



**PREMIER
POLYFILM
LIMITED**

ANNUAL REPORT 2008-2009



PREMIER POLYFILM LIMITED

BOARD OF DIRECTORS

Shri Jaspal Singh Marwah
Shri Kamlesh Kumar Sinha
Shri Manoj Kumar Gupta
Shri S. P. Jain - *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 - 700001

BANKERS

Canara Bank
S.D. Area,
New Delhi - 110016.

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

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NOTICE

NOTICE is hereby given that the **SEVENTEENTH ANNUAL GENERAL MEETING** of **PREMIER POLYFILM LIMITED** will be held on **Friday, the 21st August, 2009 at 11.30 A.M. at SRI SATHYA SAI INTERNATIONAL CENTRE, INSTITUTIONAL AREA, PRAGATI VIHAR, LODHI ROAD, NEW DELHI - 110003** to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet of the Company as at 31st March, 2009, the Profit & Loss Account for the year ended on that date 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(s), the following resolution as a **SPECIAL RESOLUTION** :

"RESOLVED THAT pursuant to Section 94 and all other applicable provisions of the Companies Act, 1956, if any, 6,00,00,000 Equity Shares of Rs. 2.50/- each in the Company be and are hereby consolidated into 3,00,00,000 equity shares of Rs. 5/- per equity share.

RESOLVED FURTHER THAT Clause V. of the Memorandum of Association and Article No. 3 of the Articles of Association of the Company be and are hereby substituted by the following:

"V. The Authorised Share Capital of the Company is Rs.15,00,00,000 (Rupees Fifteen Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs.5/- (Rupees Five) each."

"3. The Authorised Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 5/- (Rupees Five) each."

RESOLVED FURTHER THAT 1 (One) Equity Share be issued for every 2 (Two) Equity Shares held by a existing Shareholder.

RESOLVED FURTHER THAT fractional Shares resulting from this consolidation be transferred to a Nominee of the Board of Directors of the Company who shall sell these fractional shares on behalf of the shareholders and distribute money realized amongst the concerned Shareholders after deducting therefrom the expenses incurred on such sale and distribution."



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6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to Section 16 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Clause V. of the Memorandum of Association of the company be and is hereby substituted by the following :

"V. The Authorised Share Capital of the Company is Rs.15,00,00,000 (Rupees Fifteen Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs.5/- (Rupees Five) each."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 the existing Articles No. 3. of the Articles of Association of the company be and is hereby substituted by the following :

3. The Authorised Share Capital of the Company is Rs.15,00,00,000 (Rupees Fifteen Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs.5/- (Rupees Five) each."

By order of the Board
For **PREMIER POLYFILM LIMITED**

Sd/-
N.K. BHANDARI
COMPANY SECRETARY

Place : New Delhi
Date : 26th June, 2009

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 16.08.2009 to 21.08.2009 (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 7 (seven) days before the Meeting.
5. Explanatory Statement pursuant to Section 173 (1) (b) of the Companies Act, 1956 in respect of the Special Business in item No. 5 to 7 is annexed.

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

ITEM NO. 5

At present the face value of the Equity shares of the Company is Rs.2.50/- (Rupees Two and Paise Fifty only) per Equity share. The shares of the company are listed at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). However, trading of equity shares at BSE continue to be suspended for want of completion of procedures, while at NSE trading of equity shares continue to be suspended due to non payment of Listing fee and completion of procedures. After paying Listing fee



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and fulfilling the other requirements of the BSE, the company requested BSE to revoke suspension so that trading of shares can commence at their Stock Exchange. However, company was informed that shares with fractional value are not permissible for trading at any stock exchange. It is proposed to change the face value of equity shares from existing Rs. 2.50/- per equity shares to Rs. 5.00/- per equity shares by consolidating the existing equity shares and issue 1 (One) equity share for every 2 (Two) equity shares held by a shareholder so that equity shares could be admitted for trading at BSE and NSE. Alteration in share capital of the company by consolidation of shares requires approval of the shareholders in General Meeting in terms of Section 94 of the Companies Act, 1956. Alteration in Memorandum and Articles of Association are consequential.

Your Board recommends the resolution be passed as a special Resolution.

None of the Directors is interested or concerned in this resolution.

ITEM NO. 6

For the reasons explained in Explanatory Statement to item No. 6 above Clause V. of the Memorandum of Association requires modification/alteration pursuant to Section 16 of the Companies Act, 1956 which requires approval of the shareholders of the companies in General Meeting.

Your Board recommends the resolution be passed as Special Resolution.

None of the Directors is interested or concerned in this resolution.

ITEM NO. 7

For the reasons explained in Explanatory Statement to item No. 6 above Article No. 3 of the Articles of Association requires modification/alteration pursuant to Section 31 of the Companies Act, 1956 which requires approval of the shareholders of the company in General Meeting.

Your Board recommends the resolution be passed as Special Resolution.

None of the Directors is interested or concerned in this resolution.

By order of the Board
For **PREMIER POLYFILM LIMITED**
Sd/-

N.K. BHANDARI
COMPANY SECRETARY

Place : New Delhi
Date : 26th June, 2009

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

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

Shri Kamlesh Kumar Sinha is independent director of the company. He is 66 years old. He is a Post-graduate with degree in Law and has done certificate course in Business Management. He has experience of 43 years in commercial affairs with specialisation in marketing. He is also director on the Board of M/s Premier Irrigation Exports Limited and Premierworld Technologies Limited.

Shri S. P. Jain is Executive Director of the company. Shri Jain is around 62 years of age. He holds University Degree and has over 41 years of commercial experience and is well versed with the matters pertaining to Factories Act, Labour Laws, Industrial Disputes Act etc.



DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the Seventeenth Annual Report together with Audited Account for the year ended on 31st March, 2009.

FINANCIAL RESULTS

(RS. IN LACS)

Particulars	For the year ended 31st March, 2009	For the year ended 31st March, 2008
Sales & Other Income	8308	6917
Operating profit before providing for interest & Depreciation	469	539
Less:		
Interest	51	60
Depreciation	172	230
Net profit before tax	246	309
Less:		
Provision for taxation		
Fringe Benefit Tax	4	4
Net profit after tax	242	305
Add :		
Interest payable to banks and Financial Institute written back	2126	1905
Loan payable to banks and Financial Institute written back	1075	1148
Credit Balance-Unsecured Loan written back	47	
Credit Balance - Sundry Creditors written back	296	
Less :		
Charges on account of transitional provisions under Accounting Standard-15		9
Interest on Provident Fund and ESI dues	30	
Balance brought forward from previous year	(4157)	(7506)
Balance carried to Balance sheet	(401)	(4157)
Basic and diluted earning per share	0.58	0.90

OPERATIONS

During the period under review your company produced 9871 M.T. of PVC flooring, Sheetings, Films etc. as against 13013 M.T. produced during the previous year, achieving a capacity utilisation of around 61% as compared to around 80% in the previous year. The Company could achieve higher capacity utilisation but for non availability of Working Capital facility from Banks and present depressed demand for products due to current recession.

QUALITY CONTROL

Your Company continues to hold prestigious ISO 9001:2000 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.



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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 as such market will not be a constraint after the present recession is over. Barring unforeseen circumstances, your company expects to do well in future.

DIVIDEND

Due to previous years' carried over Losses incurred by the company, the Directors of your company are unable to recommend any Dividend for the year 2008-2009.

