



**Glory Polyfilms Limited**

**14th Annual Report  
2010-11**



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Prakash N. Kela  
Mr. Yogesh P. Kela  
Mr. Umesh P. Kela  
Mr. Deviprasad Taparia  
Mr. Navin C. Choksi  
Mr. Vilas R. Shah  
Mr. Sanjeev A. Jain (Resigned w.e.f. 13.08.2011)

*Chairman*  
*Managing Director*  
*Executive Director*  
*Independent Director*  
*Independent Director*  
*Independent Director*

### COMPANY SECRETARY

Ranjeetkumar Sharma

### BANKERS

State Bank of India  
Indian Overseas Bank  
Central Bank of India  
Kotak Mahindra Bank  
Dena Bank

### AUDITORS

M/s. Mittal & Associates  
Chartered Accountants, Mumbai

### INTERNAL AUDITORS

M/s. ADV & Associates  
Chartered Accountants, Mumbai

### REGISTERED OFFICE

201 Vintage Pearl, A Wing, 29th Road  
Bandra (W), Mumbai - 400 050  
Tel: +91-22-2651 4811, Fax: +91-22-2651 4812  
E-mail: investor@glorypolyfilms.com  
Website: www.glorypolyfilms.com

### REGISTRAR AND SHARE TRANSFER AGENT

M/s. Bigshare Services Pvt. Ltd.  
E/2, Ansa Industrial Estate  
Saki Vihar Road, Saki Naka,  
Andheri (E), Mumbai – 400 072  
Tel: +91-22-2847 0652, Fax: +91-22-2847 5207

### WORKS

51/4-A, 51/4-B, 51/4-C, 51/4-D, 54/1-A, 54/1-C,  
54/2-A, 54/2-E, 54/2-F, 54/2-H, 54/3-D & 54/6-A  
Daman Industrial Estate, Village Kadiya, Daman (U.T).  
Tel: +91-260-222 0304 Fax: +91-260-222 0305

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## NOTICE

Notice is hereby given that the 14th Annual General Meeting of the Members of Glory Polyfilms Limited will be held on Thursday, the 29<sup>th</sup> September, 2011 at the Scarlet Hall, Hotel Shubhangan, 21<sup>st</sup> Road, Khar Danda, Khar (W), Mumbai - 400 052 at 12.30 P.M. to transact the following business:

### As Ordinary Business:

- 1) To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2011 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
- 2) To appoint a Director in the place of Mr. Deviprasad Taparia, who retires by rotation and being eligible, offers him-self for re-appointment.
- 3) To appoint a Director in the place of Mr. Yogesh P. Kela, who retires by rotation and being eligible, offers him-self for re-appointment.
- 4) To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution, as an Ordinary Resolution thereof:

**“RESOLVED THAT** M/s. Mittal & Associates, Chartered Accountants (Firm Regn. No.: 106456W), Mumbai, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors of the Company.”

### As Special Business:

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

#### **Preferential Issue of Optionally Fully Convertible Warrants to the Promoters of the Company:**

**“RESOLVED THAT** pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Article of Associations of the Company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any other rules, regulations, guidelines, notifications, circulars issued by the Securities and Exchange Board of India (“SEBI”), and subject to the approval of the Hon’ble Company Law Board and in accordance with rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (“GOI”), the Reserve Bank of India (“RBI”) or any other relevant authority from time to time and in terms of the provisions of and the conditions, as prescribed under the Listing Agreements entered into by the Company with the Stock Exchanges on which the Company’s shares are listed and subject to such approvals, consents, permissions and sanctions as may be prescribed by and of them while granting any such approval, consent, permission, and sanctions (hereinafter referred to as “Requisite Approval”), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter or exercise its powers including the powers conferred by this resolution), the consent of the shareholders of the Company be and is hereby accorded to the Board to offer, issue and allot, in one or more tranches and upon such terms and conditions as may be deemed appropriate by the Board, by way of preferential allotment up to an aggregate of 35,31,852 (Thirty-Five Lac Thirty-one Thousand Eight Hundred Fifty Two) Optionally Fully Convertible Warrants (hereinafter referred as “Warrants”) to one or more of the following persons viz. 1) Mr. Prakash N. Kela 2) Mr. Umesh P. Kela and 3) Mrs. Abhilasha Y. Kela, (All individual are promoters and promoters’ group of the Company), in one or more tranches, with an option to the holder of each such warrant to apply for and be allotted one fully paid up Equity Share of the face value of ₹ 10/- each, at any time not exceeding 18 months from the date of allotment of the warrants in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other relevant authorities as may be applicable, to such extent on such terms and conditions as the Board may in its absolute discretion think fit, at a price (“Issue Price”) to be determined in accordance with the Regulation 76 (1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and as amended upto date, considering 30<sup>th</sup> August, 2011 as the Relevant Date for this purpose.

**FURTHER RESOLVED THAT** pursuant to Section 79 and other applicable provisions, if any, of the Companies Act, 1956, necessary application be made to the Hon’ble Company Law Board or such other authorities, for obtaining their approval to issue the above-mentioned Warrants and the resulting Equity Shares at such a price, as may be approved by them and acceptable to the above-mentioned Promoters and promoters’ group of the Company,

**FURTHER RESOLVED THAT** the issue of warrants shall be subject to the following terms and conditions:

1. The warrants shall be convertible (at the sole option of the warrant holders) at any time within a period of 18 months from the date of allotment of warrants;



2. Each warrant shall be convertible into one equity share of ₹ 10/- each;
3. The warrant holder(s) shall, on or before the date of allotment of the warrants, pay an amount equivalent of 25% of the warrant offer price determined in accordance with the SEBI (ICDR) Regulations, 2009, or such other price as may be approved by the Hon'ble Company Law Board or such other statutory authorities;
4. The warrant holder(s) shall, on the date of allotment conversion into equity shares, pay the balance 75% of the consideration towards the subscription to each equity share;
5. The amount referred to in (3) above shall be forfeited, if the option to acquire shares is not exercised.
6. The relevant date for the purpose of the pricing of issue of resultant shares in accordance with the SEBI (ICDR) Regulations, 2009, be fixed as 30th August, 2011.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to decide and approve, in the best interest of the Company, the other terms and conditions of the issue of convertible warrants/resultant equity shares and to vary, modify or alter any of the terms and conditions including the size of the issue, if required, as it may deem expedient, without being required to seek any further consent or approval of the Company in a General Meeting.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted upon the conversion of warrants and that the said equity shares shall be subject to the Memorandum and Article of Association of the company and shall rank pari-passu with the existing Equity shares of the Company from the date of conversion of the warrants into equity shares / coming into existence.

**FURTHER RESOLVED THAT** the Board / committee be and is hereby authorized to accept the terms, conditions and stipulations made by the regulatory authorities while granting approval to the company for the issue of warrants / securities as aforesaid.

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution to any director or directors or to any committee of director(s) or any other officer or officers of the company and to do all such acts, matters, things and deeds and to take all such steps and to do all such things and give all such directions as the board may consider necessary, expedient or desirable and also to settle any questions or difficulties or doubts that may arise in regard to the offer/issue, allotment and utilization of the proceeds and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient as the board, in its absolute discretion may deem fit and take all such steps which are incidental and ancillary in this regard."

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

**RE-APPOINTMENT OF MR. PRAKASH N. KELA AS THE EXECUTIVE CHAIRMAN:**

**"RESOLVED THAT** pursuant to the provisions of sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment or modification thereof) the members of the Company hereby accords its approval for the re-appointment of Mr. Prakash N. Kela as the Executive Chairman of the Company with effect from January 01, 2011 for a period of three years on the following terms and conditions:

**Basic salary:** ₹130,000/- per month (from January 01, 2011 till March 31, 2011), with an annual increment not exceeding 30%.

**Fixed Dearness allowance:** 30% of the salary amount.

**Incentive Bonus/Commission:** The appointee will be paid such amount by way of incentive bonus and/or commission in addition to the salary and perquisite payable calculated with reference to the net profit of the Company in a particular financial year as may be determined by the Board of Directors of the Company at the end of the financial year, subject to the overall ceilings stipulated under section 198, 309 of the Act and/or Schedule XIII as may be applicable from time to time.

**Perquisites**

**Category "A"**

- a) **Medical Reimbursement:** 8.33% of the basic salary per month towards medical expenses for self and family.
- b) **Leave Travel Allowance:** the yearly payment in the form of allowance shall be equivalent to one month's basic salary.
- c) The Company shall provide Group Insurance Scheme, in accordance with the Rules and Regulation of the Company.

*Explanation: Family means the spouse, dependent children and parents of the appointee.*

**Category “B”**

The following will not be considered as perquisites:

- a) Contributions by the Company to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.
- b) Payment of gratuity subject to an amount equal to half month's salary for each completed year of service.
- c) Encashment of Leave as per the Company's rules at the end of tenure.
- d) Provisions of car with driver for use on the Company's business and telephone and other communication facility at residence. However, personal, long distance calls and use of car for private purpose shall be billed by the Company.

**Other terms and Conditions:**

- a) **Minimum Remuneration:** In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the appointee shall be paid the above remuneration and perks as the Minimum Remuneration subject, however to the overall limits as per provisions contained in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, as may, for the time being, be in force.
- b) The office of Mr. Prakash N. Kela shall not be liable to determination by retirement of directors by rotation.
- c) **Leave:** in accordance with the Rules and Regulation of the Company.
- d) **Sitting fee:** Mr. Prakash N. Kela shall not be entitled to sitting fee for attending meetings of the Board of Directors or Committees thereof.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (on the recommendations of Remuneration Committee) be and are hereby authorised to revise, amend, alter and vary the terms and conditions relating to remuneration payable to the Executive Chairman a monthly remuneration payable within a maximum of ₹ 3,50,000/-, in such manner as may be permissible in accordance with the provisions of the Companies Act, 1956 and schedule XIII and any modification thereto and as may be agreed to by and between the Board of Directors and appointee.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to take all actions and steps expedient or desirable to give effect to this resolution.”

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

**RE-APPOINTMENT OF MR. YOGESH P. KELA AS THE MANAGING DIRECTOR:**

“**RESOLVED THAT** pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment or modification thereof) the members of the Company hereby accords its approval for the re-appointment of Mr. Yogesh P. Kela as the Managing Director of the Company with effect from January 01, 2011 for a period of three years on the following terms and conditions:

**Basic salary:** ₹ 180,000/- per month (from January 01, 2011 till March 31, 2011), with an annual increment not exceeding 30%.

**Fixed Dearness Allowance:** 30% of the salary amount.

**Incentive Bonus/Commission:** The appointee will be paid such amount by way of incentive bonus and/or commission in addition to the salary and perquisite payable calculated with reference to the net profit of the Company in a particular financial year as may be determined by the Board of Directors of the Company at the end of the financial year, subject to the overall ceilings stipulated under section 198, 309 of the Act and/or Schedule XIII as may be applicable from time to time.

**Perquisites**

**Category “A”**

- a) **Medical Reimbursement:** 8.33% of the basic salary per month towards medical expenses for self and family.
- b) **Leave Travel Allowance:** the yearly payment in the form of allowance shall be equivalent to one month's basic salary.
- c) The Company shall provide Group Insurance Scheme, in accordance with the Rules and Regulation of the Company.

**Explanation:** Family means the spouse, dependent children and parents of the appointee.

**Category “B”**

The following will not be considered as perquisites:

- a) Contributions by the Company to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.



- b) Payment of gratuity subject to an amount equal to half month's salary for each completed year of service.
- c) Encashment of Leave as per the Company's rules at the end of tenure.
- d) Provisions of car with driver for use on the Company's business and telephone and other communication facility at residence. However, personal, long distance calls and use of car for private purpose shall be billed by the Company.

**Other terms and Conditions:**

- a) **Minimum Remuneration:** In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the appointee shall be paid the above remuneration and perks as the Minimum Remuneration subject, however to the overall limits as per provisions contained in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, as may, for the time being, be in force.
- b) The office of Mr. Yogesh P. Kela shall not be liable to determination by retirement of directors by rotation, unless otherwise required.
- c) **Leave:** in accordance with the Rules and Regulation of the Company.
- d) **Sitting fee:** Mr. Yogesh P. Kela shall not be entitled to sitting fee for attending meetings of the Board of Directors or Committees thereof.

**“RESOLVED FURTHER THAT** as Managing Director of the Company, Mr. Yogesh P. Kela shall, subject to the supervision, control and directions of the Board of Directors of the Company, continue to exercise substantial powers of management and shall manage the business and affairs of the Company.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (on the recommendations of Remuneration Committee) be and are hereby authorised to revise, amend, alter and vary the terms and conditions relating to remuneration payable to Managing Director a monthly remuneration payable within a maximum of ₹ 4,00,000/-, in such manner as may be permissible in accordance with the provisions of the Companies Act, 1956 and schedule XIII and any modification thereto and as may be agreed to by and between the Board of Directors and appointee.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to take all actions and steps expedient or desirable to give effect to this resolution.”

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

**RE-APPOINTMENT OF MR. UMESH P. KELA AS AN EXECUTIVE DIRECTOR:**

**“RESOLVED THAT** pursuant to the provisions of sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment or modification thereof) the members of the Company hereby accords its approval for the re-appointment of Mr. Umesh P. Kela as an Executive Director of the Company with effect from January 01, 2011 for a period of three years on the following terms and conditions:

**Basic salary:** ₹ 150,000/- per month (from January 01, 2011 till March 31, 2011), with an annual increment not exceeding 30%.

**Fixed Dearness allowance:** 30% of the salary amount.

**Incentive Bonus/Commission:** The appointee will be paid such amount by way of incentive bonus and/or commission in addition to the salary and perquisite payable calculated with reference to the net profit of the Company in a particular financial year as may be determined by the Board of Directors of the Company at the end of the financial year, subject to the overall ceilings stipulated under section 198, 309 of the Act and/or Schedule XIII as may be applicable from time to time.

**Perquisite**

**Category “A”**

- a) **Medical Reimbursement:** 8.33% of the basic salary per month towards medical expenses for self and family.
- b) **Leave Travel Allowance:** the yearly payment in the form of allowance shall be equivalent to one month's basic salary.
- c) The Company shall provide Group Insurance Scheme, in accordance with the Rules and Regulation of the Company.

