,082,051	5,525,954

2.21: REVENUE FROM OPERATIONS

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Sale of Goods	775,806,533	677,971,414
Other Operating Revenues		
- Sale of Scrap	3,468,108	2,460,281
Less : Excise Duty	74,667,479	54,675,321
TOTAL	704,607,162	625,756,374

2.22: OTHER INCOME

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Commission	-	10,266,654
Professional Fee	9,409,351	-
Interest Income	4,353,538	5,989,186
Freight Received	2,633,701	3,760,192
Liabilities Written Back	2,285,655	383,147
Other Non - operating Income	1,401,511	734,925
TOTAL	20,083,756	21,134,104

2.22.1 INTEREST INCOME

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Interest Income		
On Term Deposits with Banks	3,986,522	5,372,976
From Customers on amounts overdue	118,414	204,833
On Security Deposits	207,080	190,000
On Income Tax Refund	41,522	221,377
TOTAL	4,353,538	5,989,186

2.23: COST OF MATERIAL CONSUMED

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Opening Stock of Raw Materials	47,092,336	29,196,956
Add : Purchase	476,051,175	474,503,793
Less : Closing Stock of Raw Materials	48,364,125	47,092,336
TOTAL	474,779,386	456,608,413

**PREMIER POLYFILM LTD.****2.24: PURCHASE OF STOCK-IN-TRADE**

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Raw Materials	4,005,387	5,029,391
Finished Goods	-	1,025,640
High Seas Goods	-	1,973,170
Stores and Spares	273,977	686,193
TOTAL	4,279,364	8,714,394

2.25: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK- IN - PROGRESS

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Opening Stock		
Finished Goods	68,464,611	51,451,805
Work-in-Progress	26,736,000	17,223,500
Less: Closing Stock		
Finished Goods	80,464,316	68,464,611
Work-in-Progress	7,546,000	26,736,000
TOTAL	7,190,295	(26,525,306)

2.26: EMPLOYEE BENEFITS EXPENSES

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Salary and Wages (Including Director's Remuneration, Refer to Note No. 2.36)	51,992,889	45,825,173
Contribution to Provident and Pension Fund	1,995,147	2,038,893
Staff Welfare Expenses	3,762,177	2,849,021
TOTAL	57,750,213	50,713,087

2.27: FINANCE COST

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Interest Expenses	9,371,496	8,057,807
Other Finance Expenses	1,804,324	877,237
TOTAL	11,175,820	8,935,044

2.28: MANUFACTURING EXPENSES

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Stores and Spares	9,693,442	6,585,636
Packing Charges	17,614,794	16,529,132
Power and Fuel	47,395,089	43,324,154
Repairs - Building	531,029	313,044
- Machinery	2,792,041	2,637,039
TOTAL	78,026,395	69,389,005



PREMIER POLYFILM LTD.

2.29: ADMINISTRATIVE AND OTHER EXPENSES

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Travelling and Conveyance	3,881,865	4,003,526
Telephone, Telex and Postal Expenses	2,062,748	2,072,507
Vehicle Upkeep Expenses	3,101,486	3,008,248
Legal and Professional Charges	3,237,263	4,230,786
Rent	1,419,000	985,609
Plant and Machinery Hire Charges	360,000	396,000
Insurance Charges	1,068,310	946,428
Auditors Remuneration	139,257	125,489
Loss on Sale of Fixed Assets	304,017	46,632
Sales Tax Liabilities	1,879,123	204,382
Other Expenses	6,058,769	5,991,157
TOTAL	23,511,838	22,010,764

2.29.1 AUDITORS REMUNERATION

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Audit Fees	65,000	65,000
Tax Audit Fees	15,000	15,000
Certification Fees	14,502	18,000
Out of Pocket Expenses	44,755	27,489
TOTAL	139,257	125,489

2.30: SELLING AND DISTRIBUTION EXPENSES

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Advertisement and Publicity	981,138	1,440,205
Discount and Commission	8,586,807	4,153,557
Forwarding and Freight etc.	10,147,524	8,983,634
TOTAL	19,715,469	14,577,396

2.31: EXCEPTIONAL ITEMS

PARTICULARS	YEAR ENDED ON 31.03.2013	YEAR ENDED ON 31.03.2012
	Rs.	Rs.
Unsecured Loan written back	1,834,619	-
TOTAL	1,834,619	-

2.32. The Company had claimed Trade Exemption U/S 4-A of The U.P.Trade Tax Act, 1948 amounting to Rs.709.14 Lacs from the Divisional Level Committee (DLC), Meerut (U.P.) which allowed a part of the claimed amount. Thereafter, company preferred to file Appeal against the order of DLC and over a period of time, claim of the company was allowed in parts by various forums of the department but full claimed amount of Rs. 709.14 Lacs was never granted. The matter is still pending at Allahabad High Court for exemption of balance outstanding amount of Rs. 1,38,66,816 (previous year Rs. 1,38,66,816) for which exemption was not granted to the company. The Company has not paid this amount to the appropriate authorities as on date of Balance Sheet as liabilities are still disputed and under litigation.

