



COSMO FILMS

POWER OF PERSISTENCE

COSMO FILMS LIMITED
ANNUAL REPORT 2013-14

WHAT WE HOPE TO
ACHIEVE

VISION

To become the most preferred brand for packaging and laminating solutions globally.

MISSION

- Cosmo will seek global market leadership.
- Development & growth in oriented and thermal film.
- We will continue to create a winning culture, operating in the highest standards of ethics and values.
- We will strive for excellence in customer service, quality and R&D.



WHAT DRIVES US
CORE VALUES
OF COSMO

Customer Orientation

We always remember that customers have choices, and we will do whatever it takes to develop long term relations with them. Our customers always come first, and we strive to exceed their expectations from the point of quality and service.

People

Our people are our most important asset. We treat all equally and with respect.

Innovation

We encourage innovation in every facet of our business activity and are not afraid of taking manageable risks. We take pride in developing cost effective innovative packaging and laminating solutions for our customers.

Fair Business Practices

We act fairly and ethically with all the stakeholders. We promote transparency, and adhere to the best corporate governance practices.

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CORPORATE

INFORMATION

REGISTERED OFFICE:

1008, DLF Tower-A, Jasola District Centre,
New Delhi - 110 025
Tel: +91 11 49494949,
Fax: +91 11 49494950
Website: www.cosmofilms.com

PLANTS:

AURANGABAD:

Plant I

J-4, MIDC Industrial Area,
Chikalthana, Aurangabad 431 210
Tel: +91 240 2485894

Plant II

B-14/8-9, MIDC Industrial Area, Waluj,
Aurangabad 431 136
Tel: +91 240 2554611/12/13/14
Fax: +91 240 2554416

Plant III

B-21, MIDC Industrial Area, Aurangabad 431 136
Tel: +91 240 22551888, 2553353/54

Plant IV

AL-24/1, MIDC-SEZ, Shendra Industrial Area,
Aurangabad 431 201
Tel: +91 240 2622205, 2622301

VADODARA

Vermardi Road, Village Navi Jithardi, Near Inox,
Off: N H Road, Taluka Karjan Distt: Vadodara 391 240
Tel: +91 2666 232960, 320707
Fax: + 91 2666 232961

PANCHMAHALS

Plot No. 359-B, Baska Village, Taluka: Halol
Distt: Panchmahals, Gujarat
Tel: + 91 2676 247216

KERKRADE, NETHERLANDS

Mercuriusstraat 9
6468 ES Kerkrade
The Netherlands
Phone: +31 45 535 7676
Fax: +31 45 535 7878

HAGERSTOWN, USA

560, Maryland, Parkway, Hagerstown
Maryland, USA 21740
Tel: +1 302 328 7780
Fax: +1 302 295 9945

KOREA

811, SINEON-RI, DOGO-MYEON, ASAN-SI,
CHOONGNAM, 336-914 SOUTH KOREA
TEL: +82-41-531-1830
FAX: +82-41-531-1831

STATE OFFICES:

DELHI

1008, DLF Tower-A, Jasola District Centre,
New Delhi 110 025
Tel: +91 11 49494949
Fax: +91 11 49494950

MUMBAI

303, 3rd Floor, Gokul Arcade, A Wing,
Opp. Hong Kong Bank, Subhash Road,
Vile Parle (E), Mumbai 400 057
Tel: +91 22 28261195/97, 28266395
Fax: + 91 22 28261201

HYDERABAD

1405/B, 14th Floor, Babu Khan Estate,
Basheerbagh, Hyderabad 500 001
Tel : +91 40 23297620/22
Fax: +91 40 23297622

SUBSIDIARIES:

ASIA PACIFIC

SINGAPORE

Cosmo Films Singapore Pte Ltd
10, Jalan Besar # 10-12,
Sim Lim Tower, Singapore 208787
Tel: 65-6293 8089

KOREA

Cosmo Films Korea Limited
811, Sineon-Ri, Dogo-Myeon, Asan-Si,
Choongnam, 336-914 South Korea
Tel: +82-41-531-1830
Fax: +82-41-531-1831

JAPAN

Cosmo Films Japan, GK
Yamatane -Nai, Tokyo-Danchisoko,
6-2-11 , Iriya Adachi,-Ku,
Tokyo, 121-0836, Japan
Tel: +81-3-5837-1805
Fax: +81-3-5837-1807

MAURITIUS

CF Global Holdings Limited,
Regd. Office : 3rd floor, DHL Building,
Sir Virgil Naz Street, Port Louis, Mauritius

CF (Mauritius) Holdings Ltd.

Regd. Office : 3rd floor, DHL Building,
Sir Virgil Naz Street, Port Louis, Mauritius

EUROPE

NETHERLANDS

Cosmo Films (Netherlands) Cooperatief U.A
Regd. Office: Kabelweg 37, 1014BA,
Amsterdam, Netherlands
Tel: + 31 (0) 20 5814 040
Fax: + 31 (0) 20 5814 050

CF (Netherlands) Holdings Limited B.V.

Regd. Office: Kabelweg 37,1014BA,
Amsterdam, Netherlands
Tel: + 31 (0) 20 5814 040
Fax: + 31 (0) 20 5814 050

USA

Cosmo Films Inc.
775 Belden, Suite D
Addison, Illinois 60101
Tel: +1 302 328 7780
Fax: +1 302 295 99455

DIRECTORS'

PROFILE

DIRECTOR IN EXECUTIVE CAPACITY

Ashok Jaipuria
Chairman & Managing Director

Anil Kumar Jain
Whole Time Director

DIRECTORS IN NON EXECUTIVE CAPACITY

H. K. Agrawal, (Independent)
B.E. & MBA (IIM)

Rajeev Gupta
B.E. & MBA

R. Vasudevan (Independent)
*B.A. (Hons.) Economics, M.A. (Economics & Statistics)
MPA (Development Economics) Harvard University, USA*

Suresh Rajpal (Independent)
B.E. (Electrical), MBA

Alpana Parida
*Graduate from IIM, Ahmedabad
Degree in Economics from University of Delhi*

Ramakant Dwivedi (Independent)
*M.B.A. (F.M.S., University of Delhi)
Ph.D. (Management), Fellow Institution of Engineers (India)*

Ashish Guha (Independent)
*Honours Graduate in Economics
Alumnus of London Business School (Management Development Programme)*

Management Team

Ashok Jaipuria	Chairman & Managing Director
A. K. Jain	Director- Corporate Affairs
Pankaj Poddar	Chief Executive Officer
Tanuj Agarwal	Senior Vice President – International Operations
Neeraj Jain	Chief Financial Officer
Janardan Gupta	Vice President –Commercial & Special Assignments
Sanjay Chincholikar	Vice President – Global Head Lamination Films
A.K.Pathak	Vice President-Manufacturing
Deep Chowdhury	General Manager – Global Controller
R. K. Gupta	General Manager – Commercial
S. C. Maity	General Manager – Manufacturing (Shendra Unit)
N. R. More	General Manager – Engineering
Shailesh Verma	General Manager-Global Head Packaging Films
S. K. Dutta	General Manager- Global Head Speciality Films
Rajeev Joshi	Head HR
Jagdip Kumar	Deputy General Manager - Information Technology
Jyoti Dixit	Company Secretary

Auditors

M/s Walker Chandiok & Co. LLP
(formerly Walker, Chandiok & Co.)
Chartered Accountants

Bankers & Financial Institutions

- Landes Bank Baden-Wurttemberg
- IDBI Bank Limited
- ICICI Bank Limited
- Export Import Bank of India
- Union Bank of India
- State Bank of India
- ING Vysya Bank Limited
- Yes Bank Limited
- Kotak Mahindra Bank Limited
- International Finance Corporation
- Development Bank of Singapore (DBS Ltd.)

OUR FACTORY



CFL Plant



shendra



shendra

DIRECTORS' REPORT

Your Directors present the 37th Annual Report and the Audited Accounts for the year ended March 31, 2014.

(₹. in crores)

FINANCIAL RESULTS	Standalone		Consolidated	
	2013-14	2012-13	2013-14	2012-13
Net Sales	1250.14	1028.76	1456.50	1248.50
Other income	13.93	17.18	18.62	25.12
Profit before interest, depreciation and tax	110.97	81.61	115.42	106.71
Finance Cost (including Interest)	40.19	22.74	43.22	29.01
Depreciation	40.34	33.17	45.32	38.81
Exceptional Item	(20.50)	(5.75)	(28.68)	(17.22)
Profit before Tax	9.94	19.95	(1.80)	21.67
Provision for				
- Current Tax	1.17	2.16	4.12	8.29
- Deferred tax	0.69	3.66	(0.42)	2.05
Profit after Tax	8.08	14.13	(5.50)	11.33
Extraordinary Item	-	-	-	-
Profit after tax including extraordinary item	8.08	14.13	(5.50)	11.33
Minority Interest	-	-	-	-
APPROPRIATIONS				
Less:				
Dividend-Equity shares	1.94	4.86	1.94	4.86
Dividend Tax	0.33	0.83	0.33	0.83
General Reserve	-	1.41	-	1.41

DIVIDEND

Equity dividend of Re. 1 per share (Previous Year Rs. 2.5/- per share) has been recommended by the Board of Directors for the year ended March 31, 2014 amounting to Rs. 1.94 Crores (Previous Year Rs. 4.86 Crores) on the equity share capital.

OPERATIONS

On year to year basis net sales has increased by 21.50% on standalone and by 16.60% on consolidated basis. Operational Profits of the Company has registered an increase of 35.90% on standalone basis and 8.16% on consolidated basis. The Company has commissioned production from its new plant located at Shendra, SEZ, Aurangabad during the year.

The capacity addition in the industry along with unexpected increase in raw material cost has impacted margins during financial year 2013-2014. However, the Company has taken several steps including cost control to increase operating margins and management is confident on achieving results on these steps.

EXPORTS

The Company continues to maintain its position of largest BOPP film exporter from India. Exports registered an increase of 6.13% from Rs. 508 crores in 2012-13 to Rs. 539 crores in 2013-14.

R & D

Continuous efforts on R & D and Application Development activities are being made to expand the domestic and export markets.

DIRECTORS

Mr. Ashok Jaipuria, Chairman & Managing Director of the Company subject to the approval of shareholders is re-appointed for a tenure of five years w.e.f April 02, 2014. Mr. Anil Kumar Jain, Director –Corporate Affairs subject to the approval of shareholders is re-appointed for a tenure of five years w.e.f October 01, 2014. Mr. Rajeev Gupta, Director of the Company, retire by rotation and being eligible offer himself for reappointment at the ensuing Annual



General Meeting. Mr. H.K. Agrawal, Mr. Suresh Rajpal and Mr. R. Vasudevan, Independent Directors of the Company subject to the approval of shareholders are re-appointed for a tenure of five years upto the conclusion of 42nd Annual General Meeting of the Company in the calendar year 2019. The appointment of Ms. Alpana Parida, who was appointed as Additional Director is being reconfirmed as Director of the Company. Mr. Ramakant Dwivedi and Mr. Ashish Guha who were appointed as Additional Directors of the Company and subject to the approval of shareholders be reconfirmed as Directors of the Company in Independent Capacity for a tenure of five years.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the listing Agreement with the Stock Exchanges.

FIXED DEPOSIT

The Company has stopped accepting fixed deposits since 17th October 2002. All deposits that remained unclaimed have been deposited in Central Government fund known as Investor Education and Protection Fund.

AUDITORS' REMARKS

The Auditors' remarks on the annual accounts are self explanatory and do not require further comments from the Company.

SUBSIDIARY

The Ministry of Corporate Affairs had through a notification dated February 8, 2011 exempted companies from attaching the balance sheet & other documents of its subsidiaries subject to the approval of the Board and fulfillment of certain other conditions. The Board of Directors pursuant to the aforesaid notification had given their consent & resolved for not attaching the Balance Sheet of subsidiaries. Accordingly, these documents are not being attached with the Balance Sheet of the Company. The Consolidated accounts of the company duly audited by the Statutory Auditors forms part of the Annual Report. The Company will provide the annual accounts of the subsidiary Companies and related detailed information to any member of the company seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection for any member in its head office and that of the subsidiary companies.

STATUTORY STATEMENTS

As per the requirements of the Companies Act, 1956, the following information is given in separate statements annexed hereto, which form part of this report:

- a) Energy conservation, technology absorption and foreign exchange inflow/outgo pursuant to section 217(1)(e) of the Companies Act, 1956.
- b) Particulars of employees pursuant to section 217(2A) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956, your directors state that:

- (i) In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as of 31st March, 2014 and of the profits of the Company for the year ended on that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts of the Company have been prepared on a going concern basis.

CORPORATE GOVERNANCE

A Management Discussion and Analysis is annexed and form part of this report.

A separate report on Corporate Governance along with the Practicing Company Secretary certificate on compliance of conditions of Corporate Governance as stipulated in clause 49 of the listing Agreement with the Stock Exchanges form part of this report.