**Explanation:** Family means the spouse, dependent children and parents of the appointee.

**Category “B”**

The following will not be considered as perquisites:

- a) Contributions by the Company to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.

- b) Payment of gratuity subject to an amount equal to half month's salary for each completed year of service.
- c) Encashment of Leave as per the Company's rules at the end of tenure.
- d) Provisions of car with driver for use on the Company's business and telephone and other communication facility at residence. However, personal, long distance calls and use of car for private purpose shall be billed by the Company.

**Other terms and Conditions:**

- a) **Minimum Remuneration:** In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the appointee shall be paid the above remuneration and perks as the Minimum Remuneration subject, however to the overall limits as per provisions contained in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, as may, for the time being, be in force.
- b) The office of Mr. Umesh P. Kela shall not be liable to determination by retirement of directors by rotation, unless otherwise required.
- c) **Leave:** in accordance with the Rules and Regulation of the Company.
- d) **Sitting fee:** Mr. Umesh P. Kela shall not be entitled to sitting fee for attending meetings of the Board of Directors or Committees thereof.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (on the recommendations of Remuneration Committee) be and are hereby authorised to revise, amend, alter and vary the terms and conditions relating to remuneration payable to Executive Director a monthly remuneration payable within a maximum of ₹ 3,75,000/-, in such manner as may be permissible in accordance with the provisions of the Companies Act, 1956 and schedule XIII and any modification thereto and as may be agreed to by and between the Board of Directors and appointee.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to take all actions and steps expedient or desirable to give effect to this resolution.”

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

**ALTERATION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY:**

“**RESOLVED THAT** pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, Article No. 115 and 157 of the Articles of Association of the Company be and are hereby altered and substituted by the following Articles and shall read as follows:

115. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than twelve.

The present Directors of the Company are:

- 1. Mr. Prakash N. Kela
- 2. Mr. Yogesh P. Kela
- 3. Mr. Umesh P. Kela
- 4. Mr. Deviprasad Taparia
- 5. Mr. Navin C. Chokshi
- 6. Mr. Vilas R. Shah

157. Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by any one Director or some other person appointed by the Board for the purpose provided that in respect of the Share Certificate the Seal shall be affixed in accordance with Article 21(a).”

“**RESOLVED FURTHER THAT** any Director of the Company for the time being be and is hereby authorised to do all necessary acts and deeds for giving effect to the aforesaid resolution.”

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 12th August, 2011

**Prakash N. Kela**  
Chairman





## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
4. The Explanatory Statement pursuant Section 173 (2) of the Companies Act, 1956 is attached and forms part of this notice.
5. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
6. Brief resume of Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the "Annexure A" to the Notice.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote
8. The Register of Directors' Shareholding, maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.
9. The Register of Members and Share Transfer Books will remain closed from September 24, 2011 to September 29, 2011 (both days inclusive).
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Bigshare Services Private Limited, E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072, India, for consolidation into a single folio.
11. With respect to shares lying in the suspense Account in terms of Clause 5A(l) of the Listing Agreement, the following are the details :

Sr. No.	Description	No. of Shareholders	No. of Equity Shares.
1	Aggregate No. of Shareholders & Shares pending as on 01.04.2010.	01	1000
2	No. of Shareholders who approached for transfer of shares from suspense account during the year.	Nil	Nil
3	No. of Shareholders and Shares transferred from suspense account during the year.	Nil	Nil
4	No. of Shareholders and Shares outstanding at the end of year. (31.03.2011)	01	1000

12. **Members/Proxy holders are requested to bring their copies of the Annual Report with them to the Annual General Meeting.**
13. Members are requested to send to the Company their queries, if any, on accounts and operations of the Company at least 10 days before the meeting to enable the Company to provide the required information.
14. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
15. **GLORY** is concerned about the environment and utilizes natural resources in a sustainable way. Recently, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17 / 2011 and 18 / 2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send documents like the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report, etc to the email address provided by you with the relevant depositories.

We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email.



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

### Item No. 5

To augment long-term resources and for general corporate purposes, working capital requirements of the Company, as may be decided by the Board, the Company proposes to raise funds by way of issue of upto 35,31,852 (Thirty-Five Lac Thirty-one Thousand Eight Hundred Fifty Two) Optionally Fully Convertible Warrants (hereinafter referred as "Warrants") to one or more of the following persons viz. 1) Mr. Prakash N. Kela 2) Mr. Umesh P. Kela and 3) Mrs. Abhilasha Y. Kela, (All individual are promoters / Promoter Group of the Company), in one or more tranches, with an option to the holder of each such warrant to apply for and be allotted one fully paid up Equity Share of the face value of ₹ 10/- each, at any time not exceeding 18 months from the date of allotment of the warrants in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other relevant authorities as may be applicable, at a price to be determined in accordance with the Regulations for Preferential Issues contained in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and as amended upto date, considering 30th August, 2011 as the Relevant Date for this purpose, on preferential basis to the Proposed Allottees.

Letter of Intent from the proposed allottees agreeing to subscribe to the offer has been received by the Company.

The Issue Price shall not be lower than the price determined in terms of Regulation 76 (1) of the SEBI ICDR Regulations, 2009 and the Board shall be authorized to finalize the issue price, as they shall at their discretion deem fit, in consultation with proposed allottees.

The "Relevant Date" for determining the issue price of the resultant equity shares to be allotted against warrants shall be 30th August, 2011, being the date which is 30 days prior to the date of passing this resolution. The issue price as per the Regulations is arrived at ₹ 3.82 per warrant / Equity Share or such other price as may be approved by the Hon'ble Company Law Board or such other Authorities, to be acceptable to the subscribing Promoters/ Promoter group, taking into account the Equity Share will be considered to be issued at a discount. The Company is in the expansion and requires necessary long-term capital to meet with the special circumstances.

In terms of regulation 73 (1) of the SEBI ICDR Regulations, the Company submits / make disclosure as under:

#### (1) (a) Objects of the Issue

The funds proposed to be raised are to augment long-term resources and for general corporate purposes, working capital requirements of the Company as may be decided by the Board.

#### b) Intention of Promoters/Directors/Key Management Persons to subscribe to the offer:

Mr. Prakash N. Kela, Mr. Umesh P. Kela, and Mrs. Abhilasha Y. Kela promoters / promoters group of the Company is intending to subscribe for the warrants to the extent of 35,31,852 warrants to be converted into equity shares within 18 months from the date of the issue. Further the promoter may convert the warrants in one or more tranches such that they shall not acquire the voting rights so as to attract the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

The shares/warrants are proposed to be allotted in the following manners:

Sr. No.	Name	No. of Warrants (1st tranche)	No. of Warrants (2nd tranche)	Total No. of Warrants
1.	Mr. Prakash N. Kela	8,80,592	7,67,606	16,48,198
2.	Mr. Umesh P. Kela	6,28,994	5,48,290	11,77,284
3.	Mrs. Abhilasha Y. Kela	3,77,396	3,28,974	7,06,370
	<b>Total</b>	<b>18,86,982</b>	<b>16,44,870</b>	<b>35,31,852</b>

The allotment would not result in any change in the control or management of the affairs of the company. However there will be consequential change in the voting rights/ shareholding of the Company.



**(c) Tentative Shareholding Pattern of the Company before and after the proposed issue**

Category	Pre - Issue shareholding		Post – issue / conversion shareholding (on tentative basis)* 2011-12		Post – issue / conversion shareholding (on tentative basis)* 2012-13	
	No. of shares	% to the total capital	No. of shares	% to the total capital	No. of shares	% to the total capital
<b>Promoters and Promoter Group (A) -</b>						
Indian Promoters & Promoters' group –						
Mr. Prakash N. Kela	24,03,910	4.04	32,84,502	5.35	40,52,108	6.44
Mr. Umesh P. Kela	20,83,228	3.50	27,12,222	4.42	32,60,512	5.16
Mrs. Abhilasha Y. Kela	156	-	3,77,552	0.62	7,06,526	1.12
Mr. Yogesh P. Kela	30,63,098	5.15	30,63,098	4.99	30,63,098	4.87
Mr. Kishore N. Kela	13	-	13	-	13	-
Mrs. Vandana N. Kela	13	-	13	-	13	-
<b>Sub Total</b>	<b>75,50,418</b>	<b>12.69</b>	<b>94,37,400</b>	<b>15.38</b>	<b>1,10,82,270</b>	<b>17.59</b>
Institutional Investors –						
Mutual Funds and UTI	NIL	NIL	NIL	NIL	NIL	NIL
FIs/Banks,	NIL	NIL	NIL	NIL	NIL	NIL
Insurance Cos	NIL	NIL	NIL	NIL	NIL	NIL
FII's	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
Others –						
Private Corporate Bodies	1,17,44,408	19.75	1,17,44,408	19.14	1,17,44,408	18.65
Indian Public NRI/OCBs	4,00,64,100	67.37	4,00,64,100	65.30	4,00,64,100	63.59
Clearing Member	1,09,222	0.19	1,09,222	0.18	1,09,222	0.17
Any other (GDR)	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub Total</b>	<b>5,19,17,730</b>	<b>87.31</b>	<b>5,19,17,730</b>	<b>84.62</b>	<b>5,19,17,730</b>	<b>82.41</b>
<b>Grand Total</b>	<b>5,94,68,148</b>	<b>100</b>	<b>6,13,55,130</b>	<b>100</b>	<b>6,30,00,000</b>	<b>100.00</b>

**(d) Proposed time within which the allotment shall be complete:**

In accordance with Regulation 74 (1) of the SEBI ICDR Regulations, 2009, the Company shall complete the allotment within 15 days of passing of the resolution by the members, provided that the time for allotment shall be extended by the time taken for obtaining approval for such allotment from any regulatory authority.

**(e) The Identity of the proposed allottee and the percentage of post Preferential issued capital that may be held by them:**

After the conversion of these warrants into equity shares, the holding of proposed allottees will be as follows.

Identity of the Proposed Allottees	No. of Warrants to be allotted	No. of Shares Post allotment	% of Shareholding Post-Issue / conversion
Mr. Prakash N. Kela	16,48,198	40,52,108	6.44
Mr. Umesh P. Kela	11,77,284	32,60,512	5.16
Mrs. Abhilasha Y. Kela	7,06,370	7,06,526	1.12

*Note: It is assumed that the allottee of warrants would exercise his/her entire entitlement in one or more tranches of conversions.*

- (f) The Company undertakes to re-compute the price of the Equity Shares in terms of the provisions of the SEBI ICDR Regulations, 2009, if required to do so, to comply with any provisions and that if the amount payable on re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the Equity Shares shall continue to be further locked-in till the time amount is paid by the allottee.

**(2) Certificate from Statutory Auditors:**

The Statutory Auditors' Certificate as mandated under Regulation 73 (2) of the SEBI ICDR Regulations, 2009 shall be placed before the shareholders at the meeting.

The Statutory Auditors of the Company M/s. Mittal & Associates, Chartered Accountants, have certified that the issue of Equity Shares/convertible warrant is being made in accordance with the requirements contained in the regulations for Preferential allotment of Shares etc. framed under the SEBI ICDR Regulations, 2009. Copy of Auditors' Certificate is available for inspection of members at this meeting.

**(3) Conversion period & Terms of Payment**

An amount, as may be decided by the Board of Directors, not less than 25% of the issue price or such other amount as may be prescribed by SEBI from time to time, shall be payable upon subscription to the warrants. The warrants would be allotted on the following terms:

- The holder of warrants will be entitled to apply for and be allotted, in one or more tranches, 1 (one) equity share of the Company per warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment. Upon exercise of the right to subscribe for equity shares, the warrant holders shall be liable to make the payment of the balance sum per warrant (being 75% or less as the case may be of the issue price) towards subscription to each equity share, as may be applied. The amount paid against warrants shall be adjusted / set-off against the issue price of the resultant equity shares.
- Upon receipt of the payment as above, the Board (or a Committee thereof) shall allot one equity share per warrant by appropriating ₹ 10/- towards equity share capital and the balance amount paid against each warrant, towards the securities premium.
- If the entitlement against the warrants to apply for the equity share is not exercised within 18 months from the date of allotment, then such warrants along with the rights attached thereto shall expire and any amount paid on such warrants shall stand forfeited.
- The warrant holders shall also be entitled to any future issue of bonus/rights, if any, of equity shares or warrants convertible into equity shares or such other securities by the Company, in the same proportion and manner as any other member of the Company for the time being and the Company shall reserve proportion of such entitlement for the warrant holders.
- The warrant by itself does not give to the holder(s) thereof any rights of the members of the Company.
- The equity shares issued as above shall rank pari passu in all respects with the then existing equity shares of the Company including dividend. The equity shares and warrants shall be subject to the Memorandum and Articles of Association of the Company.

**(4) Lock-in Period**

The warrants issued and allotted on a preferential basis to the promoters / promoter group and the shares allotted on exercise of the warrant will be subject to lock-in for an aggregate period of three years from the date of allotment of the securities as per the provisions of regulation 78 (1) of the SEBI ICDR Regulations, 2009.

The present resolution is proposed to be passed in order to enable the Board of Directors of the Company to make the above-mentioned preferential issue and allotment. The consent of the members of the company, by way of a special resolution is required, for items enumerated at item no. 5.

The Board believes that the proposed offer will be in the best interest of the Company and its members. The Members are, therefore requested to accord their approval to the proposed resolution set out at Item No. 5 by way of special resolution.

None of the Directors of the Company, except Mr. Prakash N. Kela, Mr. Yogesh P. Kela, and Mr. Umesh P. Kela, are deemed to be concerned or interested in the said resolutions to the extent of the shares held by them in the Company.

**Item No. 6, 7 & 8:**

The Board of Directors of the Company on the recommendation of the remuneration committee, at their meeting held on 13th November, 2010, re-appointed Mr. Prakash N. Kela, Mr. Yogesh P. Kela, and Mr. Umesh P. Kela and as the Executive Chairman, Managing Director and Executive Director of the Company, respectively for a further period of Three years from 01st January, 2011 on such terms and conditions as set out in the respective resolutions, further resolved on 12th August, 2011.



Your Directors recommend the said resolutions, to be passed as Special Resolutions, for your approval.