REFERENCE TO BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION (BIFR)

Your company has already paid the settled One Time Settlement (OTS) dues of Secured Creditors i.e. Canara Bank, Oriental Bank of Commerce and Axis Bank Limited (formerly known as UTI Bank Limited) and Industrial Development Bank of India [now Stressed Assets Stabilization Fund (SASF)]. These Secured Creditors have vacated their charges over the assets of the Company and also released personal Guarantees of the Guarantors. The NETWORTH of the company has turned positive. However, your company continues to be under the purview of BIFR. The approved Scheme of Rehabilitation is under implementation.

ALTERATION IN FACE VALUE OF EQUITY SHARES.

The face value of the equity shares was reduced from the Rs.10/- per equity share to Rs.2.50 per equity share pursuant to the Scheme of Rehabilitation approved by the Hon'ble BIFR in the year 2003. The shares of the company are listed at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). Trading of equity shares at BSE continue to be suspended for want of completion of procedures, while at NSE trading of equity shares continue to be suspended due to non payment of Listing fee and non completion of procedures. After paying Listing fee and fulfilling the other requirements of the BSE, the company requested BSE to revoke suspension so that trading of shares can commence at their Stock Exchange. However, company was informed that shares with fractional value are not permissible for trading at any stock exchange. It is, therefore, proposed to change the face value of equity shares from existing Rs. 2.50/- per equity shares to Rs. 5.00/- per equity shares by consolidating the existing equity shares and issue 1 (One) equity share for every 2 (Two) equity shares held by a shareholder so that equity shares could be admitted for trading at BSE and NSE. Fractional Shares resulting from this consolidation will be transferred to a Nominee of the Board of Directors of the Company who shall sell these fractional shares on behalf of the shareholders and distribute money realized amongst the concerned Shareholders after deducting therefrom the expenses incurred on such sale and distribution.

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 judgement 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 safeguarding the assets of your company



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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 ensuing Annual General Meeting and are eligible for reappointment.

REPLY OF THE BOARD TO AUDITOR'S REPORT

AUDITOR'S COMMENTS

REPLY OF THE BOARD

3.1 No provisions of liability to the tune of Rs. 67,31,576/- consisting of a demand of Rs. 37,93,367/- and Rs. 29,38,209/- raised by P.F. and E.S.I.C. Authorities respectively on account of damages has been made during the year under review. It has been stated that the company have moved an Appeal before the Hon'ble BIFR authorities for waiver of the same. However, if the damages are not waived the profit of the company shall be reduced by Rs. 67,31,576/-.

The damages are generally waived of by P.F. and E.S.I.C. Authorities in the case of company registered with the Hon'ble BIFR and whose Rehabilitation Scheme is approved. In our case the Scheme of Rehabilitation has been approved and we have already moved an application before the Hon'ble BIFR for passing directions for waiver of damages. In case the damages are not waived off fully or partially by the concerned authorities. The liability will be provided in the relevant year.

9.b. The disputed Statutory dues of Sales Tax Authority as at 31st March, 2009 have not been deposited on account of matters pending before appropriate authority.

The company will make payments once the matter is decided by the appropriate authority as per provisions of sanctioned Scheme of Rehabilitation.

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.

PERSONNEL

None of the employees of your company is covered Under Section 217(2A) 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 at the Stock Exchanges as per details given in the Annexure "II" and forming part of Directors' Report to the Members. The trading of equity shares were suspended for non payment of listing fee as company could not pay listing fee due to cash crunch. The Hon'ble BIFR vide its Orders dated 03.01.2008 had directed the Stock Exchanges to allow trading of Equity Shares on their respective floors. The Company has already approached the Stock Exchanges for their permissions/NOC for restoration of trading. However, trading of equity shares at BSE continue to be suspended for want of completion of procedures, while at NSE trading of equity shares continue to be suspended due to non payment of Listing fee and non completion of procedures. After paying Listing fee and fulfilling the other requirements of the BSE, the company requested BSE to revoke suspension so that trading of shares can commence at their Stock Exchange. However, company was informed that shares with fractional value are not permissible for trading at any stock exchange. It is, therefore, proposed to change the face value of equity shares from existing Rs. 2.50/- per equity shares to Rs. 5.00/- per equity shares by consolidating the existing equity shares and issue 1 (One) equity share for every 2 (Two) equity shares held by a shareholder so that equity shares could be admitted for trading at BSE and NSE.

Your company has "IN-HOUSE" facility of shares transfer. Till date the shares of your company could not be dematerialization for want of the consent of the Stock Exchanges and Depositories for the same.



CORPORATE GOVERNANCE

The matters relating to Corporate Governance and Statutory Auditors' Certificate are as per details given in Annexure "III" and are forming part of Directors' Report to the Members.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere appreciation for the whole hearted Co-operation received by the Company from The Hon'ble Board for Industrial and Financial Reconstruction (BIFR), Central and State Governments, Industrial Development Bank of India, Stressed Assets Stabilization Fund, Canara Bank 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 : 26.06.2009

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 attractive designs and colours of flooring, sheeting & Leather Cloth. |
| 2. Benefits derived as a results | 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's products continue to be in demand. |
| 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. 07.20 Lac approx. |
| c) Total | Rs. 07.20 Lac approx. |
| d) Total R&D expenditure as a percentage of total turnover | 0.87 % |

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

- | | |
|--|---|
| 1. Efforts, in brief made towards technology absorption, adaptation and innovation. | 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 calendering line, first time in India, by which every material is tested on lab scale resulting in reduction of wastage and saving 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 | 1486 |
| 2. Outgo | 617 |



**ANNEXURE - "II"
LIST OF STOCK EXCHANGES**

1. National Stock Exchange of India Limited, "Exchange Plaza", 5th Floor, Plot No: C/1, 'G' Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051. (Code No. PREMIERPOL)
2. Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. (Code No. 14354)

**ANNEXURE - "III"
CORPORATE GOVERNANCE REPORT**

**(ANNEXURE TO DIRECTORS' REPORT)
COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Your Company has been practicing the principles of good Corporate Governance. The Board of Directors 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.

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 Five (5) times. These Board Meetings were held on 29th April, 2008, 31st July, 2008, 20th August, 2008, 31st October, 2008 and 27th January, 2009. The Directors ensure that their responsibility as directors of the company and their interest do not clash with the interest of the company.

BOARD OF DIRECTORS

Shri Amar Nath Goenka is the Managing Director of the company. The Board as on 31st March, 2009, consisted of Five (5) Directors out of which Shri Jaspal Singh Marwah, Shri Manoj Kumar Gupta and Shri Kamlesh Kumar Sinha are three (3) independent Directors and out of remaining Two (2), Shri Amar Nath Goenka is promoter Director and Shri S P Jain is Executive Director.

During the financial year under review, five (5) Meetings of The Board of Directors were held on 29th April, 2008, 31st July, 2008, 20th August, 2008, 31st October, 2008 and 27th January, 2009.

The details of (i) Composition and Category of Directors; (ii) Attendance of each Director at the Board Meeting and Last Annual General Meeting; (iii) The other Directorship/Membership held by each Director; and (iv) The details of the Board Meetings are as follows:-

1. COMPOSITION AND CATEGORY OF DIRECTORS AS ON 31/03/2009

CATEGORY	NAME OF DIRECTOR	STATUS	DATE OF APPOINTMENT
PROMOTER	SHRI AMAR NATH GOENKA	EXECUTIVE	SINCE INCEPTION OF COMPANY I.E. 17-07-1992
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



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2. ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING (AGM) HELD ON 26TH SEPTEMBER 2008 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 31.03.2009*	No. of Membership in other Board Committees as on 31.03.2009*
SHRI A N GOENKA	5	5	Present	1	1
SHRI S P JAIN	5	5	Present	-	4
SHRI J S MARWAH**	5	5	Present	2	3
SHRI M K GUPTA	5	5	Present	1	3
SHRI K K SINHA	5	5	Absent	2	-
SHRI ARVIND GOENKA***	1	1	Absent	-	-

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

** Chairman Audit Committee.

*** Shri Arvind Goenka resigned from Directorship of the Company with effect from 21.7.2008.

DETAILS OF THE BOARD MEETINGS HELD DURING THE YEAR APRIL 1, 2008 TO MARCH 31, 2009

DATE OF MEETING	BOARD STRENGTH	NUMBER OF DIRECTOR PRESENT
APRIL 29, 2008	6	6
JULY 31, 2008	5	5
AUGUST 20, 2008	5	5
OCTOBER 31, 2008	5	5
JANUARY 27, 2009	5	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 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.
- (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 clarification(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, 2008 TO MARCH 31, 2009.