AUDITORS

M/s. Walker, Chandio & Co., Chartered Accountants, retire as auditors of the Company at the ensuing Annual General

Meeting and seek re-appointment at the ensuing Annual General Meeting of the Company. The Company has received a letter from Walker, Chandio & Co., Chartered Accountants, expressing their willingness to be reappointed as statutory auditors of the Company and further confirmed that their reappointment, if made, will be in compliance with provisions of Section 141(3)(g) of the Companies Act, 2013. The Board has proposed to appoint M/s. Walker, Chandio & Co., Chartered Accountants, as statutory auditors of the Company from the conclusion of the ensuing Annual General Meeting.

APPRECIATION

Your Directors wish to place on record their appreciation of continued support extended by the dealers, distributors, suppliers, investors, bankers, financial institutions. Your Directors also express their appreciation for the committed services by the employees of the Company.

On behalf of the Board

Ashok Jaipuria
Chairman

Place: New Delhi
Date: August 12, 2014

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2014.

I. CONSERVATION OF ENERGY

(a) Energy conservation measures taken

Improvement in energy efficiency is a continuous process at Cosmo and conservation of energy is given a very high priority in all our plants and offices.

The energy cost saving measures carried out by the company during the year are listed below:

- i) Use of natural lights for plant lighting.
- ii) Installation of reactive capacitor banks to improve power factor.
- iii) Oil heating system introduced in place of Electrical heating for coating line.
- iv) Modified chilling circuits & eliminated primary pumping
- v) Installation of LED lights for plant lighting.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy;

Use of Briquettes/coal based thermal fluid heating system.

(c) Impact of the measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods;

The above measures have helped the Company to improve its energy management efficiently and consequently reduce cost.

(d) Form A

Not Applicable

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form-B of the Annexure in the Rules.



1. Research and Development

(a) Specific areas in which R & D carried out by the Company:

Development of new products, Improvement in product quality and upgradation of products as per customer needs.

(b) Benefits derived as a result of above R & D :

Development of new products, improvement and upgradation of products

(c) Future Plan of Action

The Company will continue its efforts towards the development of new products, new applications and cost reduction measures.

(d) Expenditure on R & D

₹. Crores.(approx)

(a) Capital	0.00
(b) Recurring	3.56
(c) Total	3.56
(d) Total R & D expenditure as percentage of net sales	0.28

2. Technology Absorption, adoption and innovation.

(a) Efforts in brief, made towards technology absorption, adoption and innovation.

The Company's technology is developed in house, which has helped in improving efficiency and developing new products.

(b) Benefits derived as a result of the above efforts.

Growth in business.

(c) In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.

(a) Technology imported

(b) Year of import

(c) Has technology been fully absorbed

(d) If not fully absorbed, areas where this has not taken place, reason therefore and future plans of actions:

N.A. (The Company has not imported any technology)

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Activities relating to export initiatives taken to increase exports, development of new export markets for products and services and export plans.

Despite the Continuous tough market conditions, the Company was able to export ₹ 539 crores in 2013-14 against ₹508 crores in 2012-13.

B. Total Foreign Exchange used and earned

The Company's foreign exchange earnings were ₹ 539 Crores (Previous Year ₹ 508 Crores). The total foreign exchange utilized during the year amounted to ₹314.15crores (Previous Year ₹175.84 crores). Details of foreign Exchange earned and utilized during the year are given in Notes to Accounts.

On behalf of the Board

Ashok Jaipuria
Chairman

August 12, 2014
New Delhi

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Cosmo Films, being a professionally managed Public Limited Company has a strong presence in flexible packaging films. In speciality films segment beside thermal films, wet lamination, synthetic paper, high barrier films, coated films are key products. Cosmo is the largest producer of thermal lamination films in the world. In commodity, Cosmo manufactures tape and textile films as well as packaging films. Within the packaging segment, company manufactures films such as heat sealable, plain, metallized, opaque films as well as speciality films such as stable slip film, low SIT films, high hot tackfilms, low COF films and extrusion coatable metallized films. In labels Cosmo has almost a complete range of films for wrap-around, in-mould and self adhesive applications in transparent, metallized and opaque which can work with almost all kinds of printing inks.

With the commissioning of Company's new plant at Shendra SEZ, Aurangabad Company has grown exponentially.

ECONOMIC OVERVIEW & INDUSTRY SCENARIO

India-one of the fastest growing economies of the world, is all set to attain the premier status. India is a favoured destination for overseas investors and offers the advantages of an open economy, increasing liberalization, a stable democratic political scenario, highly skilled work force with fluency in English. Various overseas players wish to explore the Indian market and invest in opportunities thrown open by the country, projected to be world number 3 in plastic consumption. This seems a very achievable position as since the past decade, the Indian plastic industry continues to grow at double digit figures.

The historical growth of the plastic industry over the last few decades is at an impressive 12-14% which is almost twice the GDP growth. The major driver of this growth is the increased standard of living of people in India (housing the second largest population in the world)

Demand for packaged foods, and the subsequent need for BOPP film packaging, has weathered the recession relatively well, facilitating world BOPP film demand growth of an average 6.1% per annum over the last five years, to reach over 6.7 million tonnes (291 BOPP producers in the world) in 2012.

Independent research forecasts indicate world demand for BOPP films will continue to grow by an average of 6.6% per annum to reach 8.3 million tonnes by 2016. Growth in Asian demand is expected to account for a vast majority of the predicted world growth over the next five years.

KEY RISKS AND CONCERNS

Foreign Exchange Risk:

Company is engaged in import and export activities and Foreign Currency Loans also exist in its operational requirement purview. As this risk usually affects businesses that export and/or import, it may have an impact on the working of the organization. To reduce such risk, the Company has implemented a foreign exchange risk management policy and take hedges in accordance with the policy.

Capacity Additions in the Industry & Increase in Raw Material Costs:

The capacity addition in the industry along with increase in raw material cost has impacted margins during financial year 2013-14. However, the Company has taken several steps to increase operating margins and management is confident on achieving results on these steps.

OPERATIONAL & FINANCIAL PERFORMANCE:

During the year under review, turnover of the Company registered a growth of around 16.60% Y-o-Y with Net Sales of Rs. 1456.50Cr as against Rs. 1248.50Cr in FY'13.(Consolidated No's) On Standalone basis the turnover increased by around 21.52%—Rs.1250.14Cr in FY 2013-14 as compared to Rs.1028.76Cr in FY 2012-13.

The other details of the financial performance are appearing in the financial statements appearing separately in the financial statements. For highlights, please refer to the Directors' Report forming part of the Annual Report.

INTERNAL CONTROL SYSTEM

The Company has an efficient Internal Audit System with established adequate internal controls, for assuring achievement of the organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with various laws, regulations and policies. Internal Control helps the organization in directing, monitoring, measuring as well as protecting its resources. The Internal Audit within the organization is carried out by Internal Auditors and covers all the key areas of the Company's business.



INDUSTRIAL RELATIONS AND HUMAN CAPITAL

Industrial Relations involves all aspects of legal compliance that are required to be met by the organisation. There were gracious industrial relations across the Company, with least turnover in staff, no labour unrests or strikes during the period under review. Management of the outcomes of Performance Appraisals, provision of Employee Assistance Programmes, Counselling, Dispute Resolution, Outplacement services and assessment of Education, Training & Development needs of the employees form the core of employee relationship with the management. The efficiency and effectiveness of the Management in these areas help in the smooth operation of organisations as well as in transition into new environments whenever organisational change occurs.

FUTURE OUTLOOK

The vision of COSMO FILMS is to become the most preferred brand for packaging and laminating solutions globally. Its

mission is to seek global market leadership, development & growth in Oriented and Thermal films, create a winning culture operating in highest standards of ethics and values and to strive for excellence in customer service, quality and R&D.

CAUTIONARY STATEMENT

Statements made in this report in describing the Company's objectives, estimates and expectations are "Forward looking Statements" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events but the Company, however, can not guarantee that these assumptions are accurate or will be materialized by the Company. Actual results may vary from those expressed or implied, depending upon the economic conditions, Government policies and /or other related factors.

REPORT ON CORPORATE GOVERNANCE
COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

For Cosmo, maintaining the highest standards of corporate governance is not a matter of mere form but also of substance. It is an article of faith, a way of life, and an integral part of the Company's core values. Your company is committed for adopting best global practice of Corporate Governance. The philosophy of Corporate Governance as manifested in the Company's functioning is to achieve business excellence by enhancing long term shareholders value and interest of its entire shareholders. Efficient conduct of the business of the company through commitment to transparency and business ethics in discharging its corporate responsibilities are hallmarks of the best practices already followed by the Company.

The Company's compliance of Corporate Governance guidelines of the Listing Agreement is as follows:

A. COMPOSITION OF THE BOARD AND RECORD OF OTHER DIRECTORSHIPS HELD

The Company is managed and controlled through a

professional body of Board of Directors, which comprise of an optimum combination of Executive and Non-executive Independent Directors headed by the Chairman. The present strength of Board of Directors is eight(8), out of which six (6) are Non-Executive Independent Directors, constituting more than 50% of its total strength. The Company's Board consists of eminent persons with considerable professional expertise and experience. The independent directors do not have any pecuniary relationship or transactions with the company, promoters, and management, which may affect independence or judgement of the Directors in any manner.

The composition of the Board of Directors of the Company is in conformity with the provisions of clause 49 of the listing agreement with the stock exchanges. The structure of the Board and record of other Directorships, Committee memberships & Chairmanships and shareholding in the Company as on March 31, 2014 is as under:

Name of the Director	Category	Designation	No. of other Directorships Held	Total No. of Chairmanships / Memberships of Board Level Committees			Shareholding (as on 31st March 2014)
				Chairmanship	Membership	Total	
Mr. Ashok Jaipuria	Promoter Director	Chairman & Managing Director	2	Nil	2	2	470161
Mr. A. K. Jain	Executive Director	Whole Time Director	2	Nil	4	4	7000
Mr. H. K. Agrawal	Independent Non-Executive Director	Director	Nil	1	2	3	1000
Ms. Alpana Parida*	Independent Non-Executive Director	Director	Nil	Nil	Nil	Nil	Nil
Mr. Rajeev Gupta	Independent Non-Executive Director	Director	5	1	1	2	10100
Mr. Badri Agarwal	Independent Non - Executive Director	Director	Nil	Nil	1	1	Nil
Mr. R Vasudevan	Independent Non-Executive Director	Director	4	2	4	6	Nil
Mr. Suresh Rajpal	Independent Non-Executive Director	Director	1	1	Nil	1	Nil

*Appointed as an additional Director w.e.f 14th February 2014

Notes:

- I. The Directorships held by Directors as mentioned above, do not include alternate Directorship, Directorships of Foreign Companies, section 25 Companies and Private Limited Companies.
- II. In accordance with clause 49, Membership(s) / Chairmanship(s) of only the Audit Committee and Shareholder Investor Grievance Committee of all Public Limited Companies have been considered.
- III. None of the Directors is a member of more than 10 Board-level committees of public Companies in which they are Directors, nor is chairman of more than 5 such committees.



B. BOARD MEETINGS:

1. Scheduling and selection of agenda items for Board Meetings

The months for holding the Board Meetings in the ensuing year are usually decided in advance and most Board Meetings are held at the Company's registered office in New Delhi. The agenda for each meeting, along with explanatory notes, is sent in advance to the Directors. The Board meets at least once in a quarter to review the quarterly

results and other items on the agenda.

2. Number of Board Meetings

The Cosmo Films Board met Four times on 27th May, 2013, 13th August, 2013, 12th November, 2013, and 14th February, 2014 during the financial year ended 31st March, 2014. The maximum time gap between any two meetings was not more than one hundred twenty days.

3. Record of the Directors' attendance at Board Meetings and AGM

Name of the Director	Number of Board Meetings held during tenure of Directors and attended by them		Attendance at last AGM held on 25 th September, 2013
	Held	attended	
Mr. Ashok Jaipuria	4	4	No
Mr. A.K. Jain	4	3	Yes
Mr. H. K. Agrawal	4	3	Yes
Mr. Rajeev Gupta	4	3	No
Mr. Badri Agarwal	4	3	No
Mr. R Vasudevan	4	1	No
Mr. Suresh Rajpal	4	3	No
Ms Alpana Parida*	1	1	No
Dr. Surinder Kapur**	2	0	No

*Appointed as an Additional Director w.e.f. 14th February, 2014

**Ceased to be a Director of the Company w.e.f —17th October 2013

4. Availability of information to the Board

The Board has unfettered and complete access to any information within the Company and to any employee of the Company. Necessary information as mentioned in Annexure-1A of Clause 49 of the Listing Agreement has been regularly placed before the Board for its consideration.

provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted, headed by an Independent Director. Majority of the members are Non-executive Directors and each member has rich experience in financial sector.