None of the Directors of the Company, except Mr. Prakash N. Kela, Mr. Yogesh P. Kela, and Mr. Umesh P. Kela, are deemed to be concerned or interested in the said resolutions in their individual appointment and in relation to the appointment of the other two persons being relatives among themselves. Mr. Prakash N. Kela is father of Mr. Yogesh P. Kela, and Mr. Umesh P. Kela. A detailed annexure about the appointees, as required under Schedule XIII of the Act and Clause 49 of the Listing Agreement are annexed, and forms part of the Notice

The above information with respect to revision of the terms and conditions of the re-appointment of these managerial personnel be treated as abstract under Section 302 of the Act.

**Item No. 9:**

**Alteration of Articles of Association of the Company:**

In view of the change in the Board of Directors of the Company, Article No. 115 of the Articles of Association of the Company, is proposed to be altered for furnishing the Present Directors of the Company.

The existing Article No.157 of the Articles of Association of the Company with respect to the execution of deeds and affixation of Common Seal of the Company is proposed to be altered with regard to the persons who are authorised by the Company to sign on such documents when the common Seal of the company is required to be affixed, in order to achieve administrative convenience.

Your Directors recommend the said resolutions, to be passed as Special Resolution, for your approval.

None of the Directors of the Company are in any way deemed to be concerned or interested to the extent of the shares held by them in the Company

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 12th August, 2011

**Prakash N. Kela**  
Chairman

**Annexure I**

**Additional information on Directors recommended for appointment or seeking re-election/ appointment at the Annual General Meeting (in terms of Clause 49 of the Listing Agreement):**

<b>PARTICULARS</b>	<b>Mr. Deviprasad Taparia</b>	<b>Mr. Yogesh P. Kela</b>	<b>Mr. Umesh P. Kela</b>	<b>Mr. Prakash N. Kela</b>
<b>Date of Birth</b>	24.10.1950	18.03.1975	03.09.1977	23.03.1950
<b>Date of appointment</b>	02.12.2005	15.12.1997 (Since Incorporation)	15.12.1997 (Since Incorporation)	30.11.2000
<b>Qualification &amp; Experience in specific functional area</b>	Graduate having rich experience in Manufacturing & Administration	Graduate having rich experience in the business of Multilayer Blown film Extrusion & Flexible Laminates	B.E & Diploma in Business Management Rich Experience in Production and finance Function	B.Com. Rich experience in Multilayer Blown film Extrusion & Flexible Laminates and an overall Business experience of 35 years.
<b>Directorships held in other Public Companies</b>	Four	Nil	Nil	Nil
<b>Memberships/ Chairmanships of committee in other Public companies</b>	Nil	Nil	Nil	Nil
<b>Shareholding, if any, in the Company</b>	Nil	30,63,098 (As on 30.06.2011)	19,73,228 (As on 30.06.2011)	24,03,910 (As on 30.06.2011)

## Annexure II

### Additional Information as required under Schedule XIII - Part II (B) to the Companies Act, 1956 :

#### I. General Information

- i) **Nature of Industry:** Manufacturing of Polyfilms.
- ii) **Financial Performance:** During the year ended on 31st March, 2011, the Company has earned a net profit coming after depreciation and tax of ₹ 50.72 Lacs.
- iii) **Export Performance and net Foreign Collaborations:** NIL
- iv) **Foreign Investment and collaborations:** Nil

#### II. Information about the appointees

##### A. Mr. Prakash N. Kela

	Information	
1.	<b>Background Details</b>	Mr. Prakash N. Kela, the Executive Chairman of the Company is of 61 years of age. He is one of the promoters of the company and has been associated with the company since 30th November, 2000. Mr. Prakash N Kela is a Commerce Graduate from the Pune University. He has 30 years' experience in Multilayer Blown film Extrusion & Flexible Laminates and an overall Business experience of 35 years. He looks after the overall Policy Planning and its implementation and also provides broad directives for administration of the company. He has been instrumental in development and growth of the company. He is a whole time Director of the Company and has been appointed as an Executive Chairman of the Company for a period of 3 years with effect from 01st January, 2011.
2.	<b>Past Remuneration F.Y. 09-10</b>	Paid ₹12,00,000/- for the Financial year 2009-2010.
3.	<b>Recognition or awards</b>	Nil
4.	<b>Job Profile and his suitability</b>	Chairman and Executive Director and his suitability is as mentioned under S.No.1 above.
5.	<b>Remuneration proposed</b>	Not exceeding ₹ 42,00,000/- per annum or ₹ 3,50,000/- per month.
6.	<b>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and persons:</b>	The proposed remuneration commensurates with respect to Industry and on account of the rich experience of the appointee to retain and reward.  Considering the appointee's acumen and experience in Film Extrusion and Flexible Laminates, the Company has successfully ventured into core poly films manufacturing and it is proposing to enter into various other Diversified as well as Ancillary Activities.
7.	<b>Pecuniary relationship directly or indirectly with the company, or relationship with the Managerial personnel</b>	For quality and assured delivery, the Company obtains packings through Associate Concern Immense Packaging Private Limited' in addition to availing from outsiders at relevant prevailing market price.  Father of Mr. Yogesh P. Kela, Managing Director and Mr. Umesh P. Kela, Executive Director of the Company.



### B. Mr. Yogesh Kela

	Information	
1.	<b>Background Details</b>	Mr. Yogesh P. Kela, the Managing Director of the Company is of 36 years of age. He is one of the founder promoters of the company and has been actively associated with the company since incorporation. Mr. Yogesh P Kela is a commerce graduate from the Pune University. He looks after the Purchase, Marketing & Administrative functions of the Company. He has an overall experience of 13 years in the business of Multilayer Blown film Extrusion & Flexible Laminates. He is a whole time Director of the Company and has been appointed as a Managing Director of the Company for a period of 3 years with effect from 01st January, 2011.
2.	<b>Past Remuneration F.Y. 09-10</b>	Paid ₹ 24,00,000/- for the Financial year 2009-2010.
3.	<b>Recognition or awards</b>	Nil
4.	<b>Job Profile and his suitability</b>	Managing Director and his suitability is as mentioned under S.No.1 above.
5.	<b>Remuneration proposed</b>	Not exceeding ₹ 48,00,000/- per annum or ₹ 4,00,000/- per month.
6.	<b>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and persons:</b>	The proposed remuneration commensurates with respect to Industry and on account of the rich experience of the appointee to retain and reward.  Considering the appointee's experience in Purchase, Marketing & Administrative functions in the field of Polyfilms manufacturing and further the Company is proposing to enter into various other Diversified as well as Ancillary Activities.
7.	<b>Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial personnel</b>	For quality and assured delivery, the Company obtains packings through Associate Concern 'Immense Packaging Private Limited' in addition to availing from outsiders at relevant prevailing market price.  Son of Mr. Prakash N. Kela, Executive Chairman and brother of Mr. Umesh P. Kela, Executive Director of the Company.

### C. Mr. Umesh P. Kela

	Information	
1.	<b>Background Details</b>	Mr. Umesh P. Kela, the Executive Director of the Company is of 33 years of age. He is one of the founder promoters of the Company along with Mr. Yogesh P. Kela and has been associated with the working of the Company since incorporation. Mr. Umesh P. Kela holds a Bachelor of Engineering Degree in Production Engineering from Mumbai University and Diploma in Business Management from S P Jain Institute of Management Sciences, Mumbai. He is handling Production Department and finance function and is looking after Customer Service. He has an overall experience of 12 years in the business of Multilayer Blown film Extrusion & Flexible Laminates. He is a whole time Director of the Company and has been re-appointed as an Executive Director of the Company for a period of 3 years with effect from 01st January, 2011.
2.	<b>Past Remuneration F.Y. 09-10</b>	<b>Paid ₹ 24,00,000/- for the Financial year 2009-2010.</b>
3.	<b>Recognition or awards</b>	Nil
4.	<b>Job Profile and his suitability</b>	Executive Director and his suitability is as mentioned under S.No.1 above.
5.	<b>Remuneration proposed</b>	Not exceeding ₹ 45,00,000/- per annum or ₹ 3,75,000/- per month.

6.	<b>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and persons:</b>	The proposed remuneration commensurates with respect to Industry and on account of the rich experience of the appointee to retain and reward.  Considering the appointee's experience in Production and finance Department function and also Customer Servicing in the field of Polyfilms manufacturing and further the Company is proposing to enter into various other Diversified as well as Ancillary Activities.
7.	<b>Pecuniary relationship directly or indirectly with the company, or relationship with the Managerial personnel</b>	For quality and assured delivery, the Company obtains packings through Associate Concern 'Immense Packaging Private Limited' in addition to availing from outsiders at relevant prevailing market price.  Son of Mr. Prakash N. Kela, Executive Chairman and brother of Mr. Yogesh P. Kela, Managing Director of the Company.

**III. Other Information:**

- (1) **Reasons for inadequate profits:** The performance was impacted on account of volatility in raw material prices, which largely depends on the movement of crude oil prices, and specially in the last quarter of the financial year, against which your Company's performance can be considered modest.
- (2) **Step taken or proposed to be taken for improvement:** The Company is exploring the possibilities of exporting its products to various countries and the Board has initiated the required marketing strategies in this regard. The Company has already participated in international Trade-Fair in Germany. The Company is exploring by bringing additional capital for attaining economy of scale, cost reduction and passing of the increased cost to the customer with competitive pricing, which will result in reducing the cost and improve the profitability.
- (3) **Expected increase in productivity and profit in measurable terms:** With the improved market conditions along with the cost-control measures turned around for improved performance in the past. The Company is continuously exploring other Business opportunities and the Company could expect to improve its performance to a great extent. The details of improved performance is as detailed below :

(₹ in lacs)

Fin. Year ended	Turnover	Profit Before Tax	Profit After Tax	Dividend+CDT	Bonus Shares	Remark
31st March, 2008	6238.77	520.01	401.00	Nil	Nil	-
31st March, 2009	8146.08	606.95	506.02	Nil	Nil	-
31st March, 2010	11630.79	750.79	395.66	Nil	Nil	-





## DIRECTORS' REPORT

To  
The Shareholders,  
Glory Polyfilms Limited

Your Directors are pleased to present the 14th Annual Report and the Audited Statements of Accounts for the year ended 31st March, 2011, and the Auditors' Report thereon.

### Financial Results

Particulars	(₹ in Lac)	
	2010-11	2009-10
Total Income	16798.50	11476.29
Total Expenditure	14830.08	9732.99
Profit before Interest, Depreciation & Tax (PBDIT)	1968.42	1744.00
Depreciation	903.18	304.64
Interest & Financial Charges	597.01	688.57
Exchange loss on Issue of GDR	296.50	Nil
Profit Before Tax (PBT)	171.71	750.79
Provision for Taxation	120.99	355.13
Profit after Tax (PAT)	50.72	395.66

In the year under review, your Company has recorded a total income of ₹ 16,798.50 lacs (previous year ₹ 11,476.29 lacs), representing an increase of approximately 46.38%. Profit before tax decreased by 77.13% to ₹ 171.71 lacs (previous year ₹ 750.79 lacs). The performance was impacted on account of volatility in raw material prices, which largely depends on the movement of crude oil prices, and specially in the last quarter of the financial year, against which your Company's performance can be considered modest.

### Dividend

Your Directors have not recommended payment of any dividend for the year, to plough back the available profits, towards the fund requirements of the Company.

### Authorised Share Capital & Global Depository Receipts (GDRs) Issue

In August, 2010 the Company came out with the second issue of 35,00,000 Global Depository Receipts (GDRs) through the Luxemburg Stock Exchange at a price of US\$ 3.5 per GDR and raised US\$ 12.25 million pursuant to the Offering Circular dated 24th August, 2010 and GDRs are listed on LuxSE and are traded on the Euro MTF. Each GDR represents 10 (Ten) Equity Shares of ₹ 10/- each. The underlying Equity Shares equivalent to 3,50,00,000 Equity Shares of ₹ 10/- each were allotted on 24th August, 2010 by the Board of Directors and were listed with NSE and BSE with effect from 16th September, 2010. To accommodate the said issue, the Authorised Share Capital of the Company was increased from ₹ 32,00,00,000/- (Rupees Thirty Two Crore Only) to ₹ 63,00,00,000/- (Rupees Sixty Three Crore Only) at the Extraordinary General Meeting of the Members of the Company held on 29th March, 2010.

### Manpower Development Process

The Company's Human Resource Division has finalized an organization structure that supports the vision and strategy of the Company. The organization structure is divided into five bands: Strategic, Operational, Manager, Executive and Support, which have been further divided into various levels. All Glory employees are assigned a level under a particular band depending upon their role, impact and criticality of job and the contribution to the Company's strategy.

### Particulars of Employees

None of the employees fall under the purview of the provision of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended.

## **Auditors**

### **a) Internal Auditors**

The Internal Auditors, M/s. A D V & Associates, Chartered Accountants, Mumbai have conducted the internal audits periodically and submitted their reports to the Audit Committee. Their reports have been reviewed by the Audit Committee and the Statutory Auditors.

### **b) Statutory Auditors**

M/s. Mittal & Associates, Chartered Accountants, Mumbai, the Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limit under Section 224 (1) (B) of the Companies Act, 1956. Your Directors recommend the re-appointment of M/s. Mittal & Associates, as the Auditors of the Company, at the ensuing Annual General Meeting.

### **c) Auditors' Report**

With respect to the comments on the Statement of Account referred to in Report of Auditors, your Directors reply as under:

#### **Auditors' Comments :**

1. Sr. No. 4 (d).....comply with the applicable Accounting Standards (except for AS-15 in respect of employee benefits);
2. Sr. No. 4 (f)..... non provision of doubtful advances of ₹ 38 Lacs;
3. Sr. No. v(b) of the Annexure to Auditors' Report....transactions for purchase / sale of goods made on Credit basis, at prices which are reasonable; and
4. Sr. No. (xi) of the Annexure to Auditors' Report....the Company has made delayed payment of Installments of term loan taken from State Bank of India during the year and the Installment for the month of March, 2011 is still outstanding.

#### **Reply :**

1. Provision for gratuity has not been made on the basis of actuarial valuation. The same will be accounted in the year of resignation / termination of services of the employees concerned;
2. With respect to non-provision of doubtful advances of ₹ 38 Lacs, the Company is making its final attempt to recover the said outstanding and the recovery process is in progress;
3. With respect to the sale or purchase of goods made on credit basis to a party, entered in the Register under Section 301 of the Act, the transaction are on the same terms and conditions to the credit period and pricing like any other parties and further the same does not fall within Section 297 of the Act; and
4. The Board of Directors have laid out necessary mechanism for timely payment of the installments of the Term Loans availed from State Bank of India and has paid the installments for the month of March, 2011, subsequently.