NAME OF DIRECTOR	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
SHRI J S MARWAH (CHAIRMAN)	5	5
SHRI M K GUPTA	5	5
SHRI S P JAIN	5	5



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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, Shri S P Jain, Directors of the Company. The Committee has been authorized to look after following major functions:

- (1) 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 REMUNERATION COMMITTEE DURING THE YEAR APRIL 1, 2008 TO MARCH 31, 2009.

NAME OF DIRECTOR	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
SHRI J S MARWAH (CHAIRMAN)	1	1
SHRI M K GUPTA	1	1
SHRI S P JAIN	1	1

DETAILS OF REMUNERATION PAID TO ALL DIRECTORS DURING APRIL, 2008 TO MARCH, 2009:

NAME OF DIRECTOR	Sitting Fee	Salary	House Rent Allowance/ Housing Accommodation	Other Allowances	Gas/ Electricity/ Club fee	Medical	Leave Travel Concession	Leave Encashment Provision	Gratuity Provision	Accident Insurance Premium	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
AMAR NATH GOENKA	-	4,80,000	2,88,000	-	-	-	-	-	1,001	-	7,89,001
JASPAL SINGH MARWAH	22,500	-	-	-	-	-	-	-	-	-	22,500
MANOJ KUMAR GUPTA	22,500	-	-	-	-	-	-	-	-	-	22,500
ARVIND GOENKA	1,500	-	-	-	-	-	-	-	-	-	1,500
KAMLESH KUMAR SINHA	7,500	-	-	-	-	-	-	-	-	-	7,500
S P JAIN	-	3,62,000	1,08,600	36,200	-	15,000	31,500	4,778	34,902	-	5,92,980

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 1st April, 2008 to 31st March, 2009 is as under:-

NAME OF DIRECTOR	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
SHRI J S MARWAH (CHAIRMAN)	4	4
SHRI M K GUPTA	4	4
SHRI S P JAIN	4	4

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 grievance raised by any Member/Shareholder.

**PREMIER POLYFILM LIMITED****COMPLIANCE OFFICER**

SHRI N.K. BHANDARI, COMPANY SECRETARY

NUMBER OF SHAREHOLDERS COMPLAINTS RECEIVED DURING THE PERIOD APRIL 1, 2008 TO MARCH 31, 2009.

No complaint pertaining to any issue was received from shareholder during the financial year 2008 - 2009.

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 : 29246481 FAX : 29236482 WEBSITE : www.premierpoly.com EMAIL : premierpoly@premierpoly.com
ANNUAL GENERAL MEETING	DATE : 21.08.2009 TIME : 11.30 A.M. VENUE : SRI SATHYA SAI INTERNATIONAL CENTRE, INSTITUTIONAL AREA, PRAGATI VIHAR, LODHI ROAD, NEW DELHI - 110003
DATE OF BOOK CLOSING (FOR THE PURPOSE OF ANNUAL GENERAL MEETING)	16-08-2009 TO 21-08-2009 (BOTH DAYS INCLUSIVE)
DIVIDEND PAYMENT DATE	NOT APPLICABLE
LISTING ON STOCK EXCHANGES	1. National Stock Exchange of India Limited. (Company code : Premier:pol) 2. Bombay Stock Exchange Limited (Company Code : 14354)
MARKET PRICE DATA : HIGH LOW DURING EACH MONTH IN LAST FINANCIAL YEAR	During the year under review the trading in the shares of the company remained suspended due to non payment of Listing Fee to NSE and pending compliance of procedures in BSE and NSE.
REGISTRAR AND SHARE TRANSFER AGENT	Transfer of shares are processed 'IN-HOUSE'.
SHARE TRANSFER SYSTEM	Share transfer requests in physical form are to be sent to Registered Office of the Company which are processed within 30 days from the date of receipt.

DISTRUBUTION OF SHAREHOLDING AS ON 31-03-2009

CATEGORY	NO. OF SHARES OF RS. 2.50 EACH	% OF SHARE HOLDING
PROMOTERS	1,87,21,750	44.69
MUTUAL FUNDS	6,87,650	1.64
FINANCIAL INSTITUTIONS & BANKS	2,25,900	0.54
FOREIGN FIN. INSTITUTIONS	18,60,000	4.44
BODY CORPORATE	1,05,03,900	25.07
INDIVIDUAL (PUBLIC & NRI)	98,97,789	23.62
TOTAL	4,18,96,989	100.00

DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON 31-3-2009

The process of dematerialisation of shares could not be started as the Stock Exchanges and depositories have not given 'NOC.' pending resoration of suspension of trading in shares.



PREMIER POLYFILM LIMITED.

WORKS/PLANT LOCATION	40/1A, Site IV, Sahibabad Industrial Area, Sahibabad, Distt. Ghaziabad (UP)		
ADDRESS FOR CORRESPONDENCE	305, III Floor, Elite House, 36, Community Centre, Kailash Colony Extension (Zamroodpur), New Delhi 110 048		
ANNUAL GENERAL MEETINGS			
PARTICULARS	FY 2005-2006	FY 2006-2007	FY 2007-08
DATE & TIME	15-11-2006 at 11.30 A.M.	10-09-2007 at 2.30 P.M.	26-09-2008 at 3.00 P.M.
VENUE	SHAH AUDITORIUM 2, RAJ NIWAS MARG DELHI 100 054	SHAH AUDITORIUM 2, RAJ NIWAS MARG DELHI 100 054	SHAH AUDITORIUM 2, RAJ NIWAS MARG DELHI 100 054

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:-
Our company has not paid Listing Fees to NSE and completion of procedures are pending. In the case of BSE Company has paid Listing fee. However, completion of procedures are pending.

MEANS OF COMMUNICATION:

The Notice of Board Meetings for consideration of unaudited financial results and the financial results are published in the "BUSINESS LINE"/"MINT" and "HARI BHOOMI", the vernacular (Hindi) Newspaper.

All material information about the company is promptly sent the stock exchanges where its equity shares are listed through fax and the same is then also sent through Courier to the respective Stock Exchanges.

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.

ATTENDANCE OF DIRECTORS AT THE BOARD MEETING HELD DURING APRIL 1, 2008 TO MARCH 31, 2009

NAME OF DIRECTOR	DATE OF MEETING				
	1st Quarter 29/04/08	2nd Quarter 31/07/08 20/08/08		3rd Quarter 31/10/08	4th Quarter 27/01/09
S/SHRI					
A.N.GOENKA	YES	YES	YES	YES	YES
J.S.MARWAH	YES	YES	YES	YES	YES
M.K.GUPTA	YES	YES	YES	YES	YES
ARVIND GOENKA	YES	NA*	N.A	NA	NA
S.P.JAIN	YES	YES	YES	YES	YES
K.K.SINHA	YES	YES	YES	YES	YES
Board Strength	6	5	5	5	5
Number of Directors present	6	5	5	5	5



PREMIER POLYFILM LIMITED

* He resigned from the Directorship of the company w.e.f. 21.07.2008.