The role and terms of reference of the Audit Committee inter-alia includes the following:

A. Review of the following information:

- a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending, the appointment, re-appointment, replacement and removal of the statutory auditor and the audit fees payable and approving payment for any other services payable to statutory auditors, to the Board.

C. BOARD LEVEL COMMITTEES

In accordance with the Listing Agreement with the Stock Exchanges on Corporate Governance, the following Committees were in operation:

- 1. Audit Committee
- 2. Stake Holders Relationship Committee

1. AUDIT COMMITTEE

➤ **Terms of reference**

As a measure of good Corporate Governance and to

- c) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with primary focus on matters required to be included in the Directors Responsibility Statement, changes if any in accounting policies and practices and reasons thereof, compliance with accounting standards, major accounting entries involving estimates based on the exercise of judgement by the management, significant adjustments made in the financial statements arising out of Audit findings, qualifications in draft auditors' report, related party transactions and the going concern assumption.
- d) Compliance with the listing and other legal requirements concerning financial statements;
- e) Quarterly financial statements before submission to the Board for approval
- f) Reviewing with the management, performance of statutory auditors, internal auditors and adequacy of internal control systems;
- g) Reviewing the adequacy of internal control system and internal audit function and reviewing the Company's financial and risk management policies
- h) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- i) Reviewing reports furnished by the internal auditors, discussion with the internal auditors on any significant findings ensuring suitable follow up there on
- j) Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- k) To look into the reasons for substantial defaults in the payment to the depositor, debenture holders, shareholders (in case of payment of declared dividends) and creditors;
- l) The functioning of Whistle Blowing mechanism;
- m) Management discussion and analysis of financial condition and results of operations;
- n) Management letters / letters of internal control weaknesses issued by the statutory auditors.
- o) Approval of appointment of CFO (i.e. The Whole

Time Finance Director, or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc of the candidate.

- p) Internal audit Reports pertaining to Internal Control weaknesses.
- q) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

B. Disclosure of the following information:

- a) Related party transactions:
 - Identification of related parties as per AS-18
 - Statement in summary form of transactions with related parties in the ordinary course of business
 - Statement of material individual transaction with related parties which are not in the normal course of business
 - Material transactions with related parties or others, which are not on arm's length basis.
- b) Compliance with Accounting Standards, and if in preparation of financial statements, a treatment different from that prescribed in an Accounting standard has been followed, management explanation for the same.
- c) If money raised by way of issue (public issue, rights issue, preferential issues, etc.) the uses / application of funds by major category (capital exp, sales, working capital, etc.

➤ **Composition of Audit Committee**

The Audit Committee, as on March 31, 2014, consisted of the following five (5) Directors who are eminent professionals and possess sound knowledge in finance:

Chairman	:	Mr. H. K Agrawal
Members	:	Mr. Rajeev Gupta, Mr. Badri Agarwal, Mr. R Vasudevan and Mr. A. K. Jain

➤ **Meetings and attendance during the year**

The Audit Committee met four times during the financial year from April 1, 2013 to March 31, 2014:



- | | |
|--------------------|----------------------|
| 1. May 27, 2013 | 3. November 12, 2013 |
| 2. August 13, 2013 | 4. February 14, 2014 |

The attendance record of the Audit Committee members is given in following table:

Names of the Audit Committee members	Number of Audit Committee Meetings	
	Held during the tenure of Directors	Attended
Mr. H K Agrawal	4	3
Mr. Rajeev Gupta	4	3
Mr. Badri Agarwal	4	3
Mr. R Vasudevan	4	1
Mr. A.K. Jain	4	3

2. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

> Terms of reference

This Committee was constituted specifically to review compliance of rules and regulations, to redress shareholder's grievance and to provide suggestions and further in pursuant to section 178(5) of Companies Act, 2013, the earlier Share Transfer and Investor Grievance Committee was reconstituted to be called as "STAKEHOLDERS RELATIONSHIP COMMITTEE". To expedite the process of share transfers the Board has delegated the power of share transfer to M/s Alankit Assignments Limited viz. Registrar and Share Transfer Agents who attend the share transfer formalities at least once in a fortnight.

Terms of reference of the Stakeholders Relationship Committee are as per the guidelines set out in the Listing Agreements with the Stock Exchanges which inter-alia include looking into the investors complaints on transfer of shares, non receipt of declared dividends etc and redressal thereof.

> Composition of Stake Holders Relationship Committee

The Stake Holders Relationship Committee is headed by an Independent Director and presently consisted of the following members as on March 31, 2014:

- Chairman : Mr. R Vasudevan
Members : Mr. H. K. Agrawal
Mr. A. K. Jain

> Meetings and attendance during the year

The Share Transfer and Investor Grievance Committee met four times during the financial year from April 1, 2013 to March 31, 2014:

1	May 27, 2013	3	November 11, 2013
2	August 13, 2013	4	February 14, 2014

The attendance record of the members of "Stakeholders Relationship Committee" previously known as "Share Transfer and Investor Grievance Committee" is given in following table:

Names of the SRC members	Number of SRC Meetings	
	Held during the tenure of Directors	Attended
Mr. H. K. Agrawal	4	3
Mr. R Vasudevan	4	1
Mr. A. K. Jain	4	4

> Compliance Officer

The Compliance Officer for this committee, at present, is Ms. Jyoti Dixit, Company Secretary.

> Shareholders' Complaints etc. received during the FY- 2013-14

During the year from April 1, 2013 to March 31, 2014 the Company received 33 complaints from various Investors / Shareholders' relating to non-receipt of Dividend / Bonus Shares / Transfer of Shares / Dematerialization of Shares / Annual Report etc. The same were attended to the satisfaction of the Investors. At the end of March 31, 2014, no complaint was pending for redressal and there were no pending share transfers as on March 31, 2014.

3. HR NOMINATION AND REMUNERATION COMMITTEE

> Composition of Remuneration Committee

Earlier Remuneration Committee has been renamed as HR, Nomination and Remuneration Committee w.e.f 14th February 2014 and is headed by an Independent Director and consists of the following members:

- > Chairman : Mr. Suresh Rajpal
- > Members : Ms. Alpana Parida
Mr. H. K. Agarwal
Mr. A. K. Jain

> **Compliance officer**
The Compliance Officer for this committee, at present, is Ms. Jyoti Dixit, Company Secretary.

> **Remuneration Policy**
The Non-executive directors are paid only the sitting fees of Rs.10,000/- for attending each Board and Committee meeting thereof.

> **Remuneration Paid to Directors**
Following tables give the details of remuneration paid to directors, during the year from April 1, 2013 to March 31, 2014:

> **Remuneration to Non-Executive Directors**

S. No.	Name of the Director	Sitting Fees
1	Mr. H. K. Agrawal	90,000
2	Mr. Rajeev Gupta	60,000
3	Mr. Badri Agarwal	60,000
4	Mr. R. Vasudevan	30,000
5	Mr. Suresh Rajpal	30,000
6	Ms. Alpana Parida	10,000
7	Dr. Surinder Kapur	Nil

> **Remuneration to Executive Director**

Sl. No.	Particulars	Designation	Salary (Rs. in Crores)	Commission (Rs. in Crores)	Contribution to provident & Superannuation Funds (Rs in Crores)	Benefit (Rs. in Crores)	Total Amount (Rs. in Crores)
1.	Mr. Ashok Jaipuria	Chairman & Managing Director	0.26	-	0.05	-	0.30
*2.	Mr. A. K. Jain	Whole Time Director	0.93	-	0.10	-	1.03

*Note: Excess remuneration of Rs. 0.73 crore was paid during the year to the Whole Time Director over the maximum remuneration payable under Companies Act, 1956. The Board of Directors resolved to seek the approval for such excess remuneration from the shareholders and Central Government. Till these approvals are obtained, the said Director shall hold such excess remuneration in trust.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

> **Composition of CSR Committee**
In accordance with the provisions of Companies Act, 2013, a CSR committee has been constituted to formulate and recommend to the Board a CSR policy to indicate the activities to be undertaken,

to recommend the amount of expenditure to be incurred on certain activities and to monitor CSR policy from time to time.

- > Chairman : Mr. Ashok Jaipuria
- > Members : Mr. A.K. Jain
Ms. Alpana Parida
Mr. Rajeev Gupta

D. GENERAL BODY MEETINGS:

Date / Venue / Time of previous three Annual General Meetings:

Year	Place	Date	Time
2010-11	Shah Auditorium, 2, Raj Niwas Marg, Civil Lines, Delhi -110054	13/07/2011	12:00 Noon.
2011-12	Shah Auditorium, 2, Raj Niwas Marg, Civil Lines, Delhi -110054	30/07/2012	10:45 A.M.
2012-13	Shah Auditorium, 2, Raj Niwas Marg, Civil Lines, Delhi -110054	25/09/2013	10:30 A.M.

1. No Special Resolution was passed in the previous three Annual General Meetings.
2. No Resolution was passed through postal ballot, during the financial year 2013-14.

E. DISCLOSURES:

1. **Related Party Transactions:** There have been no materially significant related party transactions, pecuniary transactions or relationships between Cosmo Films and its Directors for the year ended March 31, 2014 other than those listed in notes to the annual accounts.
2. The Company has complied with the requirements of stock exchanges or SEBI on matters related to Capital Markets, as applicable. No penalty was levied by these authorities in last three years.
3. **Code of Conduct:** The Company has adopted a Code of Conduct for the members of the Board of Directors and the Senior Management of the Company. The Code of Conduct is displayed on the website of the Company. All the Directors and the Senior Management Personnel have affirmed compliance with the Code for the Financial Year ended 31st March 2014. A declaration to this effect, signed by the Chairman & Managing Director is annexed to this report.
4. **Compliance with Mandatory requirements of clause 49 of the Listing Agreement**
The Company has complied with all the applicable mandatory requirements of clause 49 of the Listing Agreement.



5. Compliance with Non-Mandatory requirements of clause 49 of the listing agreement

The Company has fulfilled the following non-mandatory requirement of clause 49 of the Listing Agreement:

Whistleblower Policy: The Company has adopted a Whistle Blower Policy that has since been implemented within the organization. No Personnel of the Company have been denied access to the Audit Committee.

HR, Nomination and Remuneration Committee: The Board has a HR, Nomination and Remuneration Committee to determine on their behalf and on behalf of the shareholders with agreed terms of reference, the Company's Policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.

- 6. The necessary certificate, pursuant to clause 49(V) of the Listing Agreement with Stock Exchanges, is annexed to this report.
- 7. The Company Secretary has a key role to play in ensuring the Board procedures and statutory compliances are properly followed. A certificate from the Company Secretary indicating the compliance of Companies Act, 1956 and Listing Agreement has been annexed to this report.
- 8. **Management Discussion and Analysis Report** - The Management Discussion and Analysis has been discussed in detail separately in this Annual Report.
- 9. **Compliance Certificate from Practicing Company secretary:** Certificate from Practicing Company Secretary confirming compliance with conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement, is annexed to this report.
- 10. Other disclosures as required under clause 49 has been given at relevant places in the Annual Report.

F MEANS OF COMMUNICATION / INVESTORS' COMMUNICATION

- > The quarterly and half-yearly/Annual financial results are forthwith communicated to the Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE), where the shares of the Company are listed, as soon as they are approved

and taken on record by the Board of Directors.

- > Financial Results are published in leading newspapers, one English newspaper and one Hindi newspaper.
- > The financial results are also put up on Company's website www.cosmofilms.com.

G. INFORMATION TO SHAREHOLDERS

1. REGISTERED AND CORPORATE OFFICE
1008, DLF Tower-A, Jasola District Centre, Jasola, New Delhi - 110 025

2. ANNUAL GENERAL MEETING

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

3. FINANCIAL CALENDAR

Financial Year is April 1, 2014 to March 31, 2015 and tentative schedule for approval of the quarterly / half yearly / yearly financial results is given below:

Particulars	Month (Tentative)
Financial results for the 1 st quarter ending June 30, 2014.	August, 2014
Financial results for the 2 nd quarter and half year ending September 30, 2014.	November, 2014
Financial results for the 3 rd quarter and nine months ending December 31, 2014.	February, 2015
Financial results for the last quarter and financial year ending March 31, 2015.	May, 2015

4. WEBSITE

The address of the Company's web site is www.cosmofilms.com

5. DIVIDEND PAYMENT DATE

Dividend on equity shares as recommended by the Board of Directors for the year ended 31st March, 2014, if approved at the ensuing Annual General Meeting, will be paid on or before October 24, 2014.

6. LISTING ON STOCK EXCHANGES

The names of the stock exchanges at which Company's shares are listed as on 31st March, 2014 and details of "Stock Codes" are as mentioned below:

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Ltd.	508814
National Stock Exchange of India Ltd.	COSMOFILMS

7. INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialized equity

shares of the company. The ISIN number of the shares of Cosmo Films Ltd. is **INE 757A01017**

8. ANNUAL LISTING FEE

Annual Listing Fee for the year 2013-14 has been paid to each of the above mentioned stock exchanges. There are no arrears of listing fees with any of the said stock exchanges till date.

9. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2014

Following tables gives the data on shareholding according to types of shareholders and class of shareholders.

➤ **Distribution of the shareholdings according to type of shareholders:**

Particulars	March 31, 2014		March 31, 2013	
	No. of Shares	% (Holding)	No. of Shares	% (Holding)
Promoters	8328439	42.84	8328439	42.84
Institutional Investors	10880	.06	62762	0.32
Bodies Corporate	1317110	6.78	1244211	6.40
Others	9783647	50.32	9804664	50.44
Total	19440076	100	19440076	100.00

➤ **Distribution of shareholding according to the number of shares:**

Distribution of the Shareholding according to type of shareholders

No. of Equity Shares	March 31, 2014				March 31, 2013			
	No. of	% of	No. of	% of share	No. of	% of	No. of	% of share
	Shareholders	Shareholders	shares	Capital	Shareholders	Shareholders	shares	Capital
1-500	19909	87.099	2642082	13.591	20938	87.695	2777132	14.285
501-1000	1564	6.842	1233753	6.346	1561	6.538	1235082	6.353
1001-2000	691	3.023	1041281	5.356	673	2.819	1001661	5.153
2001-3000	256	1.12	655448	3.372	259	1.085	662466	3.408
3001-4000	103	.451	369375	1.9	104	0.436	371750	1.912
4001-5000	92	.402	434997	2.238	96	0.402	455830	2.345
5001-10000	142	.621	1064395	5.475	142	0.595	1058517	5.445
10001 and above	101	.442	11998745	61.722	103	0.431	11877638	61.099
Total	22858	100	19440076	100.000	23876	100.00	19440076	100.00



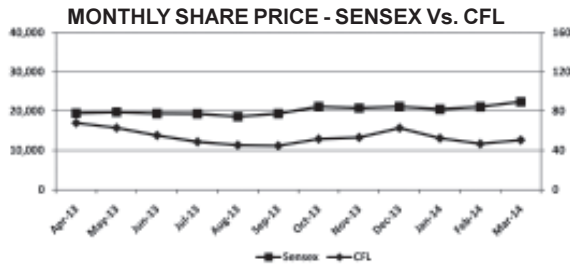
10. MARKET PRICE DATA

Monthly high and low prices of equity shares of the company traded at The Bombay Stock Exchange Limited and National Stock Exchange of India Limited are given below:

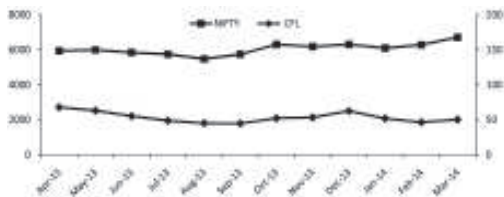
MONTH	BSE		NSE	
	HIGH (₹)	LOW (₹)	HIGH (₹)	LOW (₹)
Apr-13	73.5	66.15	73.4	66.5
May-13	70.65	62.6	70.7	62.8
Jun-13	63	53.10	62.95	52.65
Jul-13	57.4	48	57	48.10
Aug-13	52.5	44.2	52.5	44.3
Sep-13	52.4	44.15	52	44.5
Oct-13	60.7	44.35	60.3	44.8
Nov-13	56.85	50	56.95	50.8
Dec-13	65.35	51	65.4	52.35
Jan-14	63	50.7	63	50.65
Feb-14	54.9	45.3	53.9	45.60
Mar-14	52.5	45.5	52.9	45.4

11. SHARE PERFORMANCE IN COMPARISON TO BSE SENSEX AND NSE NIFTY

a. COMPANY'S SHARE PRICE MOVEMENT VIS A VIS BSE SENSEX



b. COMPANY'S SHARE PRICE MOVEMENT VIS A VIS NIFTY



12. DEMAT

Your Company's equity shares are compulsorily traded in dematerialisation form by all categories of investors. Equity shares of your Company are available for trading in the depository systems of both the Depositories viz. The National Securities Depositories Limited (NSDL) and The Central Depositories Service (India) Limited (CDSL).

As on March 31, 2014, 96.45% (i.e. 187, 49, 515 equity shares) of the total equity share capital (i.e. 1,94,40,076 equity shares) were held in demat form.

13. REGISTRAR AND SHARE TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

The Company has appointed a common Registrar i.e. Alankit Assignments Limited for share transfer and dematerialisation of shares. To expedite the process of share transfers the Board has delegated the power of share transfer to Alankit Assignments Limited viz. Registrar and Share Transfer Agents who will attend to the share transfer formalities at least once in fortnight. Their contact details are as follows;

M/s Alankit Assignments limited
 2E/21, Alankit House,
 Jhandewalan Extension, New Delhi 110 055
 Ph: +91 11 42541234, Fax: +91 11 011-42541967
 Contact Person: Mr. R. S. Maurya

14. PLANT LOCATIONS

The addresses of the Company's plants are mentioned elsewhere in this Annual Report.

15. ADDRESS FOR CORRESPONDENCE:

i. **Investors' Correspondence** may be addressed to the following:

Ms. Jyoti Dixit
 Company Secretary, Cosmo Films Limited
 1008, DLF Tower-A, Jasola District Centre,
 Jasola, New Delhi 110 025
 E-mail: investor.relations@cosmofilms.com
 Fax: +91-11-49494950

OR

To the Registrar and Share Transfer Agent i. e : Alankit Assignments Limited at the address mentioned elsewhere in this report.

ii. **Queries relating to the Financial Statements** of the Company may be addressed to following:

Mr. Neeraj Jain
 Chief Financial Officer, Cosmo Films Limited
 1008, DLF Tower-A, Jasola District Centre,
 Jasola, New Delhi 110 025
 E-mail: neeraj.jain@cosmofilms.com

ANNEXTURES TO THE CORPORATE GOVERNANCE REPORT

ANNUAL DECLARATION OF COMPLIANCE OF CODE OF CONDUCT BY CEO/CMD

To
The Board of Directors
Cosmo Films Limited
1008, DLF Tower-A,
Jasola District Centre, Jasola
New Delhi -110 025

1. The Code of Conduct has been laid down for all the Board members and Senior Management and other employees of the Company.
2. The Code of conduct has been posted on website of the Company.
3. The Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2013-14.

Ashok Jaipuria
Chairman & Managing Director

August 12, 2014
New Delhi



COSMO FILMS

CERTIFICATE PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT

To
The Board of Directors
Cosmo Films Limited

We, the undersigned hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the Financial Year 2013-14 and to the 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 affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2013-14 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud, if any, of which we have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Neeraj Jain
Chief Financial Officer

Pankaj Poddar
Chief Executive Officer

New Delhi
August 12, 2014

CERTIFICATE FROM THE COMPANY SECRETARY

I, Jyoti Dixit, Company Secretary of Cosmo Films Limited ("i.e. company") confirm that the company has:

- (i) Maintained all the statutory registers required under the Companies Act, 1956 ("the Act") and the Rules made there under.
- (ii) Filed all the forms and returns and furnished all the necessary particulars to the Registrar of Companies and/or Authorities as required by the Companies Act, 1956.
- (iii) Issued all notices required to be given for convening of Board Meeting and General Meeting, within the time limit prescribed by law.
- (iv) Conducted the Board Meetings and Annual General Meeting as per the Act.
- (v) Complied with all the requirements relating to the minutes of the proceedings of the meetings of the Directors and the Shareholders.
- (vi) Made due disclosure required under the Act including those required in pursuance of the disclosure made by the Directors.
- (vii) Obtained all necessary approvals of Directors, Shareholders, Central Government and other Authorities as per the requirements.
- (viii) Paid dividend amounts to the Shareholders and unpaid dividend amounts, if applicable, have been transferred to the Investor Education and Protection Fund within the limit prescribed.
- (ix) Complied with all the requirements of the Listing Agreement entered into with the Stock Exchange(s) in India.
- (x) The company has also complied with other statutory requirements under the Companies Act, 1956 and other related statutes in force.

The certificate is given by the undersigned according to the best of her knowledge and belief, knowing fully well that on the faith and strength of what is stated above; full reliance will be placed on it by the Shareholders of the Company.

Jyoti Dixit
Company Secretary

New Delhi
August 12, 2014



COSMO FILMS

COMPLIANCE CERTIFICATE UNDER CLAUSE 49 OF THE LISTING AGREEMENT FROM PRACTICING COMPANY SECRETARY

We have examined the compliance of conditions of Corporate Governance by Cosmo Films Limited (“the Company”) for the year ended March 31, 2014 as stipulated in clause 49 of the listing agreement of the company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in said clause. 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 explanation give to us, and as per representations made by Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For Ujjwal Sharma & Co.
COMPANY SECRETARY**

New Delhi
August 12, 2014

**Ujjwal Sharma
C.P. number 9212**

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956

NAME OF EMPLOYEE	Designation	Gross Annual Remuneration	Qualification	Years of Experience	Date of Comencement	Age	Last Employment	Designation
Mr. A.K. Jain	Director-Corporate Affairs	1,03,11,980	B. Com (Hons), AICWA, CISA	44	01.09.2008	63	Mawana Sugars Ltd	Senior Vice President
Mr. Pankaj Poddar	Chief Executive Officer	1,15,63,318	B.Com., CA, PGDBM	17	02.07.2011	38	Avon Beauty Products	Director-Finance
Mr. Tanuj Agarwal	Sr. Vice President-International Operations	72,17,766	B. Com, DBF (ICFAI) & MBA	16	05.07.2010	39	Dalmia Cement Group	Assistant Executive Director



CORPORATE SOCIAL RESPONSIBILITY

Education transforms lives. Institutions which ensure quality education can exert powerful social economic transformations and it empowers people. It is all about human dignity, peace and sustainable development.

The Company's CSR arm 'Cosmo Foundation' have been of the firm belief to consistently make effort to add value to mainstream education with a passion, optimum utilization of local resources and building partnerships at grass roots which will have a life changing impact.

Cosmo Foundation was established in the year 2008 and has built in partnership with sixteen Government & Grant-in-aid Schools spread across 10 villages in the Karjan Block of Gujarat covering around 2500 students, who are receiving quality education, which will have a strong foundation for higher education and whose empowerment will have a very positive impact to the society

- **Basic Computer Literacy** on Windows and ubuntu Linux operating system was imparted to 1556 students from class 1 to 12 under this program. Government of Gujarat has provided computer sets, local schools provide space and electricity and we provide trained computer teachers, curriculum, periodic planning, monitoring and assessment support etc.
- 202 Students were offered basic certificate course in computer technology and 50 students were offered Basic English Course during summer holidays. It helps in pursuing higher education and employment opportunities
- **Cosmo Gyan Vihar Kendra** – a program to introduce school readiness and improve reading, writing, arithmetic skills among primary school students. This is implemented in partnership with 7 Government Primary Schools. 500 students were enrolled from class 1 to 8.
- **Basic English Learning** for students of Class 5th to 8th in Government primary schools. Our Teachers

would focus on building language comfort, phonetics, word-vocabulary, communication and pedagogic exercises. 325 students were covered in this program. Exam oriented inputs were given to 180 students representing from class 9th & 10th.

- As part of Recognition, we have Awarded laptops to three best performer students in computer education and consolation prize of educational books to 17 students.
- With an aim to enhance importance of education and widen exposure, visit of select students from Government schools were organized to the manufacturing site of Cosmo Films. 60 students and 12 teachers visited this year.
- Book Fair and Children's Fair were organized to promote reading habits, joyful learning and creativity among young children. 600 students, parents and teachers from Government schools participated in these events.

Gujarat faced worst floods due to heavy rainfall during 23rd - 26th September 2013. Karjan town and villages were adversely affected. We had initiated flood relief measures with local youth in six villages, made donations towards community kitchen to support 250 flood affected families and provided educational support to 125 students who lost their books in floods.

Sponsored Shahid Bhagat Singh Cricket Tournament organized by Trade Unions in Aurangabad with an aim to strengthen Industrial Relations.

Four Public Gardens are maintained in Aurangabad to add aesthetic value to the historic city.

We had also initiated Impact Evaluation of Cosmo Foundation by an external Agency with an aim to assess the impact of all these programs on learners and to understand the perceptions of parents and village community towards philanthropic and developmental initiatives of Cosmo Films.

Employee Involvement – Cosmo encourages its employees to not only contribute monetarily towards the betterment of the society but also participate voluntarily in the process by mentoring etc....

With reference to the notified CSR norms under the recently passed Companies Act, Cosmo Films has made all statutory compliances with robust systems and processes implementing CSR programs through Cosmo Foundation since the year 2008.