2.33. A Demand amounting to Rs. 14,00,756 was raised by Addl. Commissioner (Preventive), Central Excise, Ghaziabad against which the company had made an appeal before Commissioner (Appeals), Custom and Central Excise,



PREMIER POLYFILM LTD.

Ghaziabad. The appeal of the Company had been allowed by Commissioner (Appeals). The department had made an appeal before CESTAT against the order of Appellate Commissioner who had directed to Commissioner (Appeals) for reconsider the order. The Appellate Commissioner in his order dated 6th June, 2005 has again allowed the company's appeal. Aggrieved with the order, the department has made another appeal before CESTAT, which was communicated to the Company on 17th January, 2006.

2.34 Exports benefits are taken on realisation basis.

2.35 Break up of Excise Duty

<u>PARTICULARS</u>	<u>FOR YEAR ENDED ON 31.03.2013</u>	<u>FOR YEAR ENDED ON 31.03.2012</u>
	Rs.	Rs.
On sales for the year	73,496,714	51,815,958
Add: on Closing Stock of Finished Goods	8,873,752	7,702,987
Less: on Opening Stock of Finished Goods	7,702,987	4,843,624
	<u>74,667,479</u>	<u>54,675,321</u>

2.36 Information on Related Parties as required by Accounting Standard - As 18 "Related Party disclosures"

I. Related Party Disclosures

a. Associates

- Premier Polyplast & Processors Ltd.
- D.L.Millar & Company Ltd.
- 1000 Plus Trading Inc.
- Sri Vishvanath Enterprises Ltd.
- G.B. & Company

b. Key Management Personnel

- Mr. Amar Nath Goenka – Managing Director
- Mr. Amitabh Goenka – Executive Director
- Mr. S . P. Jain – Executive Director

c. Relative to Key Management Personnel

- Mrs. Indira Goenka
- Mrs. Manavi Goenka

II. Details of Transactions with Related Parties

(Financial Transactions have been carried at in the ordinary course of business and / or in discharge of contractual obligation)

<u>Particulars</u>	<u>Current Year</u>	<u>Previous Year</u>
	Rs.	Rs.
Sale of Goods		
- Associates	795,198	792,066
Remuneration		
- Management Personnel	3,740,972	2,291,000
Rent Paid		
- Relative to Key Management Personnel	819,000	570,000
- Associates	336,000	300,000
Commission on Consignment Sale		
- Associates	304,300	179,810
Interest on Loan		
- Associates	886,644	868,351



PREMIER POLYFILM LTD.

<u>Particulars</u>	<u>Current Year</u>	<u>Previous Year</u>
	Rs.	Rs.
Machinery Hire Charges		
- Associates	360,000	354,000
Outstanding Balances as at 31 st , March		
Associates		
- Creditors	-	10,034,195
- Debtors	-	314,723
- Liabilities	273,870	161,829
- Loans	7,335,383	15,737,403
Key Management Personnel		
- Liabilities	298,300	166,866

2.37 Basic and Diluted Earnings per Share["EPS"] computed in accordance with Accounting Standard (AS) 20 "Earnings per Share":

<u>Particulars</u>	<u>2012-13</u>	<u>2011-12</u>
	Rs.	Rs.
a) Profit before Tax as per Accounts	32,149,269	23,971,243
Less : Provision for Taxation	13,158,308	4,900,000
Profit after Tax	18,990,961	19,071,243
b) Weighted Average Number of Equity Share	20,948,495	20,948,495
c) Basic and Diluted Earnings per Share	0.91	0.91
d) Face Value per Share	5.00	5.00

2.38 Other Non - operating Income under the Head "Other Income" of Note 2.22 includes Rs. 1,258,021 (Previous Year Rs. 506,121) related to Exchange Fluctuation.

2.39 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

2.40 Consumption of Raw Materials

<u>Items of Raw Materials</u>	<u>2012-13</u>	<u>2011 -12</u>
	Rs.	Rs.
PVC Resin	161,743,293	171,508,789
Plasticizers	147,704,844	123,786,073
Others	165,331,249	161,313,551
TOTAL	474,779,386	456,608,413

2.41 Goods Purchase for Trading

<u>Goods Purchase</u>	<u>2012 -13</u>	<u>2011-12</u>
	Rs.	Rs.
PVC Resin / Plasticisers / Stabilisers etc.	4,005,387	7,002,561
Paper Tube / Adhesive etc.	273,977	686,193
PVC Flooring etc	-	1,025,640
TOTAL	4,279,364	8,714,394



PREMIER POLYFILM LTD.