For & on Behalf of the
BOARD OF DIRECTORS

Sd/-

(AMAR NATH GOENKA)
CHAIRMAN

Place : New Delhi
Date : 26-06-2009

**DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 (D) (D) (ii) OF THE LISTING AGREEMENT
TO THE MEMBERS OF PREMIER POLYFILM LIMITED**

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, 2009.

For **PREMIER POLYFILM LIMITED**

Sd/-

(Amar Nath Goenka)
Managing Director

Place : New Delhi
Date : 26-06-2009

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF PREMIER POLYFILM LIMITED

We have examined the compliance of conditions of Corporate Governance by **PREMIER POLYFILM LIMITED**, for the year ended on March 31, 2009 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

Partner

Membership No. 54962

Place : New Delhi
Date : 26-06-2009

AUDITORS' REPORT

TO THE MEMBERS OF PREMIER POLYFILM LIMITED

1. We have audited the attached Balance Sheet of **PREMIER POLYFILM LIMITED** as at March 31, 2009, the related profit and loss account and cash flow statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of "The Companies Act, 1956" of India (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 paragraph 4 & 5 of the said Order.



PREMIER POLYFILM LIMITED

- 3.1 A liability to the tune of Rs. 67,31,576 consisting of a demand of Rs. 37,93,367 and Rs. 29,38,209 raised by P.F. and E.S.I.C. Authorities respectively on account of damages. No provision has been made by the Company during the year under review. It has been stated that the Company have moved an appeal to the Hon'ble BIFR authorities for waiver of the same. However, if the damages are not waived the profit of the company shall be reduced by Rs. 67,31,576:**
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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, profit & loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - in our opinion, the balance sheet, profit and loss account and 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 Companies Act, 1956;
 - on the basis of the written representations received from the Directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - in our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon/attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2009;
 - in the case of profit and loss account, of the profit for the year ended on that date and
 - in the case of the cash flow statement, of the cash flow for the year ended on that date.

Place : New Delhi
Date : 26.06.2009

For & on Behalf of the
DE & BOSE
Chartered Accountants
SUBRATA DE
Partner
Membership No. 54962

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 3 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 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.
 - 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.
 - 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.
- 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 any loans to any company, firm or other party covered in the register maintained under Section 301 of the Companies Act, 1956.

The Company has taken unsecured loans from company, firm or other party covered in the register maintained under Section 301 of the Companies Act, 1956. (number of parties - 1, maximum outstanding during the year - Rs. 4,50,000, year end balances - Nil).

According to the information and explanations given to us, we are of the opinion that the rate of interest and terms and conditions of unsecured loans taken by the Company are not prima facie prejudicial to the interest of the Company.
- 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.
- In respect of transactions covered under Section 301 of the Companies Act, 1956 :



PREMIER POLYFILM LIMITED

- 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. 5,00,000 (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 Section 58A, 58AA or any other relevant provision of the of the Companies Act, 1956 and the rules framed thereunder.
7. The internal audit system of the Company is commensurate with its size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, to the Company.
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, 2009 for period of more than six months from the date of becoming payable.
 - b. The disputed statutory dues as at 31st March, 2009 aggregating to Rs. 1,61,07,816, that have not been deposited on account of matters pending before appropriate authorities are as under :

Name of the statute	Nature of the dues	Forum where dispute is pending	Amount (Rs.)
Central Sales Tax Act and Sales Tax Act of various states	Sales Tax	Divisional level Committee, Meerut	1,61,07,816

10. As per records, the Company has no accumulated losses at the end of financial year, more than fifty percent of its net worth but not incurred any cash losses during the financial year covered by our audit or 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 institutions and banks as per One Time Settlement Proposal which the Company had negotiated with financial institutions 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 not raised term loans during the financial year covered under audit.
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 further allotment of shares during the year.
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 give 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.

Place : New Delhi
Date : 26.06.2009

For & on Behalf of the
DE & BOSE
Chartered Accountants
SUBRATA DE
Partner
Membership No. 54962

**PREMIER POLYFILM LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2009**

DESCRIPTION	SCHEDULE	AS AT 31.03.2009	AS AT 31.03.2008
SOURCES OF FUNDS		(Rs.)	(Rs.)
SHARE HOLDERS' FUNDS			
SHARE CAPITAL	1	10,59,00,785	10,59,00,785
RESERVES AND SURPLUS			
Share Premium Account		8,45,73,640	8,45,73,640
LOAN FUNDS	2		
Secured Loans		13,05,189	32,93,90,587
Unsecured Loans		5,36,50,901	7,14,24,678
TOTAL		24,54,30,515	59,12,89,690
APPLICATIONS OF FUNDS			
FIXED ASSETS	3		
Gross Block		34,12,02,187	33,64,47,397
Less : Depreciation		21,68,76,530	19,97,22,360
Net Block		12,43,25,657	13,67,25,037
Capital Work-in-Progress		23,83,608	-
		12,67,09,265	13,67,25,037
CURRENT ASSETS, LOANS AND ADVANCES	4		
Inventories		6,35,02,834	7,69,00,756
Sundry Debtors		6,04,76,190	7,57,19,107
Cash and Bank Balances		3,28,12,733	55,31,535
Loans and Advances		1,73,26,534	1,38,25,212
		17,41,18,291	17,19,76,610
Less : CURRENT LIABILITIES AND PROVISIONS	5		
Current Liabilities		9,54,27,165	13,30,74,618
NET CURRENT ASSETS		7,86,91,126	3,89,01,992
PROFIT AND LOSS ACCOUNT		4,00,30,124	41,56,62,661
TOTAL		24,54,30,515	59,12,89,690
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	9		

The Schedules 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

SUBRATA DE
PARTNER,

Membership No. 54962

N.K. BHANDARI
COMPANY SECRETARY

AMAR NATH GOENKA
MANAGING DIRECTOR

JASPAL SINGH MARWAH
DIRECTOR

8/2 Kiran Sankar Roy Road,
Kolkata-700 001
Camp : New Delhi
The 26th day of June, 2009.



PREMIER POLYFILM LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

DESCRIPTION	SCHEDULE	FOR THE YEAR ENDED 31.03.2009	FOR THE YEAR ENDED 31.03.2008
INCOME		(Rs.)	(Rs.)
Sales		80,75,68,233	66,62,51,461
Less : Excise Duty		7,01,55,114	6,88,62,870
		<u>73,74,13,119</u>	<u>59,73,88,591</u>
Add : Other Income	6	2,31,88,379	2,54,09,575
TOTAL		<u>76,06,01,498</u>	<u>62,27,98,166</u>
EXPENDITURE			
Manufacturing and other Expenses	7.		
Cost of Sales		58,31,93,423	45,00,30,627
Manufacturing Expenses		5,11,67,892	4,46,61,904
Employees Remuneration and Benefits		3,19,18,728	2,83,97,086
Administrative and Other Expenses		1,78,55,250	1,27,76,446
Selling and Distribution Expenses		2,95,65,287	3,30,75,256
		<u>71,37,00,580</u>	<u>56,89,41,319</u>
Interest	8	51,13,817	59,62,526
Depreciation		1,71,54,170	1,69,74,932
TOTAL		<u>73,59,68,567</u>	<u>59,18,78,777</u>
Profit for the year before taxation		2,46,32,931	3,09,19,389
Less : Provision for taxation :			
Fringe Benefit Tax		4,17,000	4,13,000
Profit for the year after taxation		2,42,15,931	3,05,06,389
Add :			
Interest payable to banks and financial institute written back		21,25,48,292	19,04,50,733
: Loan payable to banks and financial institute written back		10,75,45,649	11,48,31,800
: Credit Balance-Unsecured Loan written back		47,30,208	-
: Credit Balance-Sundry Creditors written back		2,96,25,550	-
Less :			
Charges on account of transitional provisions under Accounting Standard-15		37,86,65,630	33,57,88,922
: Interest on PF Dues		7,54,526	8,71,858
: Interest on ESI Dues		22,78,567	-
		<u>37,56,32,537</u>	<u>33,49,17,064</u>
Balance brought forward from Previous Year		(41,56,62,661)	(75,05,79,725)
BALANCE CARRIED TO BALANCE SHEET		<u>(4,00,30,124)</u>	<u>(41,56,62,661)</u>
Basic and Diluted Earnings per Share (Refer Note 20 of Schedule 9)		0.58	0.90
Face Value per Equity Share		2.50	2.50

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

9

The Schedules referred to above form an integral part of the Profit & Loss Account. This is the Profit & Loss Account referred to in our report of even date.