## **Directors**

The Board at its meeting held on November 13, 2010 re-appointed Mr. Prakash N. Kela as the Executive Chairman, Mr. Yogesh P. Kela as the Managing Director and Mr. Umesh P. Kela as the Executive Director for a further period of 3 years with effect from 01st January, 2011. Approval of the Members for their re-appointment is being sought and forms part of the Notice of the ensuing 14th Annual General Meeting of the Company.

In accordance with the requirement of the Companies Act, 1956 and Articles of Association of the Company, Mr. Yogesh P. Kela and Mr. Deviprasad Taparia, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Mr. Sanjeev A. Jain has resigned as a Director of the Company, and the Board of Directors have accepted the same with effect from 13th August, 2011 and the Board records its appreciation for his contributions as a Director of the Company.

### **Directors' Responsibility Statement**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors state:

- (i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed, with explanation for deviation, if any;



- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2011 and of the Profit of the Company for that financial year;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the Directors have prepared the Annual Accounts on a going concern basis.

#### **Report on Corporate Governance**

A detailed report on Corporate Governance has been provided elsewhere in the Annual Report, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

#### **Management Discussion and Analysis**

A separate section on Management Discussion and Analysis, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is given in the Annual Report.

#### **Fixed Deposits:**

The Company has taken / availed unsecured loans from Directors and others to meet with the fund requirements for the business of the company. The Company has filed necessary Statement in lieu of Advertisement and complied with the requirements of Section 58A of the Companies Act, 1956 and applicable Rules made thereunder.

#### **Conservation of Energy & Technology Absorption, Foreign Exchange Earning and Outgo:**

As required under Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo are set out in Annexure to this Report.

#### **Disclosure under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997:**

The following are the details of the shareholding, pursuant to Regulation 3(1)(e) of the SEBI (SAST) Regulations, of the promoters in the Company, for the purpose of availing exemption under inter-se transfer of shares :

<b>Name of Promoters</b>	<b>No. of Shares</b>	<b>%</b>
Mr. Prakash N. Kela	24,03,910	4.04
Mr. Yogesh P. Kela	30,63,098	5.15
Mr. Umesh P. Kela	20,83,228	3.50
Mr. Kishore N. Kela	13	-
Mrs. Abhilasha Kela	156	-
Mrs. Vandana Kela	13	-
<b>Total</b>	<b>7550418</b>	<b>12.69</b>

## **Acknowledgement**

Your Directors place on record their appreciation of the support extended by customers, investors, bankers, business associates, vendors and various government agencies. The Directors also sincerely acknowledge the significant contributions made by all the employees for their dedicated services to the Company

For and on Behalf of the Board of Directors

Place: Mumbai  
Date: 12th August, 2011

**Prakash N. Kela**  
Chairman

**ANNEXURE TO THE DIRECTORS' REPORT****I. CONSERVATION OF ENERGY****FORM A**

<b>Power and Fuel Consumption</b>	<b>Year ended 31.03.2011</b>	<b>Year ended 31.03.2010</b>
Electricity –		
Total Units	4458764	2181600
Amount (₹ In lacs)	142.35	79.15
Rate Per Unit (₹)	3.19	3.63
Consumption per unit of Production (in unit/kg.)		0.95
Own Generation – (Through Diesel Generator)		
Total Units (in liters)	Nil	115673
Amount (₹ In lacs)	Nil	17.05
Rate Per Unit (₹)	Nil	14.74

**Form 'B'****II. Technology Absorption & Research & Development****1) Specific area in which R & D carried out by the Company:**

During the year under review, efforts were made in the following areas with the objective of optimizing process systems and adopting parameters that ensure product improvement and cost reduction:

- Total Quality Management (TQM) rolled out in the Company resulted in process improvements and new methods of increasing production and manpower efficiencies across divisions.
- Energy saving measures like single tank condensate, natural draft cooling tower and improved lighting system led to energy conservation and natural energy source optimization initiatives.
- Renewed focus on safety measures and proper training resulted in reduced wastage of resources and avoidance of unfortunate incidents thus increasing overall efficiency.
- Reducing cost of materials, effecting import substitution, simplifying processes and achieving time savings.
- Quality improvements and up-gradation of raw material suppliers.

**2) Benefits derived as a result of the above R & D:**

- High quality, value added and cost effective multilayer films & laminates preferred by the consumers were developed.
- Reduction in cost of raw materials and packaging materials and higher productivity.
- Significant reduction in the emission of pollutants into environment; use of clean methods of energy generation.
- Improved quality of products and thereby strong market position and premium positioning of the products.

**3) Future plan of action:**

The Company will continue to pursue its R&D work on developing high quality products to meet the ever changing consumer needs and on adding value to our existing products.

**4) Expenditure on R & D:**

Charged to the respective heads of accounts and not allocated separately.

**III. Foreign Exchange Earning and Outgo**

The Company is exploring the possibilities of exporting its products to various countries and the Board has initiated the required marketing strategies in this regard. Your Directors are optimistic for a better overall performance with the penetration of new markets abroad. The Company has participated in trade-fair in Germany.

Foreign Exchange Earned	₹ Nil
Foreign Exchange used	₹ 21,00,56,211/- (import of Raw Material) & ₹ 20,19,84,779/- (Capital Goods)

For and on Behalf of the Board of Directors

Place: Mumbai  
Date: 12th August, 2011

**Yogesh Kela**  
Managing Director

**Umesh Kela**  
Executive Director



## MANAGEMENT DISCUSSION AND ANALYSIS

### Packaging Industry

The continuing current wave of economic development in India is being seen from all over the world., as infrastructure, manufacturing, agriculture, and services continue to grow at high rates, despite economic slow down across the globe, the packaging industry is also showing great variety and depth in its growth. India's packaging industry may achieve an annual turnover as high as US\$ 5 billion in the current financial year with a growth rate nearly 25 per cent in significant segments. Leading companies in the Indian packaging industry show a compound annual growth rate of 30 percent and the Indian Rupee is strengthening against the US dollar at annual rate of 4 to 5 per cent. Even then, the US\$ 5 billion figure would represent about one per cent of the current global packaging industry.

In 2001, the packaging industry worldwide generated an annual estimated turnover of US\$ 417 billion. The major regions that made up this total include Europe, US\$ 129 billion; North America, \$116 billion; and Japan, US\$ 81 billion. India's consumer packaging accounted for just US\$ 2.3 billion in that year, that is about half of one per cent of the global packaging volume. With the slow down in US and Europe markets, the effectiveness of Indian market is yet to be experienced.

### Packaging in India

Packaging, like any other Industry evolves to produce more quickly and efficiently. It is generally lighter in weight, uses less material, is easier to open, dispense from, reseal, store, and dispose. Packaging has evolved from a relatively small range of heavy, rigid containers made of wood, glass, and steel, to a broad array of rigid, semi rigid and flexible packaging options increasingly made from specialized lightweight materials.

### Flexible Packaging

Flexible packaging consists of multi-layer laminated sheets of plastics (PVC, LDPE, HDPE, BOPP, BOPET), paper, cloth, or metal foils that are used separately or in combination for various packaging applications. However, this article discusses flexible packaging as laminates of plastics that have a unique set of properties that ensure toughness, moisture resistance, aroma retention, gloss, grease resistance, heat sealability, printability, low odour and taste. These find use in packaging food, tea, coffee, spices, chewing tobacco, bakery, confectionary, oils, and in certain other non-food applications such as household detergents, health and personal care, soaps, and shampoos.

### Flexible Packaging Demand in India and Worldwide

World demand for converted flexible packaging will grow at more than 4 per cent per year to nearly 14 million metric tons, with a value exceeding US\$ 50 billion. The best gains are expected in the world's emerging markets, including Eastern Asia, Eastern Europe, Africa, and Middle East. India holds largely untapped markets with a potential of double digit market growth. The flexible packaging industry in India is currently estimated to be US\$ 1 billion and records a high growth rate of approximately 20 per cent.

The expansion of the Indian flex-pack market has accelerated due to:

- A growing middle class of over 300 million.
- The conversion of the more traditional rigid packaging into flexible forms.
- A favourable government tax structure. Excise duty that was once 24% has been reduced to 16%.
- Liberalization of the Indian economy since 1991.
- Globalization and the influx of multinational companies.
- Modern plants and equipment available to the flexible packaging industry.

Considering these factors it is only obvious that flexible packaging has a very bright future in India and is here to stay and grow in a big way. The current demand for flexible packaging in India, stands at about 500,000 tons.

### Consumption of Flexible Packaging — India in Comparison to the Rest of the World

According to industry experts, annual flexible packaging consumption per capita in various parts of the world is roughly as follows:

<b>N. America</b>	: US\$45	<b>Thailand</b>	: US\$3
<b>Japan</b>	: US\$31	<b>China</b>	: <b>US\$2</b>
<b>W.Europe</b>	: US\$25	<b>India</b>	: <b>US\$1</b>
<b>S.Korea</b>	: US\$15		

It is also observed that a mere 20 per cent of the population in India consumes 80 per cent of the packaged production whereas the

remaining 80 per cent of the population have an access to only 20 per cent of the packaged production. There exists an exceptional gap in India between the necessary and actual demand for packaging of essential commodities and this is one of the major reasons why the growth of flexible packaging is not an alternative here but is rather an imperative.

#### **SWOT ANALYSIS :**

##### **Strength**

With the Company has already made inroads within the Industry, it can start looking forward to both backward and forward integration, with its dedicated work force. The Company is yet to explore the foreign markets, and necessary studies of the foreign market is shaping up for a better performance in the coming years.

##### **Weakness**

The Company is still to explore the foreign markets and to experience its international competitive edge.

##### **Opportunities**

- Rapidly growing economy resulting in rising demand for plastic packaging products in India and abroad.
- Mushrooming of malls in India in both tier I cities and tier II cities due to the emergence of the organized retailing where leading companies have entered the retailing sector.

##### **Threats**

- Raw material availability and its prices shooting up due to unforeseen circumstances (Petroleum prices).
- Inadequate management controls arising from the massive increase in scale of operation might result in losing market share and profits.

##### **Internal Control Systems and their Adequacy**

The Company has in place adequate internal control systems and procedure commensurate with size and nature of the business. These procedures are designed to ensure:

- That all assets and resources are used efficiently and are adequately protected;
- That all the internal policies and statutory guidelines are complied with; and
- The accuracy and timing of financial reports and management information is maintained.

##### **Human Resources/ Industrial Relations**

Industrial relations remained cordial during the year. Employees' competencies and skills were enhanced by exposing them to several internal and external training programmes. Additional efforts continued to be implemented with a view to obtain commitment and loyalty towards the organisation.

##### **HEALTH AND ENVIRONMENT:**

Your Company recognizes environment protection and management as one of its highest priorities and every effort is made to conserve and protect the environment. The Company has been involved in ensuring green surroundings in its industrial location.

##### **Cautionary Statement:**

Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



## CORPORATE GOVERNANCE REPORT

### Our governance philosophy

The basic philosophy of Corporate Governance of the Company is to achieve business excellence and enhance shareholders' value keeping in view of the interest of all stakeholders. The Company stands by transparency in all its dealings and strict regulatory compliances.

### Board of Directors - Composition of Board of Directors

The Board of Directors of the Company consists of an optimum combination of Executive, Non-Executive and Independent Directors, to ensure the independent functioning of the Board.

None of the Directors on the Board is a member of more than Ten committees or acts as Chairman of more than five committees across all the companies in which he is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

The composition of the Board of Directors and also the number of other Board Committees in which they are Chairman/ Member is given as under. Out of the present Board strength of Seven, Three are Executive Directors.

The following is the composition of Board as on 31st March, 2011.

Name of Directors	Category & Position	Board Meeting held during the year	No. of Board Meeting attended	Whether attended last AGM	Member/ Chairman of other Board Committees	No. of Other Directorship held
Mr. Prakash N. Kela	Executive Chairman	9	9	Yes	-	-
Mr. Yogesh P. Kela	Managing Director	9	9	Yes	-	-
Mr. Umesh P. Kela	Executive Director	9	9	Yes	-	-
Mr. Kishore N. Kela*	Non-Executive Director	9	1	-	-	-
Mr. Navin C. Chokshi	Non-Executive and Independent Director	9	9	Yes	-	2
Mr. Deviprasad Taparia	Non-Executive and Independent Director	9	5	Yes	-	4
Mr. Ramakant B. Jhunjunwala**	Non-Executive and Independent Director	9	Nil	Yes	-	-
Mr. Vilas R. Shah	Non-Executive and Independent Director	9	4	-	-	-
Mr. Sanjeev A. Jain#	Non-Executive and Independent Director	9	6	-	-	-

# Date of Appointment is 06th April, 2010 and resigned w.e.f.13th August, 2011.

\* Brother of Mr. Prakash N. Kela

\*\*Mr. Kishore N. Kela and Mr. Ramakant B. Jhunjunwala have submitted their resignation from the directorship of the Company with effect from 07.05.2010 and 05.04.2010 respectively and the same were accepted by the Board.

None of the Directors are disqualified under section 274 (1) (g) of the Companies Act, 1956 read with (Disqualification of Directors under section 274 (1) (g) of the Companies Act, 1956) Rules, 2003

### Committees of the Board of Directors -

#### Audit Committee :

The Audit Committee consists of Shri Navin C. Chokshi, Shri Deviprasad Taparia and Shri Sanjeev A. Jain. The Audit Committee is chaired by Shri Navin C. Chokshi, who has a wide experience on financial issues. All members have the financial knowledge and expertise mandated by Clause 49 of the Listing Agreement.