INDEPENDENT AUDITORS' REPORT

To the Members of Cosmo Films Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Cosmo Films Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards notified under Companies Act, 1956 ("the Act") reads with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to

design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
 - ii) in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, 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 law have been kept by the Company so far as appears from our examination of those books;
 - c. the financial statements dealt with by this report are in agreement with the books of account;

- d. in our opinion, the financial statements comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 ; and
- e. on the basis of written representations received from the directors, as on 31 March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For **Walker Chandiook & Co LLP**
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No.: 001076N

per **Neeraj Goel**
Partner
Membership No.: 099514

Place: New Delhi
Date: 20 May 2014

Annexure to the Independent Auditors' Report of even date to the members of Cosmo Films Limited, on the financial statements for the year ended 31 March 2014

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, a substantial part of fixed assets has not been disposed off during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals

- during the year, except for goods-in-transit.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(b) to 4(iii)(d) of the Order are not applicable.
- (e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) of the Order are not applicable.
- (iv) In our opinion, there is an adequate internal control system 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 weakness has been noticed in the internal control system in respect of these areas.
- (v) (a) In our opinion, the particulars of all contracts or arrangements that need to be entered into the register maintained under Section 301 of the Act have been so entered.
- (b) In our opinion, the transactions made in pursuance of such contracts or arrangements and exceeding the value of ₹ 5 lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.



- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act in respect of Company's products and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) (a) The Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess on account of any dispute, are as follows:
- (xi) The Company has not defaulted in repayment of dues to any bank or financial institution during the year. The Company did not have any outstanding debentures during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) The Company has given a guarantee in respect of loans taken by subsidiaries from banks, in respect of which no commission is charged from the subsidiaries. In our opinion, having regard to the long term involvement with the subsidiary companies and considering the explanations given

Name of the statute	Nature of dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise & Custom Act	Excise duty	5.88	1988-89 to 1994-95, 1997-98 to 2001-02, 2003-04 to 2007-08	Appellate Tribunal
	Excise duty	1.46	2008-09 and 2009-10	Commissioner Appeals
	Excise duty	0.44	1994-95 to 1997-98, 2005-06	High Court
	Service tax	0.12	2005-06 to 2010-11	Commissioner Appeals
Maharashtra VAT Act	Sales tax	3.45	2008-09	Commissioner of Sales Tax (Appeal)
Income Tax Act, 1961	Income tax & Penalty	1.07	1997-98	High Court
	Income tax & Penalty	₹4.83 (paid under dispute ₹ 4.83)	2002-03	Hon'ble Supreme Court of India
	Income Tax & Penalty	₹2.98 (paid under dispute ₹ 2.98)	2008-09	Income Tax Appellate Tribunal

- (x) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- to us in this regard, the terms and conditions of the above are not, *prima facie*, prejudicial to the interests of the Company.



COSMO FILMS

- (xvi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.
- (xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment by the Company.
- (xviii) During the year, 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. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, *except for an instance of fraud (as described in note 41 to the financial statements) perpetrated by an outside party with respect to misappropriation of funds aggregating to ' 0.15 crores receivable from one of the customers of the Company. The Company has filed complaint with Cyber Crime cell and is in the process of recovering these amounts.*

For **Walker, Chandio & Co**
(formerly Walker, Chandio & Co)
Chartered Accountants
Firm Registration No.: 001076N

per **Neeraj Goel**
Partner
Membership No.: 99514

Place: New Delhi
Date: 20 May 2014



COSMO FILMS

Balance Sheet as at 31 March, 2014
(All amounts in ₹ crores, unless stated otherwise)

Particulars	Notes	As at 31 March 2014	As at 31 March 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	19.44	19.44
Reserves and surplus	3	355.85	349.49
		375.29	368.93
Non-current liabilities			
Long-term borrowings	4	306.83	227.87
Deferred tax liabilities (net)	5	70.40	69.71
		377.23	297.58
Current liabilities			
Short-term borrowings	6	201.86	196.30
Trade payables	7	116.57	89.46
Other current liabilities	8	67.51	44.29
Short-term provisions	9	2.27	6.30
		388.21	336.35
TOTAL		1,140.73	1,002.86
ASSETS			
Non-current assets			
Fixed assets	10		
Tangible assets		569.25	367.08
Intangible assets		5.79	6.54
Capital work in progress		1.58	157.70
Non current investments	11	166.28	165.99
Long term loans and advances	12	4.64	14.52
Other non current assets	13	0.15	0.14
		747.69	711.97
Current assets			
Inventories	14	137.16	79.57
Trade receivables	15	136.36	114.50
Cash and bank balances	16	44.24	13.88
Short term loans and advances	17	73.86	82.50
Other current assets	18	1.42	0.44
		393.04	290.89
TOTAL		1,140.73	1,002.86
Statement on significant accounting policies	1		

The accompanying notes are an integral part of the financial statements
This is the Balance sheet referred to in our report of even date

For and on behalf of Board of Directors

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
per Neeraj Goel
Partner

H K Agrawal
Director

Ashok Jaipuria
Chairman &
Managing Director

Neeraj Jain
Chief Financial Officer

Jyoti Dixit
Company Secretary

Place : Delhi
Date : 20 May 2014

Statement of profit and loss for the year ended 31 March, 2014
(All amounts in ₹ crores, unless stated otherwise)

Particulars	Notes	As at 31 March 2014	As at 31 March 2013
INCOME			
Revenue from operations (gross)	19	1,331.89	1,094.81
Less : Excise duty		(75.20)	(52.93)
Revenue from operations (net)		1256.69	1,041.88
Other income	20	7.38	4.06
Total income		1,264.07	1,045.94
EXPENSES			
(Increase)/decrease in inventories of finished goods	21	(39.18)	4.76
Cost of materials consumed		925.61	706.68
Employee benefit expenses	22	54.63	46.30
Finance costs	23	40.19	22.74
Depreciation and amortisation expense	10	40.34	33.17
Other expenses	24	212.04	206.59
Total expenses		1,233.63	1,020.24
Profit before tax and exceptional items		30.44	25.70
Exceptional items	25	(20.50)	(5.75)
Profit before tax		9.94	19.95
Tax expense:			
Current tax			
-Current year		1.92	4.11
-MAT credit entitlement		(1.06)	(1.40)
-Earlier years		0.31	(0.55)
Deferred tax			
-Current year		0.69	2.49
-Earlier years		-	1.17
Profit for the year		8.08	14.13
Earnings per equity share (₹):	26		
-Basic		4.16	7.27
-Diluted		4.16	7.27
Statement on significant accounting policies	1		

The accompanying notes are an integral part of the financial statements
This is the Statement of profit and loss referred to in our report of even date

For and on behalf of Board of Directors

For Walker Chandio & Co LLP
(formerly Walker, Chandio & Co)
Chartered Accountants

H K Agrawal
Director

Ashok Jaipuria
Chairman &
Managing Director

per Neeraj Goel
Partner

Neeraj Jain
Chief Financial Officer

Jyoti Dixit
Company Secretary

Place : Delhi
Date : 20 May 2014



COSMO FILMS

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2014

(All amounts in ₹ crores, unless stated otherwise)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
A. Cash flow from operating activities:		
Profit before tax	9.94	19.95
Adjustments for:		
Depreciation and amortisation expenses	40.34	33.17
Interest expense	33.98	19.24
Interest income	(2.52)	(2.40)
Unrealised gain on exchange fluctuation	4.98	2.17
Profit on sale of fixed assets (net)	(4.50)	(1.31)
Bad debt written off	-	0.94
Provision for bad and doubtful debts/advances	(0.30)	0.28
Liability no longer required written back	(1.27)	(9.48)
Operating profit before working capital changes	80.65	62.56
Adjustments for changes in working capital :		
- Movement in trade receivables	(21.57)	(10.44)
- Movement in other receivables	2.79	(3.50)
- Movement in inventories	(57.59)	17.14
- Movement in trade and other payables	40.49	23.73
Cash generated from operations	44.77	89.49
Income tax refund received/(paid)	9.25	(5.12)
Net cash generated from operating activities	54.02	84.37
B. Cash flow from investing activities:		
Purchase of fixed assets and capital work in progress	(78.63)	(159.04)
Proceeds from sale of fixed assets	5.23	3.31
Purchase of investments	(0.29)	(45.00)
Proceed on maturity of fixed deposits (net)	1.70	18.30
Interest received	2.04	2.59
Net cash used in investing activities	(69.95)	(179.84)
C. Cash flow from financing activities:		
Proceeds from long term borrowings	118.43	121.52
Repayment of long term borrowings	(34.10)	(30.70)
Proceeds from short term borrowings (net)	5.56	27.92
Interest paid	(36.21)	(18.75)
Dividend paid	(4.86)	(9.72)
Dividend tax paid	(0.83)	(1.58)
Net cash generated in financing activities	47.99	88.69
Net increase/(decrease) in cash and cash equivalents	32.06	(6.78)
Cash and cash equivalents at the beginning of the year	7.18	13.96
Cash and cash equivalents at the end of the year (refer note 16)	39.24	7.18

This is the statement of cash flow referred to in our report of even date

For and on behalf of Board of Directors

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants

per Neeraj Goel
Partner

Place : Delhi
Date : 20 May 2014

H K Agrawal
Director

Neeraj Jain
Chief Financial Officer

Ashok Jaipuria
Chairman &
Managing Director

Jyoti Dixit
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(All amounts in ₹ crores, unless stated otherwise)

1. STATEMENT ON SIGNIFICANT ACCOUNTING POLICES**a) Background and nature of operations**

Cosmo Films Limited (the 'Company'), manufacturers of Bi-axially Oriented Polypropylene Films (BOPP) was incorporated in India in 1981, under the Companies Act 1956. The Company is engaged in the production of packaging films. Company's product majorly comprises of BOPP Films and Thermal Films. In India, the Company is currently working at Aurangabad in Maharashtra and at Karjan in Gujarat. It also has its subsidiaries working in different countries.

b) Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised schedule VI to the Act.

c) Use of estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

d) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Statement of profit and loss. Project under commissioning and other assets under erection/installation are shown under capital work in progress and are carried at cost, comprising of direct cost and related incidental expenses. Spares directly related to plant & machinery are capitalized and depreciated over the life of the original equipment.

Foreign currency loans availed for acquisition of fixed assets are converted at the rate prevailing on the due date for installments repayable during the year and at the rate prevailing on the date of balance sheet for the outstanding loan. The fluctuation is adjusted in the original cost of fixed assets.

The cost of internally constructed assets constructed by Company shall include the cost of all materials used in construction, direct labour employed and an appropriate proportion of variable and fixed overheads.

e) Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments; all other investments are classified as long term investments. Long term investments are carried at cost less provision (if any) for decline in value which is other than temporary in nature. Current investments are carried at lower of cost and fair market value.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(continued...)

f) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- Raw material cost includes direct expenses and is determined on the basis of weighted average method.
- Stores and spares cost includes direct expenses and is determined on the basis of weighted average method.
- In case of finished goods cost includes raw material cost plus conversion costs and other overheads incurred to bring the goods to their present location and condition. Cost of finished goods also includes excise duty, wherever applicable.

g) Depreciation

Depreciation on fixed assets is provided on straight line method (SLM) at rates which are either greater than or equal to the corresponding rates in Schedule XIV to the Act, based on management estimates of useful life as follows:

Block of asset	Life (in years)
Buildings	30
Plant and machinery (Including computers)	6-21
Furniture and fixtures	16
Vehicles	11
Office equipment	20
Intangible – software	6

- ii) Cost of the leasehold land is amortised over the period of the lease.
- iii) Depreciation on assets costing ₹5,000/- or below is charged @ 100% per annum in the year of purchase.

h) Research and development

Revenue expenditure incurred on research and development is charged to Statement of profit and loss in the year it is incurred.

Capital expenditure is included in the respective heads under fixed assets and depreciation thereon is charged to depreciation account.

i) Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Continued...)

Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

As per the amendment of the Companies (Accounting Standard) Rules, 2006-'AS 11' relating to 'The Effects of Changes in Foreign Exchange Rates' exchange difference arising on conversion of long term foreign currency monetary items is recorded under the head 'Foreign Currency Monetary Item Translation Difference Account' and is amortized over period not extending beyond, earlier of March 31, 2020 or maturity date of underlying long term foreign currency monetary items.

j) Accounting of cash flow hedges and derivatives

The Company enters into certain derivative financial instruments to manage its exposure to risk arising from changes in interest rate and foreign exchange rates designated as cash flow hedges. At the inception of a hedge relationship, the Company documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges which meet the strict criteria for hedge accounting are accounted for as follows:

Derivatives are recorded at their fair value with changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in a hedging reserve account. The gain or loss relating to the ineffective portion is recognized immediately in Statement of profit and loss. Amounts recorded in the hedging reserve account are released to the Statement of profit and loss in the year when the hedged item affects profit or loss. Hedge accounting is discontinued when the Company revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting upon which remaining balance of such hedge in the hedging reserve account is released to the Statement of profit and loss.

Derivatives which are not designated as effective hedge are also recorded at their fair value and change in fair value is recognized immediately in the Statement of profit and loss.