For DE & BOSE

Chartered Accountants

SUBRATA DE
PARTNER

N.K. BHANDARI
COMPANY SECRETARY

AMAR NATH GOENKA
MANAGING DIRECTOR

JASPAL SINGH MARWAH
DIRECTOR

Membership No. 54962

8/2 Kiran Sankar Roy Road,
Kolkata-700 001
Camp : New Delhi

The 26th day of June, 2009.

**PREMIER POLYFILM LIMITED****SCHEDULE - 1 : SHARE CAPITAL**

DESCRIPTION	AS AT 31.03.2009	AS AT 31.03.2008
AUTHORISED :	(Rs.)	(Rs.)
6,00,00,000 Equity Shares of Rs. 2.50 each	<u>15,00,00,000</u>	<u>15,00,00,000</u>
ISSUED :		
4,28,30,000 Equity Shares of Rs. 2.50 each	<u>10,70,75,000</u>	<u>10,70,75,000</u>
SUBSCRIBED :		
4,28,23,639 Equity Shares of Rs. 2.50 each	<u>10,70,59,098</u>	<u>10,70,59,098</u>
PAID UP :		
4,18,96,989 Equity Shares of Rs. 2.50 each	<u>10,47,42,472</u>	<u>10,47,42,472</u>
Add : Shares Forfeited	<u>11,58,313</u>	<u>11,58,313</u>
	<u>10,59,00,785</u>	<u>10,59,00,785</u>

SCHEDULE - 2 : LOAN FUNDS

DESCRIPTION	AS AT 31.03.2009	AS AT 31.03.2008
SECURED LOANS	(Rs.)	(Rs.)
LONG TERM		
Stressed Assets Stabilization Fund	-	6,77,77,039
Interest accrued and Due	-	16,47,68,089
Loan for vehicles	<u>13,05,189</u>	<u>23,76,280</u>
SHORT TERM		
From Banks	-	9,44,69,179
	<u>13,05,189</u>	<u>32,93,90,587</u>
UNSECURED LOANS		
From Others	<u>5,36,50,901</u>	<u>7,14,24,678</u>

NOTES :

The Company has taken Vehicles Loans from banks which are secured by way of hypothecation of the vehicles.

SCHEDULE - 3 : FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 01.04.2008	ADDI- TION	SALE/ ADJUST- MENT	TOTAL COST AS ON 31.03.2009	UPTO 31.03.2008	FOR THE YEAR	SALE/ ADJUST- MENT	UPTO 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Land (Leasehold)	69,30,259	-	-	69,30,259	11,68,125	77,003	-	12,45,128	56,85,131	57,62,134
Buildings	3,18,41,739	-	-	3,18,41,739	1,15,15,339	8,64,051	-	1,23,79,390	1,94,62,349	2,03,26,400
Plant and Machinery	26,00,28,868	6,04,342	-	26,06,33,210	16,54,69,398	1,37,29,524	-	17,91,98,922	8,14,34,288	9,45,59,470
Electrical Installations	2,96,63,515	-	-	2,96,63,515	1,96,61,883	15,66,234	-	2,12,28,117	84,35,398	1,00,01,632
Furniture, Fixture and Office Equipments etc.	23,60,792	8,93,229	-	32,54,021	8,28,657	3,07,486	-	11,36,143	21,17,878	15,32,135
Vehicles	56,22,224	32,57,219	-	88,79,443	10,78,958	6,09,872	-	16,88,830	71,90,613	45,43,266
TOTAL	33,64,47,397	47,54,790	-	34,12,02,187	19,97,22,360	1,71,54,170	-	21,68,76,530	12,43,25,657	13,67,25,037
Corresponding Figures as on 31.03.2008	33,39,42,503	35,86,759	10,81,865	33,64,47,397	18,32,91,487	1,69,74,932	5,44,059	19,97,22,360	13,67,25,037	





PREMIER POLYFILM LIMITED

SCHEDULE - 4 : CURRENT ASSETS, LOANS AND ADVANCES

DESCRIPTION	AS AT 31.03.2009	AS AT 31.03.2008
	(Rs.)	(Rs.)
CURRENT ASSETS		
INVENTORIES		
Raw Materials	1,63,97,354	2,46,16,997
Work-in-Progress	74,88,964	1,36,57,068
Finished Goods	2,97,84,094	2,80,62,617
Stores and Spares	22,13,382	21,41,829
Material-in-Transit	76,19,040	84,22,245
	<u>6,35,02,834</u>	<u>7,69,00,756</u>
SUNDRY DEBTORS - UNSECURED		
Outstanding for a Period exceeding six months		
Considered Doubtful	1,16,20,237	1,39,26,144
Others - Considered Good	4,88,55,953	6,17,92,963
	<u>6,04,76,190</u>	<u>7,57,19,107</u>
CASH AND BANK BALANCES		
Cash in hand	7,66,223	3,55,612
Balance with Scheduled Banks		
– On Current Account	65,40,670	48,74,625
– On Margin Money Account	2,55,05,840	3,01,298
	<u>3,28,12,733</u>	<u>55,31,535</u>
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	96,04,565	87,91,358
Claims Receivable	42,699	34,158
Interest Receivable	10,99,948	
Income Tax Deducted at Source	39,80,027	23,88,401
Advance Fringe Benefit Tax	-	12,000
Deposits with Government Departments and Others	25,99,295	25,99,295
	<u>1,73,26,534</u>	<u>1,38,25,212</u>
TOTAL	<u>17,41,18,291</u>	<u>17,19,76,610</u>

SCHEDULE - 5 : CURRENT LIABILITIES AND PROVISIONS

DESCRIPTION	AS AT 31.03.2009	AS AT 31.03.2008
	(Rs.)	(Rs.)
CURRENT LIABILITIES		
Sundry Creditors	5,07,89,357	8,83,03,977
Other Liabilities	3,54,50,717	3,51,48,595
Advance from Customers	89,51,091	93,86,046
Deposits from Distributors	2,36,000	2,36,000
	<u>9,54,27,165</u>	<u>13,30,74,618</u>



PREMIER POLYFILM LIMITED

SCHEDULE - 6 : OTHER INCOME

DESCRIPTION	FOR THE YEAR ENDED 31.03.2009	FOR THE YEAR ENDED 31.03.2008
	(Rs.)	(Rs.)
Export Benefits	41,618	84,220
Commission	1,00,00,000	1,72,49,000
Interest [Tax deducted at source Rs. 3,18,587 (Previous year Rs. 73,781)]	15,52,836	3,57,963
Liabilities written back	8,50,740	3,01,080
Miscellaneous Receipts	1,07,43,185	74,17,312
	<u>2,31,88,379</u>	<u>2,54,09,575</u>