Terms of reference:

1. to oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;



2. to recommend Board, the appointment, re-appointment and if required, the replacement or removal of statutory auditor and fixation of audit fees;
3. to review with management the financial statements before submission to the board for approval, with particular reference to:
  - a. Any changes in accounting policies and practices,
  - b. Major accounting entries based on exercise of judgment by management,
  - c. Qualifications in the draft audit report,
  - d. Compliance of accounting standards,
  - e. Significant adjustments arising out of audit,
  - f. Compliance with stock exchange and legal requirements concerning financial statement,
4. To review with the management external and internal auditors and the adequacy of internal control system.
5. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
6. Discussion with the internal auditor for any significant findings and follow up thereof.
7. Reviewing findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control system of material nature which require reporting to the board.
8. Discussions with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern.
9. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

The Composition and Attendance of the Members of the Audit Committee is as follows:

Name of Members	Category	Meeting Held during the tenure of directors	Meeting Attended
Mr. Navin C. Chokshi (Chairman)	Non-Executive and Independent Director	4	4
Mr. Devi Prasad K. Taparia (Member)	Non-Executive and Independent Director	4	4
Mr. Sanjeev A. Jain (Member)*	Non-Executive and Independent Director	4	3
Mr. Ramakant B. Jhunjunwala* (Member)	Non-Executive and Independent Director	-	-

The Chairman of the Audit Committee was present at the Company's last Annual General Meeting held on 29th September, 2010.

The meeting considered all the points in terms of its reference at periodic intervals.

**\*Mr. Ramakant B. Jhunjunwala has resigned from the directorship of the Company effective from 05th April, 2010. The Audit Committee was re-constituted on 29th May, 2010 and Mr. Sanjeev A. Jain, Director of the Company was appointed as a member of the Audit Committee w.e.f. 29th May, 2010.**

#### Remuneration Committee

The Remuneration Committee of the Board is constituted to formulate and recommend to the Board from time to time, a compensation structure for whole time directors. As on 31st March, 2011, the Committee comprised three non-executive Directors. All members are independent.

The broad terms of reference of the Remuneration Committee are as given below:

1. To recommend the Board, the remuneration package of the Company's Directors.
2. All information about the Directors/Managing Directors/Whole Time Directors i.e. background details, past remuneration, recognition or awards, job profile shall be considered and disclosed to shareholders.



3. The Committee shall take into consideration and ensure the compliance of provisions under Schedule XIII of the Companies Act, 1956 and other applicable provisions of the Act, while recommending remuneration of managing directors / whole time directors.

The Composition and Attendance of the Members of the Remuneration Committee is as follows:

Name of Members	Category	Meeting Held	Meeting Attended
Mr. Vilas R. Shah (Chairman)	Non-Executive and Independent Director	3	3
Mr. Devi Prasad K. Taparia (Member)	Non-Executive and Independent Director	3	3
Mr. Yogesh P. Kela* (Member)	Managing Director	3	3
Mr. Ramakant B. Jhunjunwala* (Member)	Non-Executive and Independent Director	-	-

The terms of reference of the Shareholders / Investor Grievances Committee are to look into the redressal of shareholder and investors complaints like transfer/transmission of shares, non-receipt of balance sheet, non-receipt of declared dividend etc. none of the complaints are pending. The Company has appointed M/s. Bigshare Services Pvt. Ltd. to act as Registrar and Transfer Agent of the Company.

**\*Mr. Ramakant B. Jhunjunwala resigned from the directorship of the Company effective from 05th April, 2010. The Shareholders/Investor Grievances Committee was re-constituted on 29th May, 2010 and Mr. Yogesh P. Kela, Managing Director of the Company was appointed as a member of the Shareholders' /Investors' Grievances Committee w.e.f. 29th May, 2010.**

#### Disclosures

##### a) Related Party Transactions

Related party transactions during the year have been disclosed as required under Accounting Standard 18 issued by ICAI. The transactions with the firms where the Directors of the Company are interested were in normal course of business and there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

##### b) Remuneration of Directors

The compensation to the Board of Directors is approved by the shareholders and disclosed separately in Notes to Accounts. Compensation to Whole-time Director(s) consists of fixed salary and/or incentives.

Sr. No.	Name	Aggregate Salary including incentive/commission (Amount in Lacs)
1.	Mr. Prakash N. Kela	14.07
2.	Mr. Yogesh P. Kela	25.02
3.	Mr. Umesh P. Kela	23.70
	<b>Total</b>	<b>62.79</b>

##### c) Code of conduct

In terms of Clause 49 of the Listing Agreement(s), the Company has adopted a Code of Conduct for the board of Directors and Senior Management Personnel of the Company. The same has been posted on the Company's website. The Declaration by the Chairman of the Company forms part of this Report.

##### d) Insider Trading Code

The Company has adopted the Employees Share dealing code in terms of the SEBI (prohibition of Insider Trading) Regulations 1992. This code is applicable to all Directors and designated Employees. The Code ensures prevention of dealing in shares by persons having access to unpublished price sensitive information.

##### (e) Management

Management Discussion and Analysis (MDA) Report is given as a separate statement, included in this Annual Report and forms a part of this Report.

As per the disclosure received from senior management no material financial and commercial transactions that may have a potential conflict with the interest of the Company at large were reported to the Company during the year under report.

**(f) Shareholders**

Mr. Deviprasad Taparia and Mr. Yogesh P. Kela, Directors of the Company retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. The Board has recommended the re-appointment of the retiring Director.

The information about the brief resume and other information required to be disclosed under this section are provided in the notice of the Annual General Meeting.

**Postal Ballot**

There are no ordinary or special resolutions that need to be passed by the shareholders through a postal ballot for the year ended March 31, 2011.

**CEO/CFO Certification**

The CEO and CFO certification of the financial statements for the last year is enclosed at the end of the report.

**Means of Communication**

The quarterly, half yearly and annual results are published in the Free Press Journal (National Daily) and Nav Shakti (Regional language Newspaper). Press Releases made by the Company from time to time are informed to the Stock Exchange(s) on which the Company's equity shares are listed. A Management Discussion and Analysis Statement and Corporate Governance Report forms part of the Company's Annual Report.

**General Body Meetings**

The particulars of last three Annual General Meetings of the Company are given hereunder.

Financial Year	Date and Time	Venue
2007-08	07.08-2008, 12.30 P.M.	Scarlet Hall, Hotel Shubhangan, 21st Road, Khar Danda, Khar (West), Mumbai - 400 052
2008-09	29.09.2009, 12.30 P.M.	Scarlet Hall, Hotel Shubhangan, 21st Road, Khar Danda, Khar (West), Mumbai - 400 052
2009-10	29.09.2010, 12.30 P.M.	Scarlet Hall, Hotel Shubhangan, 21st Road, Khar Danda, Khar (West), Mumbai - 400 052

**Details of Special Resolutions passed in the above referred meeting are as under -**

**AGM held on 29.09.2010 :**

There was no Special Resolution passed in the Annual general Meeting for the year 2009-10.

**EGM held on 29.03.2010 :**

Increase of Authorised Share Capital and Issue of Warrants Convertible into Equity Shares to Promoters.

**AGM held on 29.09.2009:**

1) Issue of ADRs/GDRs/ FCCBs u/s 81 (1A) 2) creation of charge on Company's assets u/s 293 (1) (a) and 3) increase in borrowing powers u/s 293 (1) (d).

**AGM held on 07.08.2008 :**

Issue of ADRs/GDRs/ FCCBs u/s 81 (1A)

All the resolutions were passed with requisite majority.

**General Shareholder Information**

Date and Time of 14th AGM	29th day of September 2011 at 12.30 p.m.
Venue	Scarlet Hall, Hotel Shubhangan, 21st Road, Khar Danda, Khar (West), Mumbai - 400 052
Financial Year	31st March, 2011
Book Closure Date	24th September, 2011 to 29th September, 2011 (both days inclusive)
Registered Office Address	201, Vintage Peal, A Wing, 29th Road, Bandra (W), Mumbai – 400 050
Website Address	www.glorypolyfilms.com



Financial Calendar (Tentative and subject to change for the financial year 2010-11)

First Quarter Results	On or before 14th August, 2011
Half Yearly Results	On or before 15th November, 2011
Third Quarter Results	On or before 15th February, 2012
Fourth Quarter Results	On or before 15th May, 2012

### Listing of Shares

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of Stock Exchange	Address	Scrip Code
The Bombay Stock Exchange Limited	25th floor, P.J. Tower, Dalal Street, Mumbai – 400 001	532857
The National Stock Exchange of India Limited	Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	GLORY

**Listing fee for the financial year 2011-12:** The listing fee has been paid up to date to the Stock Exchange(s).

### Market Price Data:

Month	National Stock Exchange of India Limited			Bombay Stock Exchange Limited		
	High (₹)	Low (₹)	Total No. of Shares Traded	High (₹)	Low (₹)	No. of Shares Traded
Apr. 10	28.00	21.50	1,80,96,843	26.65	21.50	1,06,50,413
May 10	25.95	14.90	5,09,88,543	25.85	14.90	2,51,88,123
June 10	16.75	14.25	38,76,887	16.70	15.00	19,06,234
Jul. 10	17.90	15.50	32,33,099	17.80	15.25	22,82,928
Aug. 10	16.75	13.90	20,38,179	16.80	13.90	15,98,564
Sep. 10	16.50	13.90	31,79,580	16.10	13.95	19,41,579
Oct. 10	20.30	10.65	6,47,32,595	20.00	10.60	1,80,18,907
Nov. 10	13.10	7.15	4,97,93,429	13.05	7.21	1,25,14,027
Dec. 10	9.40	5.90	1,83,56,455	9.40	6.00	58,05,115
Jan. 11	8.15	5.70	42,31,345	8.09	5.75	20,85,153
Feb. 11	6.00	4.80	25,07,273	6.10	4.70	17,75,369
Mar. 11	5.50	3.70	1,63,12,573	5.64	3.70	31,76,832

### Shareholding as on 31st March, 2011

#### a) Distribution of Shareholding as on 31.03.2011

Range (in ₹)	Total Share Holders	% Total Share Holders	Share Amount (₹)	% of Total Share Capital
01-5000	11284	57.2966	2,59,32,600	4.3608
50001-10000	3360	17.0610	2,95,53,410	4.9696
10001-20000	2138	10.8561	3,49,26,400	5.8731
20001-30000	860	4.3668	2,25,06,780	3.7847
30001-40000	449	2.2799	1,64,31,600	2.7631
40001-50000	403	2.0463	1,93,62,490	3.2559
50001-100000	592	3.0060	4,45,72,610	7.4952
100001 above	608	3.0872	40,13,95,590	67.4976
Grand Total	19694	100.0000	59,46,81,480	100.0000

**b) Categories of Shareholders as on 31.03.2011**

Category of Shareholders	No. of Equity Shares	Percentage (%)
Promoters Holding	58,96,997	9.92
Indian Public / Others	2,97,07,485	49.96
Bodies Corporate	85,08,806	14.31
Foreign Institutional Investors	10,00,000	1.68
NRI/OCBs/Foreign Nationals	9,29,250	1.56
Clearing Members`	7,25,610	21.35
Shares held by custodian and against which depository receipts have been issued	1,27,00,000	1.22
<b>GRAND TOTAL</b>	<b>5,94,68,148</b>	<b>100.00</b>

**Registrar and Share Transfer Agent**

For lodgment of transfer deed and other documents or any grievances / complaints, investor may contacts the Company's Registrar and Transfer Agent at the followings address:

**M/s. Bigshare Services Pvt. Ltd.**

E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072

Telephone: 91-22-2847 0652, Fax: 91-22-2847 5207, Email: ipo@bigshareonline.com

**Share Transfer System**

Shares sent for the transfer in physical form are registered and returned by Registrar and Share Transfer Agents with in 30 days from the date of receipt of documents, provided the documents are found in order. Shares under objection are returned within 21days. As regards remat of shares the document can be lodged with Bigshare Services Private Limited at the address mentioned above. During the financial year 2010-11, there was no instance of transfer of shares in the physical form.

**Dematerialization of Shares and liquidity**

The Company's Equity Shares are traded compulsorily in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31.03.2011, 99.99% of the Equity Shares have been dematerialized.

The Company's' shares are regularly trades on The National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, in electronic form. Under the Depository system, ISIN allotted to the Company's shares is INE408H01012.

**Address for correspondence**

Shareholders correspondence should be addressed to the Company's Registrar and Share Transfer Agent at the address mentioned above.

Investors can also send their complaints at investor@glorypolyfilms.com, a special e-mail ID created pursuant to amendment in Clause 47(f) of the Listing Agreement. Shareholders may also contact at the Registered Office of the Company for any assistance.

**Outstanding GDRs/ADRs/Warrants, its conversion date and likely impact on equity**

**Outstanding GDRs:** As on 31st March, 2011 total outstanding GDRs were 12,70,000 representing 127,00,000 underlying Equity Shares constituting 21.36% of the Paid-up Equity Share Capital of the Company. Each GDR represents Ten underlying Equity Shares in the Company. GDR is not a specific time-bound instrument and can be surrendered any time and converted into the underlying Equity Shares in the Company. The shares so released in favour of the investors upon surrender of GDRs can either be held by the investors concerned in their name or sold off in the Indian secondary markets for cash.

**Plant Location:** Survey No. 261, 262, 263 & 292, Village Dunetha, Nani Daman (U.T)

Tel: 0260 – 2992526, E-mail: factory@glorypolyfilms.com

**Details of non-compliance**

There was no non-compliance during the year and no penalties were imposed on the Company by the Stock Exchange, SEBI or any other statutory authority. The Company obtained a certificate from the statutory auditor of the Company with respect to compliance with the conditions of corporate governance and annexed the certificate with the Directors' Report and sent the same to all the shareholders of the Company and to all the concerned Stock Exchanges alongwith the annual reports filed by the Company.



## AUDITORS' REPORT ON CORPORATE GOVERNANCE

To the Members,

**GLORY POLYFILMS LIMITED.**

We have examined the compliance of conditions of Corporate Governance by Glory Polyfilms Ltd., for the year ended on 31st March, 2011, as stipulated in Clause 49 of listing agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination 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 we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the Share transfer-cum-investors Grievance Committee.

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

**For Mittal & Associates**  
Firm Reg. No-106456W  
Chartered Accountants

Sd/-  
**M. Mehta**  
Partner  
M. No. 42990

Place : Mumbai  
Dated: 12.08.2011

## DECLARATION

We, Prakash N. Kela, Chairman and Yogesh P. Kela, Managing Director of Glory Polyfilms Limited hereby certify that:

- a. we have reviewed financial statements and cash flow statement for the year and that to best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to best of our knowledge and belief, no transactions entered into by Glory Polyfilms Limited during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting in Glory Polyfilms Limited, and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take rectify these deficiencies.
- d. We further declare that all Board Members and senior management have affirmed compliance with the Company's code of conduct for the current Year.