The company also uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The premium or discount arising at the inception of such forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense in the period in which same is cancelled or rolled over.

k) Employees benefits**Provident fund**

The Company makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(continued..).

Gratuity

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Statement of profit and loss in the year in which such gains or losses arise.

Compensated absences

Provision for compensated absences when determined to be a long term benefit is made on the basis of actuarial valuation as at the end of the year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of profit and loss in the year in which such gains or losses arise. Provision related to short term compensated absences of workers is provided on actual basis.

l) Taxation

The tax expense comprises of current taxes and deferred taxes. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of Income Tax, 1961. Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are reviewed at each balance sheet date and recognized/derecognized only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that the Company will pay normal income tax during the specified period.

m) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sales

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership are transferred to the buyer and the Company retains no effective control of the goods transferred to a degree usually associated with ownership; and

No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding held and the interest rate applicable. Such income is recorded by company in other income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Continued...)

Dividend

Dividend income is recognized as income when the right to receive the payment is established.

Export benefits/incentives

Revenue in respect of duty entitlement pass book scheme and duty drawback scheme is recognized when the entitlement to receive the benefit is established is recorded under operating revenue.

n) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use are complete.

o) Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

q) Provisions and contingent liabilities

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation on the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made when there is a present obligation that may, but probably will not, require an outflow of resources. Disclosure is also made in respect of a present obligation as a result of past event that probably requires an outflow of resource, where it is not possible to make a reliable estimate of the outflow. Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

r) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments in fixed deposits with an original maturity of three months or less.



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NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

2 SHARE CAPITAL

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount
Authorised share capital				
Equity shares of ₹ 10 each	25,000,000	25.00	25,000,000	25.00
		25.00		25.00
Issued, subscribed and fully paid up share capital				
Equity shares of ₹ 10 each	19,440,076	19.44	19,440,076	19.44
Total		19.44		19.44

Notes:

- (i) Of the above 242,051 (Previous year 242,051) shares have been allotted to erstwhile shareholders of Gujarat Propack Limited on amalgamation.
- (ii) Of the above 8,486,705 (Previous year 8,486,705) shares have been allotted as fully paid bonus shares by capitalisation of capital reserves and share premium account.
- a) There is no movement in equity share capital during the current year and previous year.

b) Terms and rights attached to equity shares

The Company has only one class of equity shares having the par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

During the year ended 31 March 2014 the amount of per share dividend recognised as distributions to equity shareholders was ₹ 1 (previous year ₹ 2.50 per share). The dividend proposed by Board of Directors is subject to approval of shareholders in Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31 March 2014		As at 31 March 2013	
	Number of shares held	% of holding	Number of shares held	% of holding
Sunrise Manufacturing Company Limited	3,957,552	20.36%	3,957,552	20.36%
Pravasi Enterprises Limited	2,895,104	14.89%	2,271,104	11.68%

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

3 RESERVES AND SURPLUS

Particulars	As at	
	31 March 2014	31 March 2013
Capital reserves	3.32	3.32
Securities premium account	31.26	31.26
General reserve		
Balance at the beginning of the year	286.04	284.63
Add: Transferred from surplus in statement of profit and loss	-	1.41
Balance at the end of the year	286.04	286.04
Hedging reserve		
Balance at the beginning of the year	(2.10)	(4.73)
Add : Amount recognised during the year	1.28	2.63
Balance at the end of the year	(0.82)	(2.10)
Foreign currency monetary item translation difference account		
Balance at the beginning of the year	(5.77)	(5.36)
Add : Amounts recognised during the year	(5.71)	(2.87)
Less : Amounts amortised during the year	4.98	2.46
Balance at the end of the year	(6.50)	(5.77)
Surplus as per Statement of profit and loss		
Balance at the beginning of the year	36.74	29.71
Add: Profit for the year	8.08	14.13
Less : Proposed dividends on equity shares	(1.94)	(4.86)
Less : Tax on dividends distributed during the year	(0.33)	(0.83)
Less : Transfer to general reserve	-	(1.41)
Balance at the end of the year	42.55	36.74
Total	355.85	349.49

4 LONG TERM BORROWINGS

Particulars	As at 31 March 2014		As at 31 March 2013	
	Non current	Current	Non current	Current
Secured				
Term loans				
Foreign currency loans (note a)	229.85	35.09	205.13	21.45
Rupee term loans (note b)	76.50	16.67	22.50	11.79
Vehicle loans (note c)	0.48	0.75	0.24	0.49
	306.83	52.51	227.87	33.73

Notes:

- a) Foreign currency loans comprises of :
- (i) Loan of USD 10,000,000 taken from ICICI Bank during the financial year 2010-11 and carries interest @ Libor +400 bps per annum. The loan is repayable in 5 equal semi annual installments of USD 2,000,000 each after moratorium of 3.5 years from the date of loan.



NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

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- (ii) Loan of USD 7,500,000 taken from HSBC PLC Bank during the financial year 2008-09 and carries interest @ Libor+150 bps per annum. The loan is repayable in 6 equal semi annual installments of USD 1,250,000 each after moratorium of 2.5 years from the date of loan. The loan has been repaid in full during financial year 2013-14.
 - (iii) Loan of USD 13,272,220 taken from Landesbank Baden Wurttemberg Bank (LBBW) during the financial year 2008-09 and 2009-10 and carries interest @ Libor+37.5 bps per annum. The loan is repayable in 16 equal semi annual installments of approx. USD 832,640 each after six month from the date of start of commercial production.
 - (iv) Loan of USD 10,000,000 taken from IFC Bank during the financial year 2011-12 and 2013-14 and carries interest @ Libor+400 bps per annum. The loan is repayable in 17 semi-annual installments after moratorium of 2.5 years from the date of loan.
 - (v) Loan of EURO 9,793,450 taken from Landesbank Baden Wurttemberg Bank (LBBW) during the financial year 2012-13 and 2013-14 and carries interest @ Euribor+105 bps per annum. The loan is repayable in 17 equal semi annual installments starting after six month from the signing of final acceptance certificate for start of commercial production.
 - (vi) Loan of USD 7,000,000 taken from DBS Bank Limited during the financial year 2012-13 and carries interest @ Libor+225 bps per annum. The loan is repayable in 8 equal semi-annual installments of USD from April-2015. (The loan has been fully hedged into an equivalent Rupee loan with fixed rate of interest).
- b) Rupee term loans comprises of :
- (i) Loan of ₹ 108,675,000 taken from Kotak Mahindra Bank during the financial year 2011-12 and carries interest @ base rate+ 3.75% per annum. The loan is repayable in 78 equal monthly installments of ₹ 1,393,000 alongwith interest from the date of loan.
 - (ii) Loan of ₹ 318,159,170 taken from IDBI Bank during the financial year 2008-09 and carries interest @ base rate+ 2.65% per annum. The loan is repayable in 10 equal semi annual installments of ₹ 31,815,917 alongwith interest from the date of loan. The loan has been repaid in full during financial year 2013-14.
 - (iii) Loan of ₹ 300,000,000 taken from SBI during the financial year 2012-13 and 2013-14 and carries interest @ base rate+ 2.25% per annum. The loan is repayable after a Moratorium of 12 month from the date of Disbursement in 8 equal quarterly installments of ₹ 37,500,000.
 - (iv) Loan of ₹ 600,000,000 taken from SBI during the financial year 2013-14 and carries interest @ base rate+ 2.3% per annum. The loan is repayable after a moratorium of 24 month from the date of disbursement in 24 equal quarterly installments of ₹ 25,000,000.
- c) Vehicle loans taken from Union Bank of India carries interest @10.5% -12% per annum. This loan is repayable in 3 years.
- d) Details of security for each type of borrowings:-
- (i) Foreign currency loan from ICICI Bank is secured by subservient charge on all of the Company's moveable fixed assets, both present and future, save and except plant and machineries at Baska and Chikalthana and any assets charged exclusively to other lenders.
 - (ii) Foreign currency loan from Landesbank Baden Wurttemberg Bank (LBBW) taken in financial year 2008-09 and financial year 2009-10 is secured against hypothecation of machinery financed out of the loan amount at the Company's plant at Karjan - Vadodara.
 - (iii) Foreign currency loan from HSBC PLC Bank is secured by first pari-passu charge over the entire fixed assets of the Company except assets exclusively charged to Landesbank Baden Wurttemberg Bank (LBBW). The loan has been repaid and security released during financial year 2013-14.
 - (iv) Foreign currency loan from IFC Bank is secured by first ranking security interest over all present and future movable and immovable fixed assets except the excluded assets, ranking pari passu with the other lenders.

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)
Continued...

- (v) Foreign currency loan from Landesbank Baden Wurttemberg Bank (LBBW) taken in financial year 2012-13 and 2013-14 is secured against hypothecation of machinery financed out of the loan amount at the Company's new plant at Shendra, Aurangabad.
 - (vi) Foreign currency loan from DBS Bank is secured by pari passu charge on the movable and immovable fixed assets both present and future of the Company, except the excluded assets.
 - (vii) Rupee term loan from Kotak Mahindra Bank is secured against mortgage by way of exclusive charge on the immovable properties being commercial properties situated at 1004-1010, 10th floor, DLF Towers, Jasola, New Delhi.
 - (viii) Rupee term loan from IDBI Bank is secured against pari-passu first charge on entire fixed assets of the Company by way of extension except assets exclusively charged to Landesbank Baden Wurttemberg (LBBW). The loan has been repaid and security released during financial year 2013-14.
 - (ix) Rupee term loan of ₹ 30 crores from SBI is secured against pari-passu charge with other term lenders on entire fixed assets of the Company, present and future including equitable mortgage of certain properties.
 - (x) Rupee term loan of ₹ 60 crores from SBI is secured against pari-passu charge with other term lenders on entire fixed assets of the Company, present and future including equitable mortgage of certain properties.
 - (xi) Vehicle loans from Union Bank of India are secured against hypothecation of vehicles financed out of the loan amount.
- e) Current maturities of long term borrowings are disclosed under the head other current liabilities.

5. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 March 2014	As at 31 March 2013
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation charged in the books.	89.35	71.74
Gross deferred tax liability	89.35	71.74
Deferred tax assets		
Provision for bad and doubtful debts	0.24	0.32
Tax impact of other expenses charged in the financial statement but allowable as deductions in future years under income tax	1.90	1.71
Unabsorbed losses	16.81	-
Gross deferred tax assets	18.95	2.03
Deferred tax liabilities (net)	70.40	69.71

7. SHORT TERM BORROWINGS

Particulars	As at 31 March 2014	As at 31 March 2013
Secured		
From banks		
Cash credits/ working capital demand loans (note a)	201.86	195.83
Overdraft (note b)	-	0.47
Total	201.86	196.30



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NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

Notes:

- a) Cash credits/ working capital demand loans/ export packing credits are secured/to be secured by hypothecation of inventories, trade receivable and second charge on fixed assets secured to financial institutions except assets exclusively charged.

Cash credit and working capital demand loans from the bank comprises of the following:

- (i) Cash credit/working capital demand loan of ₹ 30 crores sanctioned by Export Import Bank of India is repayable on demand and carries interest rate @ 11.5% per annum, Libor+4% and 11.75% per annum for PCFC INR, PCFC USD and working capital demand loan, respectively.
 - (ii) Cash credit/working capital demand loan of ₹ 15 crores sanctioned by CITI Bank is repayable on demand and carries interest as mutually decided. The loan has been repaid in financial year 2013-14.
 - (iii) Working capital demand of ₹ 20 crores sanctioned by HDFC Bank is repayable on demand and carries interest rate as mutually decided.
 - (iv) Cash credit/working capital demand of ₹ 15 crores sanctioned by ICICI Bank is repayable on demand and carries interest @ base rate+3.5% per annum.
 - (v) Cash credit/working capital demand of ₹ 25 crores sanctioned by ING Vysya Bank is repayable on demand and carries interest @ base rate+2.35% per annum.
 - (vi) Cash credit/working capital demand of ₹ 65 crores sanctioned by Union Bank of India is repayable on demand and carries interest @ base rate+2% per annum.
 - (vii) Cash credit/working capital demand of ₹ 15 crores sanctioned by YES Bank of India is repayable on demand and carries interest @ base rate+2.5% per annum.
 - (viii) Cash credit/working capital demand of ₹ 50 crores sanctioned by IDBI Bank is repayable on demand and carries interest @ base rate+2.5 per annum.
 - (ix) Cash credit of ₹ 50 crores sanctioned by State Bank of India is repayable on demand and carries interest @ base rate+0.5% per annum.
 - (x) Cash credit/working capital loan/export packing credit of ₹ 20 crores sanctioned by DBS Bank is repayable on demand and carries interest as mutually agreed.
- b) Overdraft of ₹ 5 crores from HDFC Bank are secured against pledge of the fixed deposits of the Company is repayable on demand and carries interest rate as mutually decided.