SCHEDULE - 7 : MANUFACTURING AND OTHER EXPENSES

DESCRIPTION	FOR THE YEAR ENDED 31.03.2009	FOR THE YEAR ENDED 31.03.2008
	(Rs.)	(Rs.)
(A) COST OF SALES		
MATERIAL CONSUMED		
Stock at Opening	2,46,16,997	70,81,749
Add : Purchases	51,93,45,348	46,36,28,213
	<u>54,39,62,345</u>	<u>47,07,09,962</u>
Less : Stock at Close	1,63,97,354	2,46,16,997
	<u>52,75,64,991</u>	<u>44,60,92,965</u>
Add : Purchase of Raw Material for Sales	2,07,16,452	27,72,926
Add : Purchase of Finished Goods	2,54,03,868	1,27,04,489
Add : Purchase High Seas	50,61,485	1,07,15,864
	<u>57,87,46,796</u>	<u>47,22,86,244</u>
Add : Opening Stock		
Work-in-Progress	1,36,57,068	1,06,03,116
Finished Goods	2,80,62,617	88,60,952
	<u>62,04,66,481</u>	<u>49,17,50,312</u>
Less : Closing Stock		
Work-in-Progress	74,88,964	1,36,57,068
Finished Goods	2,97,84,094	2,80,62,617
	<u>58,31,93,423</u>	<u>45,00,30,627</u>
(B) MANUFACTURING EXPENSES		
Stores and Spares	80,75,679	73,60,575
Power and Fuel	4,08,15,089	3,56,61,973
Repairs - Building	3,26,092	1,52,748
Machinery	19,51,032	14,86,608
	<u>5,11,67,892</u>	<u>4,46,61,904</u>



PREMIER POLYFILM LIMITED

DESCRIPTION	FOR THE YEAR ENDED 31.03.2009	FOR THE YEAR ENDED 31.03.2008
(C) EMPLOYEES REMUNERATION AND BENEFITS	(Rs.)	(Rs.)
Salary and Wages	2,72,50,802	2,38,92,882
Contribution to PF	13,18,271	12,20,945
Director's Remuneration	13,61,981	11,65,997
Employees Welfare Expenses	19,87,674	21,17,262
	3,19,18,728	2,83,97,086
(D) ADMINISTRATIVE AND OTHER EXPENSES		
Travelling and Conveyance	38,78,447	25,99,178
Telephone, Telex and Postage	20,58,837	20,40,134
Printing and Stationery	6,02,554	4,57,844
Vehicle Upkeep Expenses	11,90,251	9,71,628
Legal and Professional Charges	32,31,932	16,47,282
Repair and Maintenance - Others	5,49,339	3,38,637
Rent	6,28,149	7,24,912
Plant & Machinery Hire Charges	3,54,000	3,54,000
Insurance Charges	7,51,978	5,62,030
Director's Fee	54,000	30,000
Auditor's Remuneration		
-- As Audit Fees	50,000	50,000
-- Out of Pocket Expenses	48,235	36,221
-- For Tax Audit	10,000	10,000
-- For Certificates	10,000	7,500
-- For Service Tax	7,416	8,415
Loss on Sale of Fixed Assets	-	1,24,806
Other Expenses	44,30,112	28,13,859
	1,78,55,250	1,27,76,446
(E) SELLING AND DISTRIBUTION EXPENSES		
Advertisement and Publicity	14,74,294	13,11,257
Discount and Commission	17,23,476	22,74,230
Packing and Forwarding, Freight etc.	2,63,67,517	2,94,89,769
	2,95,65,287	3,30,75,256
	71,37,00,580	56,89,41,319

SCHEDULE - 8 : INTEREST

DESCRIPTION	FOR THE YEAR ENDED 31.03.2009	FOR THE YEAR ENDED 31.03.2008
	(Rs.)	(Rs.)
On Term Loan	2,56,536	18,70,459
On Others	41,60,303	32,38,910
Bank Charges	6,96,978	8,53,157
	51,13,817	59,62,526



SCHEDULE - 9 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

ACCOUNTING POLICIES

- 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.
- 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.
- 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.
- 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.
- 5. Revenue Recognition :**

Revenue from the sale of goods are recognised upon passing of title to the customers, which generally coincides with their delivery.
- 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.
- 7. Foreign Currency Transaction :**

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

Foreign currency balances 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 except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.
- 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.
- 9. Deferred Taxation :**

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.
- 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.
- 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



PREMIER POLYFILM LIMITED

disclosed in the financial statements.

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 product 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.

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.

NOTES ON ACCOUNTS

1. Annual Capacity and Production

Items	Unit	Annual Capacity*				Actual Production	
		Licenced		Installed**		Current Year	Previous Year
		Current Year	Previous Year	Current Year	Previous Year		
PVC Films/Sheets	M.T.	16,200	16,200	16,200	16,200	9,871	13,013

*As Certified by the Management

** On Standard Product Mix.

2. Stock of Finished Goods

Items	Unit	As on 01.04.2008		As on 31.03.2009	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)
PVC Films/Sheets	Mtr./Sqm.	3,88,460	2,80,62,617	3,57,175	2,97,84,094
	Kgs.	1,686		2,118	

3. Sales

Items	Unit	Current Year		Previous year	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)
PVC Films/Sheets	Mtr./Sqm.	1,34,20,766	75,48,94,831	1,43,40,232	65,25,74,925
	Kgs.	17,99,012		2,58,256	
Others		-	5,26,73,402	-	1,36,76,536
			80,75,68,233		66,62,51,461

4. Raw Material Consumed

Items	Current Year		Previous Year	
	Qty. (M.T.)	Value (Rs.)	Qty. (M.T.)	Value (Rs.)
PVC Resin	6003	32,19,62,921	5130	22,68,27,600
Plasticizers	1645	9,35,80,614	2796	10,35,55,578
Stabilizers	163	2,05,49,713	245	2,76,08,530
Pigments	351	2,97,36,390	356	2,67,26,182
Lubricants	44	36,59,378	68	51,63,599
Solvents	88	74,92,583	83	58,59,666
Fillers	2219	1,15,15,703	4080	1,59,82,976
PVC Sheeting	748	2,41,89,401	429	1,92,89,314
Jute Felt	132	67,63,363	152	77,28,054
Others	329	81,14,925	318	73,51,466
	11722	52,75,64,991	13657	44,60,92,965



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5. Import (CIF)	Current Year		Previous Year	
	(Rs.)		(Rs.)	
Raw Materials	6,04,16,503		3,76,21,465	
Capital Goods	82,953		81,972	
	6,04,99,456		3,77,03,437	

6. Expenditure in Foreign Currency	Current Year		Previous Year	
	(Rs.)		(Rs.)	
Travelling	11,64,151		2,45,732	

7. Consumption of Raw Materials, Stores & Spares	Current Year		Previous Year	
	(Rs.)	%	(Rs.)	%
a) Imported				
Raw Materials	6,92,40,721	13.12	4,41,91,498	9.91
Stores & Spares	-	-	-	-
b) Indigenous				
Raw Materials	45,83,24,270	86.88	40,19,01,467	90.09
Stores & Spares	80,75,679	100.00	73,60,575	100.00

8. Earnings in Foreign Exchange	Current Year		Previous Year	
	(Rs.)		(Rs.)	
Export (FOB)	14,85,62,171		15,89,47,221	

9. Contingent Liabilities not provided for, in respect of :	Current Year		Previous Year	
	(Rs.)		(Rs.)	
a) Unredeemed Bank Guarantees	1,95,000		2,92,650	
b) Bonds Executed in favour of Central Excise Department	1,50,00,000		1,50,00,000	
c) Claims against company not acknowledged as debts	-		8,18,263	

10. Stressed Assets Stabilization Fund (SASF), and Axis Bank Limited (Formerly known as UTI Bank Ltd.), the Secured Creditors had agreed to settle their loans on One Time Settlement (OTS) on the following basis:

Secured Creditors	Crystallised Loan	Amount Settled
	Amount (Rs. in Lacs)	Under OTS (Rs. in Lacs)
SASF	1169.27	495.52
Axis Bank Limited	254.86	108.01

The settled amount of SASF and Axis Bank Ltd. have been fully paid together with interest and as such their loan amount shown above have been fully settled and reflected in the account accordingly.