For Glory Polyfilms Limited

**Prakash N. Kela**  
Chairman

For Glory Polyfilms Limited

**Yogesh P. Kela**  
Managing Director

Date: 12th August, 2011  
Place: Mumbai

**AUDITORS' REPORT**

**TO THE MEMBERS OF GLORY POLYFILMS LIMITED**

1. We audited the attached Balance Sheet of **GLORY POLYFILMS LIMITED** as at **31<sup>st</sup> March, 2011** and also the Profit and Loss Account and the 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 have 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of the Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examinations of those books;
  - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable accounting standards (*except for AS-15 in respect of employees benefits*), referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - (e) On the basis of written representations received from the Directors of Company, as on March 31, 2011 and taken on record by the Board of Directors of the Company, none of Directors is disqualified as on March 31, 2011 from being appointed as the director in term of clause (g) of sub-section (1) of section 274(1) of the Companies Act, 1956.
  - (f) In our opinion and to the best of our information and according to the explanations given to us *except given in note no. (xi) in annexure on matters specified in paragraphs 4 and 5 of companies (Auditor's Report) Order, 2003*, the said accounts give the information required by the Companies Act, 1956, in the manner so required *subject to non provision of doubtful advances of ₹ 38 Lacs* as in opinion of the management the efforts of recovery is in progress and give a true and fair view in conformity with the accounting principals generally accepted in India:
    - (i) In the case of the balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2011;
    - (ii) In the case of the Profit and Loss Account, of the 'Profit' for the year ended on that date; and
    - (iii) In the case of Cash Flow statement, of the cash flows for the year ended on that date.

**For Mittal & Associates**  
Firm Reg. No-106456W  
Chartered Accountants

**M. Mehta**  
Partner  
M.No. 42990

Place: Mumbai

Date: May 30, 2011





## ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of the Auditor's Report of even date to the members of **GLORY POLYFILMS LIMITED** on the financial statements for the year ended March 31, 2011

We report the following:

- (i) In respect of its fixed assets:
  - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets are physically verified by the management, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to above verification no material discrepancies between the book records and the physical inventory have been noticed.
  - (c) During the year, in our opinion, no substantial part of fixed assets has been disposed off by the Company.
- (ii) In respect of its inventory:
  - (a) As explained to us, inventories were physically verified by the management at the end of the year.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii)
  - (a) The Company has granted loans to 3 parties covered in the register maintained u/s 301 under Companies Act, 1956 and maximum amount involved during the year was ₹ 264.42 Lacs and year end balance of loan granted to such parties was ₹ -72.00 Lacs.
  - (b) In our opinion and according to the information and explanations given to us, the rate of interest wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - (c) The Company is regular in receipt of principal amount and interest wherever stipulated.
  - (d) There is no overdue more than ₹ 1.00 Lac from such parties.
  - (e) The Company has taken unsecured loans from 3 party covered in the register maintained u/s 301 under Companies Act, 1956 and maximum amount involved during the year was ₹ 97.90 Lacs and year end balance of loan taken from such parties was ₹ 18.00 Lac
  - (f) In our opinion and according to the information and explanations given to us, the rate of interest wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - (g) The Company is regular in payment of principal amount and interest wherever stipulated.
- (iv) 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 inventory and fixed assets and for the sale of goods. During the course of our audit no major weaknesses has been noticed in the internal controls.
- (v)
  - (a) According to information and explanation given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered into register in pursuance of section 301, of the Act, have been so entered.
  - (b) In our opinion and according to the information and explanations given to us the transactions of purchases of goods and materials and sale of goods, material and services, made in pursuance of contracts and arrangements entered in register maintained under Section 301 of the Companies Act 1956, and exceeding the value of rupees five lakhs in respect of one party during the year have been made on credit basis, at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us the Company has accepted deposit falling within the purview of sections 58 A and 58 AA and the compliances for the same is duly complied.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) As informed to us, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- (ix)
  - (a) According to the information and explanations given to us, in our opinion, the undisputed statutory dues including Provident Fund, Investors Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable have generally been regularly

deposited by the company during the year with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as mentioned above as at 31st March, 2011 for the period of more the six months from the date they became payable.

- (b) According to the records of the Company and the information and explanations given to us, there are no dues of Sales tax, Income tax, Custom duty, Wealth Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- (x) The company does not have accumulated losses as at 31st March 2011 and has not incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has made delayed payment of Installments of Term Loan taken from State Bank of India during the year and the Installment for the month of March 2011 is still outstanding.
- (xii) In our opinion and according to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of share, debentures and other securities.
- (xiii) The provisions of any special statute as specified under clause (xiii) of the order are not applicable to the company.
- (xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) The Company has given a corporate guarantee of ₹ 760 lacs to a bank for loans taken by a company in which directors relatives are interested. According to the information and explanations given to us, the term and conditions, whereof, are not prejudicial to the interest of the company.
- (xvi) In our opinion, and according to the information and explanations given to us, on all overall basis, the term loans have been applied for the purposes for which they were obtained.
- (xvii) 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.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- (xix) As the company has no debentures outstanding at any time during the year, Clause 4 (19) of the order is not applicable to the company.
- (xx) We have verified the end use of money raised by public issue as disclosed in the notes to the financial statements.
- (xxi) According to the information and explanations given to us, during the year, no fraud on or by the company has been noticed or reported.

**For Mittal & Associates**  
Firm Reg. No-106456W  
Chartered Accountants

**M. Mehta**  
Partner  
M.No. 42990

Place: Mumbai  
Date: May 30, 2011



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2011

	Schedule	31 March 2011		31 March 2010	
		₹	₹	₹	₹
<b><u>SOURCES OF FUNDS</u></b>					
<b>Shareholder Funds</b>					
Share Capital	<b>A</b>	594,681,480		244,681,480	
Reserves and Surplus	<b>B</b>	805,164,605	1,399,846,085	624,033,632	868,715,112
<b>Loan Funds</b>					
Secured Loans	<b>C</b>	933,218,367		934,528,875	
Unsecured Loans	<b>D</b>	90,581,156	1,023,799,523	115,359,915	1,049,888,790
Deferred Tax Liability			41,756,918		38,280,170
			<b>2,465,402,526</b>		<b>1,956,884,072</b>
<b><u>APPLICATION OF FUNDS</u></b>					
<b>Fixed Assets</b>					
Gross Block	<b>E</b>	1,739,126,004		1,002,539,348	
Less : Accumulated Depreciation		228,241,354		137,923,367	
Net Block			1,510,884,650		864,615,981
Capital Work In Progress			-		428,501,987
<b>Investments</b>	<b>F</b>		-		16,640,583
<b>Current Assets, Loans &amp; Advances</b>					
Stock In Trade	<b>G</b>	202,683,996		134,622,805	
Sundry Debtors		477,009,272		273,324,825	
Cash & Bank Balances		23,906,434		25,608,455	
Loans and Advances		511,464,350	1,215,064,052	640,367,708	1,073,923,793
<b>Less: Current Liabilities &amp; Provisions</b>					
Liabilities	<b>H</b>	230,549,930		388,521,717	
Provisions		38,353,911	268,903,841	50,543,639	439,065,356
<b>Net Current Assets</b>			946,160,211		634,858,437
<b>Miscellaneous Expenses</b> (to the extent not written off or adjusted)					
Deferred IPO Expenses			8,357,665		12,267,084
			<b>2,465,402,526</b>		<b>1,956,884,072</b>
Notes on Accounts	<b>I</b>				

As per our even date report

**For Mittal & Associates**  
Firm Reg. No. 106456W  
Chartered Accountants

**M. Mehta**  
Partner  
M. No 42990

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

**Yogesh Kela**  
Managing Director

**Umesh Kela**  
Executive Director

Place : Mumbai  
Date : May 30, 2011

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

	Schedule	31 March 2011		31 March 2010	
		₹	₹	₹	₹
Gross Sales		1,742,411,350		1,204,502,785	
Less: Excise Duty		98,452,022		67,410,430	
Net Sales			1,643,959,328		1,137,092,355
Other Income	<b>J</b>		35,890,251		10,536,466
Increase/(Decrease) in stock	<b>K</b>		35,286,178		8,371,322
			<b>1,715,135,757</b>		<b>1,156,000,143</b>
Less :					
Material Consumed (including Trading Purchases)	<b>L</b>	1,397,146,980		867,554,695	
Manufacturing Expenses	<b>M</b>	59,658,672		52,199,378	
Administrative & Selling Expenses	<b>N</b>	55,279,020		56,096,254	
Interest and Financial Charges	<b>O</b>	59,701,289		68,856,661	
IPO Expenses written off		6,209,921	1,577,995,882	5,749,821	1,050,456,810
<b>Profit before Depreciation and Extraordinary Item</b>			<b>137,139,875</b>		<b>105,543,334</b>
Depreciation			90,317,987		30,464,204
Exchange loss on Issue of GDR			29,650,400		-
<b>Profit before Tax</b>			<b>17,171,488</b>		<b>75,079,130</b>
Current Year Tax		3,422,000		12,500,000	
Earlier Year Tax		5,200,319		-	
Deferred Taxes		3,476,749	<b>12,099,068</b>	23,012,740	<b>35,512,740</b>
<b>Profit after Tax</b>			<b>5,072,420</b>		<b>39,566,389</b>
Earning Per Share after Tax			0.11		2.17
Significant Accounting Policies and Notes on Accounts	<b>I</b>				

As per our even date report

**For Mittal & Associates**Firm Reg. No. 106456W  
Chartered Accountants**M. Mehta**Partner  
M. No 42990**For and on behalf of the Board of Directors****Yogesh Kela**  
Managing Director**Umesh Kela**  
Executive Director

Place : Mumbai

Date : May 30, 2011



## Schedules forming part of the Balance Sheet as at 31<sup>st</sup> March 2011

	31 March 2011		31 March 2010	
	₹		₹	
<b>SCHEDULE : A</b>				
<b>SHARE CAPITAL</b>				
<b>AUTHORISED</b>				
6,30,00,000 (P. Y. 6,30,00,000) Equity Shares of ₹ 10/- each		<u>630,000,000</u>		<u>630,000,000</u>
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>				
5,94,68,148 (P. Y. 2,44,68,148) Equity Shares of ₹ 10/- each fully paid up		<u>594,681,480</u>		<u>244,681,480</u>
		<u>594,681,480</u>		<u>244,681,480</u>
<b>SCHEDULE : B</b>				
<b>RESERVES &amp; SURPLUS</b>				
Securities Premium Account				
Opening	408,142,400		319,767,400	
Add: Current Year	223,300,000		88,375,000	
Less: Utilised for GDR issue	47,241,447	584,200,953	-	408,142,400
Capital Reserve		17,280,000		17,280,000
Profit & Loss Account				
Opening Balance	198,611,232		159,044,843	
Add - Profit Trfd from P & L account	5,072,420	203,683,652	39,566,389	198,611,232
		<u>805,164,605</u>		<u>624,033,632</u>
<b>SCHEDULE : C</b>				
<b>SECURED LOANS</b>				
Term Loans from Banks		435,501,927		569,733,047
(Term loan repayable in one year is ₹ 8,58,22,857 (Previous Year ₹ 12,99,11,744))				
Loans against vehicles (repayable in one year ₹ 1,59,90,833) (Previous Year ₹ 48,58,784))		18,856,466		8,023,547
Working Capital Facilities from Banks		474,397,225		347,809,531
Loan against Keyman Insurance Policy (as certified by Managing Director)		4,462,750		3,962,750
(Interest accrued and due is ₹ 5,00,000/-)				
Streamline Shipping Private Limited (Loan against Shares in Investments)		-		5,000,000
		<u>933,218,367</u>		<u>934,528,875</u>
<b>SCHEDULE : D</b>				
<b>UNSECURED LOANS</b>				
Bank(s)		35,955,931		44,042,226
Others	11,539,681		46,411,626	
Inter Corporate Deposits	9,000,000		6,006,063	
Directors and their Relatives	34,085,544	54,625,225	18,900,000	71,317,689
Others				
		<u>90,581,156</u>		<u>115,359,915</u>
<b>SCHEDULE : F</b>				
<b>INVESTMENTS</b>				
Long Term - Quoted , Non Trade, At Cost			-	16,640,583
(Market value- Nil (Previous Year ₹ 9,835,556 ))				

Schedules forming part of the Balance Sheet as at 31<sup>st</sup> March 2011

	31 March 2011		31 March 2010	
	₹		₹	
<b>SCHEDULE : G</b>				
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
1. Stock in Trade (*At Cost on FIFO Basis as taken, valued and certified by the Managing Director)				
Raw Material	70,084,747		38,279,039	
Work in Process	88,426,429		67,934,170	
Finished Goods	43,105,444		28,338,340	
Stores and Consumables	687,324		1,347,402	
Packing Material	190,719		370,660	
Saleable Scrap	189,333	202,683,996	162,518	134,622,805
2. Sundry Debtors ( unsecured, considered good )				
Outstanding for more than six months	48,263,024		40,407,923	
Others	428,746,248	477,009,272	232,916,902	273,324,825
3. Cash and Bank Balances				
Cash in hand	3,773,055		1,389,234	
Balance with Scheduled Banks on Current accounts	137,920		9,336,419	
on Fixed Deposit for L/C Margin Money	19,995,459		14,882,802	
		23,906,434		25,608,455
4. Loans and Advances (Unsecured, considered good unless otherwise stated)				
Advances Recoverable in cash or in kind or for value to be received	53,250,459		49,516,062	
Advances against Raw Material Purchases	340,241,645		425,842,051	
TDS & Advance Payment of Taxes	28,117,249		36,918,307	
Excise Duty Deposits / VAT Deposits	34,504,241		51,996,649	
Advances on Capital Assets	8,970,974		7,857,149	
	46,379,783	511,464,351	68,237,490	640,367,708
		1,215,064,053		1,073,923,793
<b>SCHEDULE : H</b>				
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>				
<b>1. CURRENT LIABILITIES</b>				
Sundry Creditors -				
Capital Goods	15,579,340		23,566,003	
Raw Materials	59,480,430		181,867,716	
Raw Materials against LC	101,462,226		91,636,088	
Expenses	15,536,330	192,058,326	29,772,907	326,842,714
Advances from Customers		38,491,605		61,679,002
Share warrant application money		-		9,000,000
Other Liabilities				
Temporary Bank Overdrawn	742,080		-	
Statutory Dues Payable	2,329,135		4,750	
TDS / TCS Payable	8,870,251		3,575,992	
Outstanding Expenses	4,490,444	16,431,911	3,908,781	7,489,523
<b>2. PROVISIONS</b>				
Provision for Taxation	3,422,000		12,500,000	
Provision for Income Tax for earlier year	18,500,000		20,940,645	
Provision for Fringe Benefit Tax earlier year	-	21,922,000	613,471	34,054,116
		268,903,841		439,065,356