7. TRADE PAYABLES

Particulars	As at	As at
	31 March 2014	31 March 2013
Due to Micro, Small and Medium Enterprises *	-	-
Total outstanding dues to units other than Micro, Small and Medium Enterprises**	85.98	66.19
Employee related payables	1.03	2.07
Other accrued liabilities	29.56	21.20
Total	116.57	89.46

* The Company has circulated letters to all its suppliers requesting them to confirm whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'). Certain suppliers have provided the necessary confirmation alongwith the evidence of being Micro or Small enterprises. However from the majority of the suppliers these confirmations are still awaited. On the basis of available information no principal or interest is payable at the year end to any supplier covered under MSMED.

** Includes ₹ 4.74 crores (previous year ₹ 15.18 crores) being the liabilities to be paid out of the undrawn sanctioned long term loans.

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

Continued...

8. OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2014	As at 31 March 2013
Current maturities of long term debt (refer note 4)	52.51	33.73
Interest accrued but not due on borrowings	4.16	3.80
Statutory dues payable	1.69	1.23
Advance received from customers	9.09	5.47
Others	0.06	0.06
	67.51	44.29

9. SHORT TERM PROVISIONS

Particulars	As at 31 March 2014	As at 31 March 2013
Employee benefit payable	-	0.61
Others		
Proposed dividend (note a)	1.94	4.86
Provision for taxes on proposed dividend	0.33	0.83
Total	2.27	6.30

Notes:

a) Details with respect to proposed dividend

Dividends proposed to		
-Equity shareholders	1.94	4.86
Proposed dividend per share		
-Equity shareholders (₹)	1.00	2.50

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)
10 FIXED ASSETS

Particulars	Tangible fixed assets							Total	Intangible	Capital work in progress
	Land freehold	Land leasehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment		Fixed assets	
Gross block										
Balance as at 1 April 2012	0.56	1.20	74.16	536.56	4.03	6.53	11.37	634.41	7.66	3.80
Additions	-	7.22	2.68	18.80	1.48	0.71	0.70	31.59	0.68	162.04
Disposals	-	-	(1.25)	(0.81)	-	(0.90)	(0.01)	(2.97)	-	(11.05)
Other adjustments:										
- Borrowing costs	-	-	-	-	-	-	-	-	-	2.23
- Foreign exchange fluctuation	-	-	-	3.45	-	-	-	3.45	-	0.68
Balance as at 31 March 2013	0.56	8.42	75.59	558.00	5.51	6.34	12.06	666.48	8.34	157.70
Additions	-	1.91	40.53	199.17	0.77	1.43	2.77	246.58	-	69.35
Disposals	(0.31)	-	-	(0.34)	-	(0.54)	(0.02)	(1.21)	-	(239.86)
Other adjustments:										
- Borrowing costs	-	-	-	-	-	-	-	-	-	2.60
- Foreign exchange fluctuation	-	-	-	(4.10)	-	-	-	(4.10)	-	11.79
Balance as at 31 March 2014	0.25	10.33	116.12	752.73	6.28	7.23	14.81	907.75	8.34	1.58
Accumulated depreciation and amortisation										
Balance as at 1 April 2012	-	0.09	16.60	239.83	1.85	1.94	8.18	268.49	0.51	-
Depreciation and amortisation expense	-	-	2.36	27.90	0.25	0.62	0.75	31.88	1.29	-
Adjusted on disposal of assets	-	-	(0.08)	(0.48)	-	(0.41)	-	(0.97)	-	-
Balance as at 31 March 2013	-	0.09	18.88	267.25	2.10	2.15	8.93	299.40	1.80	-
Depreciation and amortisation expense	-	0.15	3.24	33.96	0.29	0.65	1.30	39.59	0.75	-
Adjusted on disposal of assets	-	-	-	(0.22)	-	(0.24)	(0.03)	(0.49)	-	-
Balance as at 31 March 2014	-	0.24	22.12	300.99	2.39	2.56	10.20	338.50	2.55	-
Net block										
Balance as at 31 March 2013	0.56	8.33	56.71	290.75	3.41	4.19	3.13	367.08	6.54	157.70
Balance as at 31 March 2014	0.25	10.09	94.00	451.74	3.89	4.67	4.61	569.25	5.79	1.58

Note:
a) Capitalisation of foreign exchange differences

The foreign exchange difference capitalized during the year ended 31 March 2014 was ₹ 7.69 crores (previous year ₹ 4.13 crores). The Company has adopted the MCA notification dated December 29, 2011 on Accounting Standard - 11, "The effects of changes in foreign exchange rates" and accordingly capitalised ₹ 7.69 crores

b) Additions include ₹ Nil (previous year ₹ 0.31 crores) towards assets located at research and development facilities.

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

11. NON CURRENT INVESTMENT

Particulars	As at 31 March 2014	As at 31 March 2013
Unquoted, trade investments (valued at cost unless otherwise stated)		
Investment in equity instruments		
In subsidiary - CF Global Holdings Limited	162.07	161.78
Others - Gupta Energy Private Limited	4.21	4.21
	166.28	165.99

Details of trade investments (unquoted)

Name of the body corporate	No. of shares		Face value	Partly paid/ Fully paid	Amount	
	31 March 2014	31 March 2013			31 March 2014	31 March 2013
Equity						
CF Global Holdings Limited	33,050,000	33,000,000	USD 1	Fully paid	162.07	161.78
Gupta Energy Private Limited *	294,252	294,252	₹ 10	Fully paid	4.21	4.21
	33,344,252	33,294,252			166.28	165.99

* Pledged with banks for securing the financial facilities availed by Gupta Energy Private Limited pursuant to the agreement for generation and supply of captive power to the Company's plant.

12 LONG TERM LOANS AND ADVANCES

Particulars	As at 31 March 2014	As at 31 March 2013
Secured		
Capital advances *	-	4.81
Unsecured, considered good		
Capital advances	2.94	7.32
Security deposits	0.61	1.25
Loans and advance to related parties (refer note 30)	0.51	-
Prepaid expenses	0.24	0.62
Others	0.34	0.52
Total	4.64	14.52

*Include advances secured by way of bank guarantees received from the supplier of equipments/ services relating to capital jobs.

13 OTHER NON CURRENT ASSETS

Particulars	As at 31 March 2014	As at 31 March 2013
Pledged deposits (note a)	0.15	0.14
Total	0.15	0.14

Note:

a) Pledged deposits represent ₹ 0.15 crores (previous year ₹ 0.14 crores) pledged with sales tax authorities.



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NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

14. INVENTORIES

Particulars	As at 31 March 2014	As at 31 March 2013
Raw material (including material in transit ₹10.73 crores) (previous year ₹1.93 crores)	49.17	30.13
Finished goods (including goods in transit ₹ 39.92 crores) (previous year ₹19.28 crores)	77.61	38.43
Stores and spares	10.38	11.01
Total	137.16	79.57

15 TRADE RECEIVABLES

Particulars	As at 31 March 2014	As at 31 March 2013
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	0.47	1.38
Unsecured, considered doubtful	0.72	0.91
	1.19	2.29
Less : Allowances for bad and doubtful debts	(0.72)	(0.91)
	0.47	1.38
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	135.89	113.12
Unsecured, considered doubtful	-	0.10
	135.89	113.22
Less : Allowances for bad and doubtful debts	-	(0.10)
	135.89	113.12
Total	136.36	114.50

16. CASH AND BANK BALANCES

Particulars	As at 31 March 2013	As at 31 March 2012
Cash and cash equivalents		
Cash in hand	0.06	0.01
Cheques and drafts in hand	5.28	2.71
Balances with banks		
- in current accounts	17.05	1.96
- in deposit account with original maturity upto 3 months	16.85	2.50
	39.24	7.18

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)
Continued...

Other bank balances		
Deposits with maturity more than 3 months but less than 12 months (note a)	5.00	6.70
	5.00	6.70
Total	44.24	13.88

Note:

- a) Includes deposit of ₹ 5 crores (previous year ₹ 5 crores) pledged against overdraft facility.

17. SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 March 2014	As at 31 March 2013
Unsecured, considered good		
Advances to vendors	1.35	1.65
Tax recoverable (net of provision)	15.12	26.29
Loans and advances to related party (refer note 30)	-	0.44
MAT credit entitlement	2.15	1.40
Deposits with excise and other tax authorities	13.28	10.07
Export benefit recoverable	20.67	28.40
Discount recoverable	12.73	6.92
Prepaid expenses	3.11	4.66
Others (note a and b)	5.45	2.67
Total	73.86	82.50

Note:

- a) Includes ₹ 0.03 crores being the excess of remuneration paid during the year to Chairman and Managing Director over the maximum remuneration payable under Companies Act, 1956 based on net profits for the year. The amount has been refunded subsequently on 15 May 2014.
- b) Includes ₹ 0.73 crores being the excess of remuneration paid during the year to Whole-time Director over the maximum remuneration payable under Companies Act, 1956 based on net profits for the year. The Board of Directors have resolved to seek approval for this excess remuneration from the shareholders and the Central Government. Till these approvals are obtained, the amount is held in trust by the Whole-time Director for the Company.

18. OTHER CURRENT ASSETS

Particulars	As at 31 March 2014	As at 31 March 2013
Unsecured, considered good		
Interest receivable	0.92	0.44
Others	0.50	-
Total	1.42	0.44



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NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

19. REVENUES

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Revenue from operations		
Sale of products (including export benefits of ₹ 21.16 crores previous year ₹ 27.46 crores)	1,325.34	1,081.69
Other operating revenues (note a)	6.55	13.12
Revenue from operations (gross)	1,331.89	1,094.81
Less : Excise duty	(75.20)	(52.93)
Revenue from operations (net)	1,256.69	1,041.88

Note :

- (a) Includes ₹ 0.65 crores (previous year ₹ 9.26 crores) write back of old sales tax liabilities on account of favorable order from sales tax tribunal.

Details of products sold

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Manufactured goods		
- Packaging films	1,304.18	1,054.22
- Others	21.16	27.47
Total	1,325.34	1,081.69

20. OTHER INCOME

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Interest income	2.52	2.40
Insurance and other claims	0.36	0.35
Profit on sale of assets (net) (note a)	4.50	1.31
Total	7.38	4.06

Note:

- a) Profit on sale of assets for the year ended 31 March 2014 includes ₹ 4.05 crores (previous year ₹ Nil) profit from sale of land.

21. DECREASE/(INCREASE) IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Opening stock of finished goods	38.43	43.19
Closing stock of finished goods	77.61	38.43
(Increase)/decrease in inventories of finished goods	(39.18)	4.76

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

Continued...

Details of finished goods

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Finished goods		
-Packaging films	77.61	38.43
Total	77.61	38.43

22. EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Salaries, wages and bonus	48.37	44.44
Gratuity expense (refer note 29)	1.45	(2.48)
Contribution to provident and other funds	3.41	3.17
Staff welfare expenses	1.40	1.17
Total	54.63	46.30

Note:

- a) Employee benefit expenses includes research and development expenses (refer note 28)

23. FINANCE COSTS

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Interest expenses	33.98	19.24
Bank charges	6.21	3.50
	40.19	22.74

24. OTHER EXPENSES

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Stores, spares and packing material consumed	46.95	44.50
Power, water and fuel	85.87	85.76
Excise duty on internal consumption/change in finished goods inventory	6.93	5.43
Other manufacturing expenses	0.67	0.82
Rent	1.28	1.15
Repairs and maintenance		
- Buildings	0.39	0.54
- Plant and equipment	8.63	6.09
- Others	1.71	0.85
Insurance	0.97	0.68
Rates and taxes	0.29	0.13
Printing and stationary	0.41	0.41



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NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

Continued...

Training and recruitment expenses	0.26	0.49
Travelling and conveyance	3.97	4.34
Vehicle running and maintenance	2.76	2.29
Communication expenses	1.38	1.43
Legal and professional charges	4.28	3.50
Payment for audit fees	0.39	0.39
Directors' fees	0.03	0.05
Charity and donations	0.37	0.32
Miscellaneous expenses	1.68	1.25
Bad debts written off	-	0.94
Provision for bad debts	(0.30)	0.28
Freight and forwarding	42.33	42.39
Other selling expenses	0.79	1.51
Sales tax payments	-	1.05
Total	212.04	206.59

Note:

- a) Other expenses includes research and development expenses (refer note 28).

25. EXCEPTIONAL ITEMS

Exceptional items represents net loss on foreign currency transaction and translation amounting to ₹ 20.50 crores (previous year loss ₹ 5.75 crores).