The OTS amount of Oriental Bank of Commerce and Canara Bank were paid together with interest during the financial year ended on 31.03.2008 and reflected in the accounts for that period.

All the Secured creditors have released their charge over the assets of the company and have released personal Guarantees of the Guarantors.

11. The Company has 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, Meerut (U.P.) and the Divisional Level Committee allowed Rs. 471.17 Lacs.



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The Company has filed an appeal for the balance amount of Rs. 237.97 Lacs in the court of Trade Tax Tribunal, Lucknow, U.P. The case been reverted to the Divisional Level Committee, Meerut for re-consideration. The Divisional Level Committee, Meerut allowed Rs. 32.13 Lacs.

The Company has filed another appeal for the balance amount of Rs. 205.84 Lacs in the court of Trade Tax Tribunal, Lucknow, U.P. and by its order dated 24.06.2004 the case has been reverted to the Divisional Level Committee, Meerut for re-consideration and the matter is still pending before the Divisional Level Committee, Meerut.

12. 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, Ghaziabad. The appeal of company had been allowed by Commissioner (Appeals). The department had made an appeal before CESAT against the order of Appellate Commissioner who had directed to Commissioner (Appeal) 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 CESAT, which was communicated to the company on 17th January 2006.
13. Export benefits are taken on realisation basis.
14. Remuneration to Managing Director and whole time Director Charged to accounts :

<u>Particulars</u>	<u>For the year ended</u> <u>31.03.2009</u> (Rs.)	<u>For the year ended</u> <u>31.03.2008</u> (Rs.)
a) Salaries	8,42,000	5,35,995
b) Housing accomadation/House Rent and other allowance	4,32,800	2,57,467
c) Other Perquisites	46,500	15,000
d) Provision for Gratuity and Leave encashment	40,681	3,57,535
	<u>13,61,981</u>	<u>11,65,997</u>

15. Sales Tax liabilities amounting to Rs. 1,61,07,816 (Previous year : 1,61,07,816) related to prior years have not been paid to the appropriate authorities as on Balance Sheet date as the liabilities are disputed.
16. The trading of the equity Shares of the Company continued to be suspended at the Bombay Stock Exchange Limited (BSE) due to non completion of procedures while trading of equity shares of the company at National Stock Exchange of India Limited (NSE) continue to be suspended due to non payment of Listing Fee and non Completion of procedures.

17. **Break up of Excise duty**

<u>Particulars</u>	<u>For the year ended</u> <u>31.03.2009</u> (Rs.)	<u>For the year ended</u> <u>31.03.2008</u> (Rs.)
On Sales for the year	7,14,49,623	6,63,14,490
Add : On Closing Stock of Finished goods	23,14,974	36,09,483
Less : On Opening Stock of Finished goods	36,09,483	10,61,103
	<u>7,01,55,114</u>	<u>6,88,62,870</u>



PREMIER POLYFILM LIMITED

18. Information on Related parties as required by Accounting Standard - AS 18 "Related Party disclosures"

I. Related Party disclosures:

a. Associates

- Premier Polyplast & Processors Ltd.
- RMG Polyvinyl India Ltd.
- D.L. Millar & Company Ltd.
- 1000 Plus Trading Inc.
- Shri Amar Nath Goenka, HUF

b. Key Management Personnel

- Mr. Amar Nath Goenka - Managing Director
- Mr. Arvind Goenka - Ex -Director
- Mr. S.P. Jain - Executive Director

c. Relative of Key Management Personnel

- Mrs. Indira Goenka
- Mrs. Nisha 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>Current Year</u>	<u>Previous Year</u>
	(Rs.)	(Rs.)
Purchase of goods		
- Associates	15,35,50,377	8,17,16,488
Sales of goods		
- Associates	4,84,78,647	2,49,33,804
Remuneration		
- Management Personnel	13,61,981	11,65,997
Rent Paid		
- Relative to Key Management Personnel	4,26,000	3,06,000
- Associates	30,000	30,000
Comission on consignment Sales		
- Associates	1,23,137	5,37,463
Interest on Loan		
- Associates	22,093	-
- Relative of Key Management Personnel	-	34,060
Machinery Hire Charges		
- Associates	3,54,000	3,54,000
Outstanding Balance as at 31st March, 2009		
- Associates - Creditors	3,17,538	1,94,93,463
- Liabilities Payable	1,03,761	4,82,103
- Loans	5,00,000	4,50,000
- Key Management Personnel - Remuneration	2,06,300	94,000
- Loans	3,80,000	-

The above related party information is disclosed to the extent such parties have been identified by the management on the basis of information available.

19. The Company has significant amount of carried forward losses and depreciation under the Income Tax Act, 1961. However, as a matter of prudence, deferred tax assets amount has been recognised to the extent of deferred tax liability and as such there is no impact of the same in these account.



PREMIER POLYFILM LIMITED

The Component of deferred tax assets and liabilities are as follows :

	As on 01.04.08	(Charges) Credit for the year	As on 31.03.09
	(Rs.)	(Rs.)	(Rs.)
A. Deferred Tax Liability	3,51,46,356	43,69,892	3,07,76,464
B. Deferred Tax Assets on account of Unabsorbed business losses and depreciation	3,51,46,356	(43,69,892)	3,07,76,464
C. Deferred Tax Assets / Liabilities (Net) A - B	-	-	-

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

Particulars	2008-2009	2007-2008
	(Rs.)	(Rs.)
(a) Profit before Tax as per Accounts	2,46,32,931	3,09,19,389
Less : Provision for Taxation	4,17,000	4,13,000
Profit after Tax	2,42,15,931	3,05,06,389
(b) Weighted Average Number of equity shareholders	4,18,96,989	3,40,71,582
(c) Basic and Diluted Earnings per share	0.58	0.90
Basic and Diluted Earnings per share (Restated)		0.73

21. Miscellaneous Receipts under the Head "Other Income" of Schedule-6 includes Rs. 10,01,233 related to Exchange Fluctuation. (Previous year Rs. 3,88,873).
22. 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, 2009. 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.
23. A demand of Rs. 37,93,367 and Rs. 52,16,776 is raised by the P.F. and E.S.I.C. Authorities against the old dues for which the Company has appealed to the Hon'ble BIFR for waiver of damages amounting to Rs. 37,93,367 of P.F. Authority and Rs. 29,38,209 of E.S.I.C. Authority respectively. While the balance amount of interest amounting is 22,78,567 pertaining of E.S.I.C. Authority on delayed payment is sought to be paid in 12 equated quarterly installment without any further interest and damages.
24. The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below :

Defined Contribution Plan	Current Year	Previous Year
	(Rs.)	(Rs.)
Employer's Contribution to Provident Fund	11,92,415	11,04,323

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.