## Schedules forming part of the Profit and Loss Account for year ended 31<sup>st</sup> March 2011

	31 March 2011		31 March 2010	
	₹		₹	
<b>SCHEDULE : J</b>				
<b>OTHER INCOME</b>				
Income from Job work		29,266,887		4,166,991
Designing & Development		-		66,000
Exchange Fluctuation Gain / (Loss)		3,976,609		6,303,475
Insurance claim received		24,927		-
Sundry Balance Written back		2,621,828		-
		<u>35,890,251</u>		<u>10,536,466</u>
<b>SCHEDULE : K</b>				
<b>INCREASE/(DECREASE) IN STOCK OF FG &amp; WIP</b>				
Closing Stock :				
Finished Goods	43,105,444.00		28,338,340	
WIP	88,426,429		67,934,170	
Saleable Scrap	189,333	131,721,206	162,518	96,435,028
Less : Opening Stock :				
Finished Goods	28,338,340		9,661,433	
WIP	67,934,170		77,899,888	
Saleable Scrap	162,518	96,435,028	502,385	88,063,706
		<u>35,286,178</u>		<u>8,371,322</u>
<b>SCHEDULE : L</b>				
<b>MATERIAL CONSUMED</b>				
Opening Stock				
Raw Material	38,279,039		49,807,455	
Add : Purchases (net)				
Raw Material	1,403,127,649		840,525,644	
Less : Closing Stock				
Raw Material	70,084,747		38,279,039	
		1,371,321,941		852,054,060
Freight Inwards		6,412,175		4,590,895
Custom Duty & Clearing Expenses		19,412,864		10,909,741
		<u>1,397,146,980</u>		<u>867,554,695</u>



Schedules forming part of the Profit and Loss Account for year ended 31<sup>st</sup> March 2011

<b>SCHEDULE : M</b>				
<b>MANUFACTURING EXPENSES</b>				
Salary, Wages & Other Benefits		<b>11,668,987</b>		14,036,254
Jobwork Expenses		<b>1,042,346</b>		3,776,558
Power & Fuel Expenses		<b>12,681,394</b>		9,578,427
Repairs & Maintainance		<b>4,330,029</b>		4,090,769
Stores and Consumables Consumed		<b>4,569,101</b>		6,591,505
Cylinders Engraving Charges		<b>10,129,166</b>		2,811,936
Packing Material Consumed		<b>13,014,634</b>		10,131,881
Factory Insurance Charges		<b>2,223,015</b>		1,182,048
		<b>59,658,672</b>		<b>52,199,378</b>
<b>SCHEDULE : N</b>				
<b>ADMINISTRATIVE &amp; SELLING EXPENSES</b>				
Auditors' Remuneration		<b>150,000</b>		168,095
Salary, Wages & Other Benefits to Staff		<b>7,571,916</b>		8,430,789
Remuneration to Director		<b>4,819,500</b>		6,000,000
Insurance Charges		<b>1,710,293</b>		2,152,036
Office Repairs and Maintenance		<b>775,618</b>		1,307,717
Professional and Legal Fees		<b>1,947,594</b>		1,253,553
Sales & Business Promotion Expenses		<b>3,969,848</b>		6,584,021
Freight Outward, Octroi & Transport		<b>21,307,535</b>		21,196,897
Telephone, Mobile & Internet Expenses		<b>873,045</b>		822,307
Excise Duty Expenses		<b>4,786,795</b>		-
Daman Sales Tax		<b>1,362,975</b>		-
Rent		<b>149,200</b>		1,054,830
Rate & Taxes		<b>236,404</b>		18,342
Travelling Expenses				
Directors				
Domestic	<b>1,004,893</b>		856,290	
foreign	<b>149,127</b>		149,014	
Others				
Domestic	<b>332,354</b>		554,839	
foreign	<b>416,193</b>	<b>1,902,567</b>	203,079	1,763,222
Miscelleaneous Expenses		<b>3,509,017</b>		5,344,446
Loss on Sale of Shares		<b>206,713</b>		-
		<b>55,279,020</b>		<b>56,096,254</b>
<b>SCHEDULE : O</b>				
<b>INTEREST &amp; FINANCIAL CHARGES</b>				
Net Interest & Finance Charges paid		<b>59,701,289</b>		68,856,661



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

	For the year ended 31.03.2011		For the year ended 31.03.2010	
	₹	₹	₹	₹
<b>A] CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit / (Loss) before Taxation	17,171,488		75,079,130	
Adjustments to reconcile profit before tax to cash provided by operating activities -				
Depreciation & Non Cash Expenses	96,527,908		36,214,025	
Interest Expense (Net)	59,701,289		68,856,661	
Loss on sale of shares	206,713		-	
Exchange Loss on Issue of GDR	29,650,400		-	
Operating Profit before working capital changes	<b>203,257,798</b>		180,149,816	
Adjustments for				
Debtors	(203,684,447)		(3,438,525)	
Inventories	(68,061,192)		(1,543,565)	
Loans & Advances given	118,187,828		(110,238,347)	
Other Current Assets	(19,943,235)		(6,413,415)	
Current Liabilities	(162,174,852)		184,934,334	
Cash generated from operating Activities	<b>(132,418,101)</b>		243,450,298	
Less: Tax Paid	178,739		(5,489,737)	
Net Cash generated from Operating Activities		<b>(132,239,362)</b>		237,960,561
<b>B] CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchases of Fixed Assets/ Capital WIP	(308,084,670)		(372,079,049)	
Sale of Shares	16,433,870		-	
Interest Income	75,591,598		30,952,064	
Payment/Advances on Capital Account	13,871,045		(1,616,580)	
Net Cash generated from Investing Activities		<b>(202,188,157)</b>		(342,743,566)
<b>C] CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from Issue of shares including Premium	496,408,153		158,375,000	
Share warrant application money	-		9,000,000	

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011 (Contd.)**

Increase / Decrease in Secured Loans from banks	<b>(1,310,508)</b>		44,181,452	
Increase / Decrease in Unsecured Loans from directors & relatives	<b>(24,778,759)</b>		(7,777,891)	
Interest Expenses	<b>(135,292,887)</b>		99,808,726)	
IPO Expenses	<b>(2,300,502)</b>		(1,918,609)	
Net Cash generated from Financing Activities		<b>332,725,498</b>		102,051,226
Net Increase in Cash and Cash Equivalents during the period		<b>(1,702,021)</b>		(2,731,778)
Cash and Cash Equivalents at the beginning of the period		<b>25,608,455</b>		28,340,234
Cash and Cash Equivalents at the end of the period		<b>23,906,434</b>		25,608,455
Notes:				
1) Cash and Cash Equivalents at the end of the period		<b>23,906,434</b>		<b>25,608,455</b>
Less: Fixed deposit kept as security deposit with bank for L.C.		<b>19,995,459</b>		14,882,802
Balance		<b>3,910,975</b>		10,725,653
2) Cash Flow has been prepared under indirect method as set out AS-3.				

As per our even date report

**For Mittal & Associates**  
**Firm Reg. No. 106456W**  
Chartered Accountant

**M. Mehta**  
Partner  
M. No 42990

Place : Mumbai  
Date : May 30, 2011

For and on behalf of the Board of Directors

**Yogesh Kela**  
Managing Director

**Umesh Kela**  
Executive Director

## Schedules forming part of the Balance Sheet as at 31st March 2011

### SCHEDULE : E FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on 01.04.2010	Addns / expenses capitalised	Deductions	As on 31.03.2011	As on 01.04.2010	Less Adjust- ments	Deperciation for the year	As on 01.04.2010	As on 31.03.2011
<b>Block A : Land</b>									
Land	261,679,913	7,252,439	-	268,932,352	-	-	-	261,679,913	268,932,352
<b>Block B : Building</b>									
Block B :	104,549,521	16,974,833	-	121,524,355	4,115,736	-	3,550,375	100,433,786	113,858,244
<b>Block C : Plant and Machinery</b>									
Block C :	588,687,313	694,914,101	-	1,283,601,414	121,479,300	-	81,208,320	467,337,491	1,080,913,795
<b>Block D : Electrical Equipment</b>									
Block D :	21,152,195	7,759,823	-	28,912,019	3,101,227	-	2,414,466	18,882,880	23,396,325
<b>Block E : Office Equipment</b>									
Block E :	620,428	-	-	620,428	83,490	-	64,153	564,334	472,785
<b>Block F : Furniture &amp; Fixtures</b>									
Block F :	1,903,732	5,175,240	-	7,078,972	1,103,011	-	375,426	1,903,732	5,600,535
<b>Block G : Vehicles</b>									
Block G :	20,408,156	4,394,720	-	24,802,876	6,072,823	-	2,117,153	14,335,333	16,612,900
<b>Block H : Computers and Peripherals</b>									
Block H :	3,538,089	115,500	-	3,653,589	1,967,781	-	588,094	1,570,308	1,097,714
<b>Total</b>	<b>1,002,539,348</b>	<b>736,586,657</b>	<b>-</b>	<b>1,739,126,004</b>	<b>137,923,367</b>	<b>-</b>	<b>90,317,987</b>	<b>866,707,778</b>	<b>1,510,884,650</b>
Capital Work in progress	428,501,987	74,437,614	502,939,601	-	-	-	-	428,501,987	-
<b>Grand Total</b>	<b>1,058,962,285</b>	<b>811,024,271</b>	<b>502,939,601</b>	<b>1,739,126,004</b>	<b>137,923,367</b>	<b>-</b>	<b>-</b>	<b>1,295,209,764</b>	<b>1,510,884,650</b>
<b>Previous Year</b>	<b>323,193,475</b>	<b>735,768,809</b>	<b>-</b>	<b>1,058,962,285</b>	<b>107,459,163</b>	<b>-</b>	<b>30,464,204</b>	<b>231,650,953</b>	<b>951,503,122</b>

\* Pending for transfer



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE  
AS PER PART IV TO SCHEDULE VI TO THE COMPANIES ACT, 1956**

I Registration Details

Registration no 

1	1	2	4	6	1
---	---	---	---	---	---

 State Code 

1	1
---	---

  
 Balance Sheet Date 

3	1	0	3	2	0	1	1
---	---	---	---	---	---	---	---

II Capital raised during the year (Amount ₹ in Thousands)

Public Issue 

3	5	0	0
---	---	---	---

 Rights Issue 

N	I	L
---	---	---

  
 Bonus Issue 

N	I	L
---	---	---

 Private Placement 

N	I	L
---	---	---

III Position of Mobilisation and Deployment of funds (Amount ₹ in Thousands)

Total Liabilities 

2	4	6	5	4	0	3
---	---	---	---	---	---	---

 Total Assets 

2	4	6	5	4	0	3
---	---	---	---	---	---	---

**Sources of Funds**

Paid-Up Capital 

5	9	4	6	8	1
---	---	---	---	---	---

 Reserves and Surplus 

	8	0	5	1	6	5
--	---	---	---	---	---	---

  
 Secured Loans 

9	3	3	2	1	8
---	---	---	---	---	---

 Unsecured Loans 

0	9	0	5	8	1
---	---	---	---	---	---

  
 Deferred Tax 

4	1	7	5	7	7
---	---	---	---	---	---

**Application of Funds**

Net Fixed Assets 

1	5	1	0	8	8	5
---	---	---	---	---	---	---

 Investments 

N	I	L
---	---	---

  
 Net Current Assets 

9	4	6	1	6	0	9
---	---	---	---	---	---	---

 Miscellaneous Expenditure 

		0	8	3	5	8
--	--	---	---	---	---	---

  
 Accumulated Losses 

N	I	L
---	---	---

IV Performance of the Company (Amount ₹ in Thousands)

Turnover (including  
Miscellaneous Income, 

1	7	1	5	1	3	6
---	---	---	---	---	---	---

  
 Increase in Stocks of FG & WIP 

+	-
---	---

  
 Profit or Loss before Tax 

+			1	7	1	7	1
---	--	--	---	---	---	---	---

  
 Earning per Share 

0	.	1	1
---	---	---	---

  
 of ₹10/- each

Total Expenditure  
(Including Depreciation 

1	6	9	7	9	6	4
---	---	---	---	---	---	---

  
 and prior Period Income/  
Expenses) 

+	-
---	---

  
 Profit or Loss after Tax 

+			0	5	0	7	2
---	--	--	---	---	---	---	---

  
 Dividend 

N	I	L
---	---	---

V Generic Names of Principal Products / Services of the Company (as per monetary terms)

1. Item Code No. (ITC Code) 

3	9	2	0	:	3	9
---	---	---	---	---	---	---

  
 (Excise Code) Chapter Sub-Heading Number  
 Product Description 

P	L	A	S	T	I	C	F	I	L	M	S
---	---	---	---	---	---	---	---	---	---	---	---

Signatures to Schedules A to O

For and on behalf of the Board of Directors

Place : Mumbai  
Date : May 30, 2011

**Yogesh Kela**  
Managing Director

**Umesh Kela**  
Executive Director



**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS AND INFORMATION PURSUANT TO PART IV TO THE COMPANIES ACT, 1956**

**SCHEDULE: I**

**(A) SIGNIFICANT ACCOUNTING POLICIES:**

- 1 General: Accounting Policies, not specifically referred to otherwise, are consistent and in consonance with Generally Accepted Accounting Principles except Bonus / Exgratia payable to employees is accounted for on cash basis.
- 2 Fixed Assets: The Gross block & additions to fixed assets are stated at cost (net of Modvat / Cenvat credit, if any) of acquisition inclusive of freight, duties, taxes and other direct incidental expenses.
- 3 Investments: Investments are stated at cost.
- 4 Depreciation: Depreciation has been provided at the rates prescribed for Straight Line Method in Schedule XIV to the Companies Act, 1956.
- 5 Sales: Sales are accounted at net of excise duty, sales tax, trade discount, fluctuations etc. Excise duty and sales tax are accounted separately as liability. Sale also includes delay compensation received, trading sales and sale of printing cylinders.
- 6 Dividend income:  
Dividend receivable on investments is accounted on receipt basis.
- 7 Inventory:
  - a) Stocks of raw material, packing material and consumables are valued at cost or net realizable value, whichever is lower.
  - b) Work In Progress is valued at cost.
  - c) Stocks of finished good and saleable scrap are valued at cost.
  - d) The Company accounts for excise duty liability at the time of clearance of the goods from the factory premises.
- 8 Purchases: The Company accounts for purchases at net of Cenvat credit received / receivable.
- 9 Gratuity: Provision for gratuity has not been made on the basis of actuarial valuation. The same will be accounted in the year of resignation / termination of services of the employees concerned.
- 10 IPO Expenses: The Company follows the policy of deferring write off of major IPO expenses over a period 5 years after the IPO issue. Other expenses are written off during the year when incurred. GDR Expenses are charged to revenue.