2.42 Sale of Goods

<u>Particulars</u>	<u>Sales Values</u>	<u>Closing Inventory</u>	<u>Opening Inventory</u>
	Rs.	Rs.	Rs.
A. Manufactured Goods			
PVC Films / Sheets	771,198,283 (668,354,203)	80,464,316 (68,464,611)	68,464,611 (51,451,805)
B. Traded Goods			
PVC Resin / Plasticisers / Stabilisers etc.	4,311,587 (7,854,499)		
Paper Tube / Adhesive etc.	296,663 (737,072)		
PVC Flooring etc	— (1,025,640)		
Total (B)	4,608,250 (9,617,211)		
Total (A+B)	775,806,533 (677,971,414)		

2.43 Value of Import (CIF Basis)

<u>Particulars</u>	<u>2012 -13</u>	<u>2011-12</u>
	Rs.	Rs.
Raw Materials	84,752,988	66,850,785
Capital Goods	458,993	379,735
Total	85,211,981	67,230,520

2.44 Expenditure in Foreign Currency

<u>Particulars</u>	<u>2012 -13</u>	<u>2011-12</u>
	Rs.	Rs.
Travelling	1,141,686	671,483

2.45 Consumption of Raw Materials, Stores and Spares

<u>Particulars</u>	<u>2012-13 (Rs.)</u>		<u>2011-12 (Rs.)</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Imported				
Raw Materials	98,371,796	20.72	54,110,486	11.85
Stores and Spares	-	-	-	-
Indigenous				
Raw Materials	376,407,590	79.28	402,497,927	88.15
Stores and Spares	9,693,442	100.00	6,585,636	100.00

2.46 Earning in Foreign Exchange

<u>Particulars</u>	<u>2012-13</u>	<u>2011-12</u>
	Rs.	Rs.
Export of Goods (FOB)	93,034,351	110,756,159



PREMIER POLYFILM LTD.

2.47 Contingent Liabilities not provided for in respect of :

<u>Particulars</u>	<u>2012-13</u>	<u>2011-12</u>
	Rs.	Rs.
Unredeemed Bank Guarantees	7,706,764	6,572,732
Bonds Executed in favour of Central Excise Department	15,000,000	15,000,000
Entry Tax Demand for the year 2004-05	1,558,473	1,558,473

2.48 The disclosures required under Accounting Standard 15" Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

Defined Contribution Plan

<u>Particulars</u>	<u>2012-13</u>	<u>2011-12</u>
	Rs.	Rs.
Employer's Contribution to Provident Fund	1,836,685	1,876,543

Defined Benefit Plan

The present value of obligation of Gratuity and Compensated Absence is determined based on actuarial valuation using the Projected Unit Credit method.

Particulars

	<u>Gratuity (Unfunded)</u>		<u>Leave Encashment (Unfunded)</u>	
	<u>2012-13</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2011-12</u>
	Rs.	Rs.	Rs.	Rs.
A. Reconciliation of opening and closing balances of Defined Benefit Obligation				
Defined Benefit Obligation at the beginning of the year	12,367,245	10,947,064	1,971,406	1,764,830
Current Service Cost	1,600,473	1,360,494	1,852,283	1,414,200
Interest Cost	948,013	910,678	95,834	92,057
Actuarial Losses / (Gain)	1,707,686	227,647	(1,036,762)	(968,191)
Benefits Paid	(1,612,215)	(1,078,638)	(366,847)	(331,490)
Defined Benefit Obligation at the year end	15,011,202	12,367,245	2,515,914	1,971,406
B. Reconciliation of opening and closing balance of fair value of Plan Assets				
Fair value of plan assets at the beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Actuarial Gain / (Losses)	-	-	-	-
Contributions by Employer	-	-	-	-
Benefits Paid	-	-	-	-
Fair value of plan assets at the year end	-	-	-	-
C. Reconciliation of fair value of assets and obligations				
Fair value of plan assets as at year end	-	-	-	-
Present value of obligation as at year end	15,011,202	12,367,245	2,515,914	1,971,406
Amount recognized in Balance Sheet	15,011,202	12,367,245	2,515,914	1,971,406
D. Expenses recognized during the year				
Current Service Cost	1,600,473	1,360,494	1,852,283	1,414,200
Interest Cost	948,013	910,678	95,834	92,057
Expected return on plan assets	-	-	-	-
Actuarial (Gain) / Loss	1,707,686	227,647	(1,036,762)	(968,191)
Net Cost	4,256,172	2,498,819	911,355	538,066



PREMIER POLYFILM LTD.