A. Reconciliation of opening and closing balances of Defined Benefit Obligation	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Defined Benefit Obligation at beginning of the year	57,81,658	51,69,171	27,25,864	23,93,009
Current Service Cost	9,97,025	15,00,712	9,57,953	14,71,873
Interest Cost	4,29,701	4,06,624	1,02,412	1,56,365



PREMIER POLYFILM LIMITED

	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Acturial Losses / (Gain)	2,25,646	(3,84,517)	(6,26,102)	(8,81,042)
Benefit Paid	(1,04,612)	(9,10,332)	(16,77,153)	(4,14,341)
Defined Benefit Obligation at year end	73,29,418	57,81,658	14,82,974	27,25,864
B. Reconciliation of opening and closing balances of fair value of Plan Assets:				
Fair value of Plan Assets at the beginning of the year	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Acturial Gain / (Losses)	-	-	-	-
Contributions by Employer	-	-	-	-
Benefits Paid	-	-	-	-
Fair value of Plan Assets at 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	73,29,418	57,81,658	14,82,974	27,25,864
Amount recognized in Balance Sheet	73,29,418	57,81,658	14,82,974	27,25,864
D. Expenses recognised during the year				
Current Service Cost	9,97,025	15,00,712	9,57,953	14,71,873
Interest Cost	4,29,701	4,06,624	1,02,412	1,56,365
Expected return on Plan Assets	-	-	-	-
Acturial (Gain) / Loss	2,25,646	(3,84,517)	(6,26,102)	(8,81,042)
Net Cost	16,52,372	15,22,819	4,34,263	7,47,196
E. Investment details				
% invested as at year end	N.A.	N.A.	N.A.	N.A.
Unfunded				
F. Acturial assumptions				
Mortality Table	LIC 1994-96 Ultimate	LIC 1994-96 Ultimate	LIC 1994-96 Ultimate	LIC 1994-96 Ultimate
Discount rate (Per annum)	7.50%	8.00%	7.50%	8.00%
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%

25. Previous Year figures have been regrouped/rearranged/reclassified wherever considered necessary.

For DE & BOSE
Chartered Accountants

SUBRATA DE
PARTNER
Membership No. 54962

N.K. BHANDARI
COMPANY SECRETARY

AMAR NATH GOENKA
MANAGING DIRECTOR

JASPAL SINGH MARWAH
DIRECTOR

8/2 Kiran Sankar Roy Road,
Kolkata-700 001
Camp : New Delhi
The 26th day of June, 2009.



PREMIER POLYFILM LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S BUSINESS PROFILE

1. Registration Details	
Registration No.	L25209 DL1992 PLC 049590
State Code	55
Balance Sheet Date	31.03.2009
2. Capital Raised during the Year (Amount in Rs. Thousand)	
Public Issue	-
Rights Issue	-
Bonus Issue	-
Private Placement	-
3. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)	
Total Liabilities	3,40,858
Total Assets	3,40,858
Sources of Funds	
Paid-up Capital	1,05,901
Reserves and Surplus	84,574
Secured Loans	1,305
Unsecured Loans	53,651
Application of Funds	
Net Fixed Assets	1,26,710
Net Current Assets	78,691
Accumulated Losses	40,030
4. Performance of Company (Amount in Rs. Thousand)	
Turnover	7,60,602
Total Expenditure	7,35,969
Profit/(Loss) before Tax	24,633
Profit/(Loss) after Tax	24,216
Basic Earning per Share in Rs.	0.58
Dividend	-
5. Generic Names of Principal Products of the Company (as per Monetary Terms)	
Item Code No. (ITC Code)	-
Product Description	PVC Films/Sheets

N.K. BHANDARI
COMPANY SECRETARY

AMAR NATH GOENKA
MANAGING DIRECTOR

JASPAL SINGH MARWAH
DIRECTOR



PREMIER POLYFILM LIMITED

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2009

DESCRIPTION	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
A. CASH FLOW FROM OPERATING ACTIVITIES	(Rs.)	(Rs.)
Profit before Tax and Extraordinary Items	2,46,32,931	3,09,19,389
Adjusted for :		
Loss on Sale of Fixed Assets	-	1,24,806
Depreciation	1,71,54,170	1,69,74,932
Interest Expenses	44,16,839	51,09,369
Interest Income	(15,52,836)	(3,57,963)
Liabilities Written back	(8,50,740)	(3,01,080)
Operating profit before working capital changes	4,38,00,364	5,24,69,453
Adjusted for :		
(Increase)/decrease in trade and other-receivables	1,52,42,916	(3,32,20,837)
(Increase)/decrease in inventories	1,33,97,921	(3,26,97,181)
(Increase)/decrease in loans and advances	(8,21,747)	13,10,307
Increase/(decrease) in current liabilities	(1,02,34,256)	2,70,59,580
Cash generated from operations	6,13,85,198	1,49,21,322
Income Tax Paid (Net)	19,66,626	28,09,925
Net Cash from operating activities	5,94,18,572	1,21,11,397
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(47,54,790)	(35,86,759)
Cost of Capital Work-in-Progress	(23,83,608)	-
Sale of Fixed Assets	-	4,13,000
Interest Income	4,52,888	4,40,229
Net Cash (used in) investing activities	(66,85,510)	(27,33,530)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from fresh issue of Share Capital	-	2,00,00,000
Proceeds from Long Term Borrowings	-	11,30,435
Repayment of Long Term Borrowings	(14,73,481)	(2,74,69,610)
Proceeds from Short Term Borrowings	67,16,612	3,43,22,000
Repayment of Short Term Borrowings (Net)	(2,20,77,971)	(4,24,10,000)
Interest paid	(86,17,025)	(27,80,150)
Net cash (used in) financing activities	(2,54,51,865)	(1,72,07,325)
Net increase / (decrease) in cash and cash equivalents	2,72,81,197	(78,29,458)
Opening balance of cash and cash equivalents	55,31,536	1,33,60,994
Closing balance of cash and cash equivalents	3,28,12,733	55,31,536
	2,72,81,197	(78,29,458)

This is the Cash Flow Statement referred to in our Report of even date.
For DE & BOSE
Chartered Accountants

SUBRATA DE
PARTNER

Membership No. 54962

8/2 Kiran Sankar Roy Road,
Kolkata-700 001
Camp : New Delhi
The 26th day of June, 2009.

N.K. BHANDARI
COMPANY SECRETARY

AMAR NATH GOENKA
MANAGING DIRECTOR

JASPAL SINGH MARWAH
DIRECTOR



PREMIER POLYFILM LIMITED

PREMIER POLYFILM LIMITED

Registered office : Flat No. 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 LIMITED hereby appoint
..... of in the district of
..... of 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 SEVENTEENTH ANNUAL GENERAL MEETING
of the Company to be held on Friday, the 21st day of August, 2009 at 11.30 A.M. at SRI SATHYA SAI
INTERNATIONAL CENTRE, INSTITUTIONAL AREA, PRAGATI VIHAR, LODHI ROAD, NEW DELHI -
110003 and at any adjournment thereof.

Signed this day of 2009

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 LIMITED

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

Name of the attending Member
(in Block Letters)

Member's 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 SEVENTEENTH ANNUAL GENERAL MEETING of the Company
being held on Friday, the 21st day of August, 2009 at 11.30 A.M. at SRI SATHYA SAI INTERNATIONAL
CENTRE, INSTITUTIONAL AREA, PRAGATI VIHAR, LODHI ROAD, NEW DELHI - 110003.

.....
Member's / Proxy's Signature

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

BOOK POST

If undelivered, please return to :

PREMIER POLYFILM LIMITED

305, III Floor, 'Elite House',

36, Community Centre,

Kailash Colony Extension (Zamroodpur)

New Delhi-110 048