**(B) NOTES OF ACCOUNTS:**

**CONTINGENT LIABILITIES:**

- 1
  - a) Estimated contract remaining to be executed and not provided for ₹ Nil. (Previous Year: ₹ 12,63,00,000)
  - b) Bank Guarantee ₹ 58,17,540 (Previous Year: ₹ 81,94,790/-)
  - c) Corporate Guarantee ₹ 7,60,00,000 to the Bank for a associate company (Previous Year ₹ 7,60,00,000.)
- 2
  - a)
    - i) Term Loan from Banks are secured by way of first charge on pari-passu basis on fixed assets both present and future. These loans are further collaterally secured by way of second charge on pari-passu basis on Stocks and Receivables and personal guarantee of three Directors including Managing Director of the Company.
    - ii) Term Loan against Vehicles are secured against hypothecation of vehicles of company and third party vehicles.
  - b) Working Capital loans from banks are secured by way of hypothecation of Stocks and Receivables on pari-passu basis. These loans are further collaterally secured by way of second charge on pari-passu basis on Fixed Assets of the Company and personal guarantee of three Directors including Managing Director of the Company.

- c) Vehicles loans are secured by hypothecation of respective vehicle.
- 3 Balance of Debtors, Creditors, Loans and Advances, given or taken, and Buyers Credit from Indian Overseas Bank are subject to confirmations.
- 4 Office Building is pending for transfer & registration in the name of the Company.
- 5 Remuneration / benefits to Directors debited to Profit and Loss account were as follows:

Particulars	31.03.2011 (₹)	31.03.2010 (₹)
Directors sitting fees	NIL	NIL
Remuneration to Director	62,79,000	60,00,000
Commission / Incentive	NIL	NIL
<b>Total</b>	<b>62,79,000</b>	<b>60,00,000</b>

**6 Auditor's remuneration:**

Particulars	31.03.2011 (₹)	31.03.2010 (₹)
Statutory Audit & Tax Audit	1,50,000	1,65,000
Service Tax on above	15,450	17,000
<b>Total</b>	<b>1,65,450</b>	<b>1,82,000</b>

**7 Related Party Transactions**

- a) Name of related parties and description of relationship

Sr. No.	Description	Name of the Party
i)	Associate Concern	M/s. Immense Packaging Pvt. Ltd.
ii)	Key Managerial Personnel	Mr. Prakash N. Kela
		Mr. Yogesh P Kela
		Mr. Umesh P Kela

- b) Related Party transactions for the year ended as on 31<sup>st</sup> March, 2010

(₹ in 000's)

Particulars	Party Name	Referred in 7 (i) above (₹)	Referred in 7 (ii) above (₹)
Sales	Immense Packaging Pvt. Ltd	23,46,17,350 (18,75,12,329)	
Interest received	Yogesh & Prakash Kela		Nil (18,30,169)
Directors Remuneration	Yogesh Kela, Umesh Kela and Prakash Kela		62,79,000 (60,00,000)
<b>Outstanding:-</b>			
Debtors	Immense Packaging Pvt. Ltd	8,86,10,190 (8,60,76,954)	





8 Company has granted loans to directors details of which are as under:

(₹ in 000's)

Sr. No.	Name of the Party	Maximum Balance (₹)	Closing Balance (₹)
1.	Mr. Prakash N. Kela	1,29,42,285 (4,00,56,385)	-42,00,000 (Nil)
2.	Mr. Yogesh P. Kela	57,90,571 (1,33,73,020)	Nil (Nil)
3.	Mr Umesh P. Kela	74,09,215 (41,88,611)	-30,00,000 (Nil)

9 Share Capital includes 35,00,000/- Global Depository Receipts (GDRs) issued and allotted at a price of US \$ 3.5 per GDR pursuant to the Offering Circular dated 24th August, 2010 and GDRs are listed on LuxSE and are traded on the Euro MTF. Each GDR represents ten equity share of ₹ 10 each. Also in current year due to Exchange Fluctuation, loss to the tune of ₹ 2,96,50,400/- booked on account of GDR issue remittance.

10 The payment made to M/s Equilink Capital Management Services Ltd. and Oriental Press Ltd has been charged to Security Premium Account although their name is not appearing in the prospectus issued for GDR.

11 Information perusals to the provision of Paragraphs 4D and Part II of schedule VI to the Companies Act 1956:

Licensed and Installed Capacity and Production	
Licensed Capacity:	No License is required
Installed Capacity:	Installed Capacity cannot be defined in terms of quantity and value since the same, in the opinion of the directors will vary depending upon the product mix
	(Previous Year : As above)

12 Expenditure in Foreign Exchange (on Accrual basis)

(in ₹)

Sr No	Head	Current Year	Previous Year
1	On C.I.F. Value of Import of Raw Material	21,00,56,211	8,83,91,528
2	On C.I.F. Value of Import of Machinery	20,19,84,779	8,92,45,579
3	Listing Fees	3,15,850	Nil
4	Bank Charges	43,05,531	Nil
	<b>Total</b>	<b>41,66,62,371</b>	<b>17,76,37,107</b>

13 Value of Imported and Indigenous Raw Material, Stores and Spares Consumed:

Particulars	31.03.2011				31.03.2010			
	Raw Materials		Stores & Spares		Raw Materials		Stores & Spares	
	Amount (₹)	%	Amount (₹)	%	Amount v	%	Amount (₹)	%
Imported	21,00,56,211	16.20	---	--	9,16,94,534	11.03	---	--
Indigenous	1,08,59,79,618	83.80	63,78,425	100.00	74,02,05,906	88.97	47,82,181	100
Total	1,29,60,31,829	100.00	63,78,425	100.00	83,19,00,440	100.00	47,82,181	100

14 Sales includes Sales of Plastic Scrap ₹ 2,61,33,771/- (Previous Year : ₹ 2,56,66,340/-) and Trading Sales of ₹ 8,16,87,119/- (Previous Year ₹ 2,20,68,422/-)

15 Information pursuant to the provision of Paragraphs 3 Part II of Schedule VI to Companies Act 1956:

**Manufacturing Details: PRODUCT: Plastic Films, Bags, Pouch**

Opening Stock	Closing Stock		Turnover	Production			
	Qty (Kgs)	Value		Qty (Kgs)	Value	Qty (Kgs)	
Current Year	1,70,463	2,83,38,340	3,09,129	4,31,05,444	1,94,66,479	1,56,22,72,208	1,96,05,145
Previous Year	93,709	96,61,433	1,70,463	2,83,38,340	1,08,26,785	97,01,45,036	1,09,03,564

Above information does not includes Scrap Details.

**QUANTITATIVE DETAILS OF TRADING GOODS:\***

Products		Purchase		Sales	
		Qty (in Kgs.)	Amt (in ₹)	Qty (in Kgs.)	Amt (in ₹)
Granules	<b>Current Year</b>	<b>7,000</b>	<b>4,97,380</b>	<b>7,000</b>	<b>9,52,563</b>
	Previous Year	52,030	45,86,180	52,030	58,73,269
Master Batch	<b>Current Year</b>	<b>5,817</b>	<b>7,46,320</b>	<b>5,817</b>	<b>7,18,637</b>
	Previous Year	Nil	Nil	Nil	Nil
Printing Ink	<b>Current Year</b>	<b>1,165</b>	<b>1,00,334</b>	<b>1,165</b>	<b>2,50,015</b>
	Previous Year	5,163	7,40,886	5,163	11,96,862
Adhesive Additive	<b>Current Year</b>	<b>1,380</b>	<b>2,39,775</b>	<b>1,380</b>	<b>2,34,600</b>
	Previous Year	Nil	Nil	Nil	Nil
Chemicals	<b>Current Year</b>	<b>11,03,630</b>	<b>7,37,06,303</b>	<b>11,03,630</b>	<b>7,95,31,305</b>
	Previous Year	34,35,659	1,48,26,554	34,35,659	1,49,98,291
Total	<b>Current Year</b>	<b>11,18,992</b>	<b>7,52,90,112</b>	<b>11,18,992</b>	<b>8,16,87,120</b>
	Previous Year	34,92,852	2,01,53,620	34,92,852	2,20,68,422

Opening and Closing quantity are Nil

Consumption of Raw Material

Sr. No.	Description	31.03.2011		31.03.2010	
		Quantity	Value	Quantity	Value
		(Kgs)	(₹)	(Kgs)	(₹)
1	Granules and Master Batch	1,92,64,633	1,22,84,44,159	1,39,49,686	77,76,09,401
2	Plastic Films	Nil	Nil	8,112	6,89,117
3	Polyester Films	67,822	87,19,165	89,807	82,26,394
4	Metalised Films	4,052	7,55,512	13,888	14,70,749
5	Printing Inks	2,97,298	4,34,26,825	2,50,602	3,47,31,929
6	Printing Chemicals	1,15,340	93,38,038	2,13,292	91,72,850
7	Paper Reel	41,496	33,10,458	Nil	Nil
8	Aluminium Foil	12,323	20,37,672	Nil	Nil
	<b>TOTAL</b>	1,98,02,963	1,29,60,31,829	1,45,25,387	83,19,00,440



**16 Earnings Per Share:**

<b>Particulars</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Net Profit as per Profit and Loss account ((₹))	<b>50,72,419</b>	3,95,66,388
Weighted Average number of Equity shares (Nos)	<b>4,55,64,038</b>	1,82,73,627
Basic Earnings Per Share of ₹ 10 each ((₹))	<b>0.11</b>	2.17

**17 Deferred Taxes:**

<b>Particulars</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Deferred Tax Liability		
Opening Balance	<b>3,82,80,171</b>	1,52,67,431
Add: Excess of depreciation allowable under income tax law over depreciation provided in accounts	<b>1,67,69,849</b>	3,03,26,840
	<b>5,50,50,020</b>	4,55,94,271
Deferred Tax Assets		
MAT Credit	<b>(1,32,93,100)</b>	(73,14,100)
Net Deferred Tax Liability	<b>4,17,56,918</b>	3,82,80,171

- 18 In the absence of information with the company regarding the status of the supplier as defined under the "Micro Small and Medium Enterprises Development Act, 2006" the details if any, the provision or payment of interest and related disclosure under the said Act has not been disclosed.
- 19 The Company is in the process of appointing a full time company secretary by the provision of section 383A of the Companies Act 1956. In the absence of the company secretary, these financial statements have not been authenticated by a whole time Company secretary u/s 215 of the Companies Act 1956.
- 20 Compensation receivable is yet to be acknowledged by the machinery supplier.
- 21 Previous Year's figures have been regrouped/ rearranged wherever necessary to make them comparable with the current year's figures.

For and on behalf of the Board of Directors

**Yogesh Kela**  
Managing Director

**Umesh Kela**  
Executive Director

Place : Mumbai  
Date : May 30, 2011



**ATTENDANCE SLIP**

**GLORY POLYFILMS LIMITED**

REGD. OFFICE: 201, Vintage Pearl, "A" Wing, 29th Road, Bandra (W), Mumbai 400 050

(Please fill the attendance slip and hand it over at the entrance of meeting venue. Joint shareholders may obtain additional attendance slip on request.)

Ref. Folio  DP ID\* \_\_\_\_\_

No. of shares held  Client ID \_\_\_\_\_

Name and Address of Shareholder : \_\_\_\_\_  
\_\_\_\_\_

I / We hereby record my / our presence at the **14<sup>th</sup> Annual General Meeting** of **Glory Polyfilms Limited** which will be held on Thursday, the 29<sup>th</sup> September, 2011 at the Scarlet Hall, Hotel Shubhangan, 21<sup>st</sup> Road, Khar Danda, Khar (W), Mumbai - 400 052 at 12.30 P.M.

\_\_\_\_\_  
Signature of Shareholder / Proxy

\* Applicable for Shareholders holding shares in Electronic form.



**PROXY**

**GLORY POLYFILMS LIMITED**

REGD. OFFICE: 201, Vintage Pearl, "A" Wing, 29th Road, Bandra (W), Mumbai 400 050

Ref. Folio  DP ID\* \_\_\_\_\_

No. of shares held  Client ID \_\_\_\_\_

Name(s) of the Shareholder in full \_\_\_\_\_  
\_\_\_\_\_

I/ We \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ being a member/ members of the above-named company  
hereby appoint \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ or failing him \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_

as my/our proxy to vote for me / us on my/our behalf at the Thursday, the 29<sup>th</sup> September, 2011 at the Scarlet Hall, Hotel Shubhangan, 21<sup>st</sup> Road, Khar Danda, Khar (W), Mumbai - 400 052 at 12.30 P.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_.

Signature .....

Affix  
15 paise  
Revenue  
Stamp

**Note:**

- 1) The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Regd.Office of the Company not less than 48 hours before the time for holding aforesaid Extraordinary General Meeting. Proxy need not be a member of the Company.
- 2) Members holding shares under more than 1 Folio may use photocopy of the Proxy Form for other Folios.
- 3) Company shall provide additional Proxy Forms on request.

# BOOK - POST

If not delivered, please return to:

Glory Polyfilms Limited  
201, Vintage Pearl, "A" Wing,  
29th Road, Bandra (W),  
Mumbai 400 050