<u>Particulars</u>	<u>Gratuity (Unfunded)</u>		<u>Leave Encashment (Unfunded)</u>	
	<u>2012-13</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2011-12</u>
	Rs.	Rs.	Rs.	Rs.
E. Investment details				
% Investment as at year end				
Unfunded	-	-	-	-
F. Actuarial assumptions				
Mortality Table	LIC 1994-96	LIC 1994-96	LIC 1994-96	LIC 1994-96
	Ultimate	Ultimate	Ultimate	Ultimate
Discount rate (per annum)	8.20%	8.75%	8.20%	8.75%
Expected rate of return on assets (per annum)	N.A.	N.A.	N.A.	N.A.
Salary Escalation (per annum)	10.00%	10.00%	10.00%	10.00%

2.49 Previous year figures have been regrouped / rearranged / reclassified where ever considered necessary.

For DE & BOSE

CHARTERED ACCOUNTANTS

Firm Registration No. 302175E

SUBRATA DE

PARTNER

Membership No. 054962

8/2 Kiran Sankar Roy Road,

Kolkata- 700001

CAMP : New Delhi

The 18th day of May, 2013

N.K.BHANDARI
COMPANY SECRETARY

AMAR NATH GOENKA
MANAGING DIRECTOR
CEO & CFO

JASPAL SINGH MARWAH
DIRECTOR



PREMIER POLYFILM LTD.

PREMIER POLYFILM LTD.

**Registered Office : 305, III Floor, 'Elite House'
36, Community Centre, Kailash Colony Extension (Zamroodpur)
New Delhi - 110 048**

PROXY FORM

Regd. Folio No.

I/We
of in the district of
being a Member/Members of PREMIER POLYFILM LTD. hereby appoint
..... of in the district of
..... or failing him of
..... in the district of as my/our proxy
to attend and to vote for me/us on my/our behalf at the Twenty First Annual General Meeting of the Company to be held on Friday, the 6th day of September, 2013 at 12.30 P.M. at SHAH AUDITORIUM, 2, RAJ NIWAS MARG, CIVIL LINES, DELHI 110 054 and at any adjournment thereof.

Signed this day of 2013

Signature

Affix a
Thirty paise
Revenue
Stamp

Address

Note : This proxy and the Power of Attorney (if any) under which it is signed or a notarially certified copy of that power of attorney must be deposited at the Registered Office of the Company at 305, III Floor, 'Elite House', 36, Community Centre, Kailash Colony Extension (Zamroodpur), New Delhi-110048 not less than 48 hours before the time for holding the Meeting.

**THIS ATTENDANCE SLIP DULY FILLED INTO BE HANDED OVER AT
THE ENTRANCE OF THE MEETING HALL**

PREMIER POLYFILM LTD.

**Registered Office : 305, III Floor, 'Elite House', 36, Community Centre,
Kailash Colony Extension (Zamroodpur), New Delhi - 110 048**

Name of the attending Member
(in BlockLetters).....

Members Folio No.....

Name of Proxy (in Block Letters, to be filled in if the
Proxy attends instead of the Member).....

No. of shares held.....

I hereby record my presence at the TWENTY FIRST ANNUAL GENERAL MEETING being held on Friday, the 6th day of September, 2013 at 12.30 P.M. at SHAH AUDITORIUM, 2, RAJ NIWAS MARG, CIVIL LINES, DELHI - 110054

*To be signed at the time of handing over this slip.

Member's / Proxy's Signature

THIS PAGE IS INTENTIONALLY LEFT BLANK.

THIS PAGE IS INTENTIONALLY LEFT BLANK.

BOOK POST

If undelivered, please return to:

PREMIER POLYFILM LTD.

305, 'Elite House', III Floor,

36, Community Centre,

Kailash Colony Extension (Zamroodpur)

New Delhi - 110 048



PREMIER POLYFILM LTD.

Mfrs. of : Vinyl Floor Covering, PVC Sheetings, PVC Geomembranes & Artificial Leather,
H.O. & Works : 40/1A, Site IV, Industrial Area, Sahibabad, Ghaziabad, U.P., INDIA.
Phone : 0120-3364500, Fax : 91-120-2896982

FORM A

1	Name of Company	Premier Polyfilm Ltd
2	Annual Financial Statements for the year ended	31 st March, 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable

For Premier Polyfilm Ltd

For Premier Polyfilm Ltd

For DE & Bose
Chartered Accountants

(Managing Director & CFO)

(Chairman Audit Committee)



(Auditor of the Company)



Regd. Off. : 305 IIIrd Floor, Elite House 36, Community Center,
Kailash Colony Extn. (Zamroodpur) New Delhi-110048
E-mail : premierpoly@premierpoly.com Website : www.premierpoly.com



Page 3/4