26. EARNING PER SHARE

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
a) Net profit after tax as per statement of profit and loss attributable to equity shareholders (₹ in crores)	8.08	14.13
b) Weighted average number of equity shares	19,440,076	19,440,076
c) Basic EPS (₹)	4.16	7.27
d) Diluted EPS (₹)	4.16	7.27
e) Nominal value per equity share (₹)	10.00	10.00

27 Contingent liabilities and commitments

(i) Contingent liabilities

Particulars	As at 31 March 2014	As at 31 March 2013
a) Disputed demands for income tax (refer note f below)	4.83	4.83
b) Disputed demands for excise and custom duty and service tax	3.81	3.97
c) Disputed demands for labour/employee dispute	4.15	1.18
d) Claims against the Company not acknowledged as debts	0.12	0.12
e) Discounting of export customer invoices (refer note g below)	25.14	25.02

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)
Continued...

- f) Disputed demand for income tax includes a dispute of ₹ 4.83 crores (previous year ₹ 4.83) between the Company and income tax department over computation of deduction under section 80HHC of the Income Tax Act, 1961. The Company has filed a special leave petition against the order of Hon'ble Court which has been accepted by Supreme Court and is pending. Based on the legal opinion taken from an independent expert, the management is of the view that it is more likely than not that matter will be decided in favour of the Company.
- g) It represents discounted debtors amount to ₹ 12.46 crores (previous year ₹ 10.64 crores) against letter of credit and other discounted debtors of ₹ 12.68 crores (previous year ₹ 14.38 crores) which has 90% credit insurance coverage from ECGC. All the discounted invoices have been reduced from Trade Receivables in note 15.
- h) The Company has given corporate guarantee for term loan facility of ₹ 8.41 crores (previous year ₹ 7.61) availed by its step down subsidiary.

(ii) Commitments
a) Capital and Other Commitment

The Company has the following commitments :

Particulars	As at 31 March 2014	As at 31 March 2013
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4.94	36.00
Letter of credit opened for which the material has not been shipped as on the date of the balance sheet.	25.40	19.44

b) The following amounts are to be credited to investor education and protection fund as and when due:

Particulars	As at 31 March 2014	As at 31 March 2013
Unpaid dividend	0.84	0.86

28 Research and development expenditure

Particulars	As at 31 March 2014	As at 31 March 2013
Employee benefit expenses	1.01	1.24
Materials and consumables	1.76	1.71
Others	0.54	0.37
Total research and development expenditure	3.31	3.32

29. Employee benefits
Defined benefit plans (funded)

The Company makes contribution towards gratuity to a defined contribution retirement benefits plan for qualifying employees. The Company has taken policy with Life Insurance Corporation of India to provide for payment of retirement benefits to vested employees. The present value of obligation is determined based on actuarial valuation.



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NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

1. The assumptions used to determine the gratuity benefit obligations are as follows :

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Discount rate	8.00%	8.00%
Salary escalation	7.00%	7.00%

2. Table showing changes in present value of obligations

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Present value of obligations as at beginning of year	8.42	10.15
Interest cost	1.11	0.81
Current service cost	0.61	0.92
Benefits paid	(0.65)	(0.33)
Actuarial loss/(gain) on obligations	0.65	(3.13)
Present value of obligations as at end of year	10.14	8.42

3. Table showing changes in the fair value of plan assets

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Fair value of plan assets at beginning of year	10.69	11.68
Expected return on plan assets	0.92	1.08
Contributions	-	0.01
Benefits paid	(0.65)	(2.08)
Fair value of plan assets at the end of year	10.96	10.69

4. The amounts to be recognised in the balance sheet and statement of profit and loss

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Present value of obligations as at the end of year	10.14	8.42
Fair value of plan assets as at the end of the year	10.96	10.69
Funded status	0.82	2.27
Net asset recognized in balance sheet	0.82	2.27

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

5. Expenses recognised in statement of profit and loss

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Current service cost	0.61	0.92
Interest cost	1.11	0.81
Expected return on plan assets	(0.92)	(1.08)
Net actuarial loss/(gain) recognized in the year	0.65	(3.13)
Expenses recognized in statement of profit and loss	1.45	(2.48)

6. Amounts for the current and previous years are as follows

Particulars	31 March 2014	31 March 2013	31 March 2012	31 March 2011	31 March 2010
Defined benefit obligation	10.14	8.42	10.15	8.46	7.58
Plan asset	10.96	10.69	11.68	9.26	7.29
(Surplus) / deficit	(0.82)	(2.27)	(1.53)	(0.80)	0.29
Net actuarial loss/(gain) recognized in the year	0.65	(3.13)	0.61	0.12	1.38

30. Related party disclosure

In accordance with the required Accounting Standard (AS-18) on related party disclosures where control exist and where transactions have taken place and description of the relationship as identified and certified by management are as follows:

i) List of related parties and relationships:

A. Subsidiary and step-down subsidiary companies

- a) CF Global Holdings Limited, Mauritius
- b) Cosmo Films Inc., USA
- c) CF (Netherlands) Holdings Limited BV., Netherlands
- d) Cosmo Films (Singapore) Pte. Limited, Singapore
- e) Cosmo Films Japan (GK)
- f) Cosmo Films Korea Limited, Korea

B. Enterprises over which Key managerial personnel of the Company and their relatives have significant influence:

- a) Sunrise Manufacturing Company Private Limited

C. Key management personnel

- a) Mr. Ashok Jaipuria Chairman and Managing Director



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NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

ii) Transactions with related parties

Particulars	Subsidiary and step-down subsidiary companies		Enterprises over which Key managerial personnel of the Company and their relatives have significant influence		Key management personnel and their relatives		Total	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Purchase of goods								
CF (Netherlands) Holdings Limited BV., Netherlands	0.04	-	-	-	-	-	0.04	-
Cosmo Films Inc., USA	0.62	0.15	-	-	-	-	0.62	0.15
Investment made								
CF Global Holdings Limited, Mauritius	0.29	40.79	-	-	-	-	0.29	40.79
Sales								
Cosmo Films Inc. USA	59.80	62.97	-	-	-	-	59.80	62.97
CF (Netherlands) Holdings Limited BV., Netherlands	-	12.03	-	-	-	-	-	12.03
Cosmo Films Korea Limited, Korea	0.14	0.24	-	-	-	-	0.14	0.24
Cosmo Films Japan (GK)	0.82	0.56	-	-	-	-	0.82	0.56
Cosmo Films (Singapore) Pte. Limited, Singapore	0.32	4.87	-	-	-	-	0.32	4.87
Other operating revenues								
Cosmo Films Inc., USA	0.45	-	-	-	-	-	0.45	-
Cosmo Films Korea Limited, Korea	0.24	-	-	-	-	-	0.24	-
Cosmo Films Japan (GK)	0.19	-	-	-	-	-	0.19	-
Reimbursement of Expenses paid (net)								
Cosmo Films Inc., USA	0.31	-	-	-	-	-	0.31	-
Cosmo Films Japan (GK)	0.56	-	-	-	-	-	0.56	-
Rent paid								
Sunrise Manufacturing Company Private Limited	-	-	1.00	0.89	-	-	1.00	0.89
Security deposit/advance rent paid								
Sunrise Manufacturing Company Private Limited	-	-	0.07	-	-	-	0.07	-
Remuneration								
Mr. Ashok Jaipuria	-	-	-	-	0.30	1.03	0.30	1.03
Purchase of fixed assets								
CF (Netherlands) Holdings Limited BV., Netherlands	-	7.74	-	-	-	-	-	7.74

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

iii) Outstanding balances :

Particulars	Subsidiary and step-down subsidiary companies		Enterprises over which Key managerial personnel of the Company and their relatives have significant influence		Key management personnel and their relatives	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
1. Investments						
- Cosmo Films Inc., USA	37.16	27.59	-	-	-	-
- CF (Netherlands) Holdings Limited BV., Netherlands	-	0.01	-	-	-	-
- Cosmo Films Korea Limited, Korea	0.06	-	-	-	-	-
- Cosmo Films Japan (GK)	0.05	0.36				
2. Trade payables						
- CF (Netherlands) Holdings Limited BV., Netherlands	-	0.17	-	-	-	-
- Cosmo Films Japan (GK)	0.21	0.21				
3. Loans and advance						
- Sunrise Manufacturing Company Private Limited	-	-	0.51	0.44	-	-
4. Managerial remuneration recoverable*/(payable)						
- Mr. Ashok Jaipuria	-	-	-	-	0.03	(0.75)

* recovered subsequently.

31. Derivative instruments and unhedged foreign currency exposure

a) Foreign currency exposure hedged by derivative instruments (against imports):

Currency	No. of contracts		Amount		Notional gain/(loss)	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
EURO	4	-	468,848	-	(0.23)	-
USD	53	-	13,364,580	-	(3.46)	-



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NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

Continued...

Notes:

- i) The Company has entered into interest rate swap contract (floating rate to fixed rate) to hedge its risk associated with LIBOR fluctuations and such instruments qualify as effective hedges. In accordance with Accounting Standard 30, "Financial Instruments - recognition and measurement" the mark to market loss as on 31 March, 2014 is estimated at ₹ 0.81 crores (previous year ₹ 2.10 crores).
- ii) The Company has entered into a cross currency swap agreement with DBS Bank for hedging of installment and interest rate for term loan amounting to USD 7,000,000 taken in the previous year. In accordance with Accounting Standard 30, "Financial Instruments - recognition and measurement" the mark to market gain as on 31 March 2014 is estimated at ₹ 4.99 crores (previous year loss ₹ 0.85 crores).

b) Particulars of unhedged foreign currency exposure as at the reporting date

Currency	31 March 2014		31 March 2013	
	Foreign currency	Local currency (₹)	Foreign currency	Local currency (₹)
USD	(33,252,642)	(199.91)	(39,830,602)	(216.72)
EURO	(8,797,411)	(72.68)	(12,582,801)	(87.55)
GBP	341,602	3.41	(47,190)	(0.39)

Note: Figures in bracket signifies amount payable.

- 32 Building includes ₹ 0.64 crores towards cost of residential space in a Co-operative Housing Society. The Company has taken possession of the same in terms of agreement to sell. Conveyance deed is yet to be registered. Besides, the amount includes cost of shares of the said society received by the Company which are yet to be transferred in the name of the Company.

33 Details of raw material and components consumed

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Polymer (Homopolymer repol and EVA)	770.19	579.07
Others	155.42	127.61
Total	925.61	706.68

NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

34. Imported and indigenous consumption

		Indigenous		Imported		Total Value Amount
		Value Amount	%	Value Amount	%	
Raw materials and components	2013-14	716.13	77%	209.48	23%	925.61
	2012-13	509.70	72%	196.98	28%	706.68
Stores and spares	2013-14	42.71	91%	4.24	9%	46.95
	2012-13	41.81	94%	2.69	6%	44.50

35. Value of imports on CIF basis

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Raw materials	213.20	196.82
Components and spare parts	6.42	3.86
Capital goods	10.12	101.78
Total	229.74	302.46

36. Payments to auditors

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
For statutory audit including limited reviews	0.34	0.34
For tax audit	0.03	0.03
For reimbursement of expenses	0.02	0.02
For certification services	0.01	-
Total	0.40	0.39

37. Expenditure in foreign currency

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Services of foreign technicians	0.69	0.32
Sales commission	5.94	4.17
Interest on foreign currency loan	8.16	5.26
Others	0.63	1.94
Total	15.42	11.69

38. Earnings in foreign exchange

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Export of goods calculated on F.O.B basis (including deemed exports)	538.86	507.74



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NOTES OF THE FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

39. Dividend remitted in foreign currency

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Period to which is relates	2012-13	2011-12
Number of non - resident shareholders	38	39
Number of shares held on which dividend was due Equity	7,940	8,700
Amount remitted * ₹ 19,850 (# Previous year ₹ 40,200)	*	*

40. Per transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transactions with associated enterprises and maintain adequate documentation in this respect. Since law requires existence of such information and documentation to be contemporaneous in nature, the Company has appointed independent consultants for conducting a Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arms length basis". Management is of the opinion that the Company's international transactions are at arm's length and that the results of the on-going study will not have any impact on the financial statements and the independent consultants appointed have also preliminarily confirmed that they do not expect any transfer pricing adjustments.

41. During the year, the Company became aware of an instance of fraud perpetrated against the Company by an outside party with respect to non receipt of collection of ₹ 0.15 crore (approx.) from an overseas customer whereas same has been claimed as remitted by the customer. The internal examination of the matter by the Company did not reveal any involvement of the present employees of Company. However, the Company has filed its complaint with Cyber Crime cell of Delhi Police which was pending as on 31 March 2014 and all necessary steps are being taken to ensure proper recovery of such amount.

42. Previous years figures

Previous years figures have been regrouped / rearranged wherever considered necessary.

For and on behalf of Board of Directors

For **Walker Chandio & Co LLP**
(formerly Walker, Chandio & Co)
Chartered Accountants

H K Agrawal
Director

Ashok Jaipuria
Chairman &
Managing Director

per **Neeraj Goel**
Partner

Neeraj Jain
Chief Financial Officer

Jyoti Dixit
Company Secretary

Place : Delhi
Date : 20 May 2014

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

Subsidiary	Reporting Currency	Closing exchange rate agst Indian Rupee as on 31 st March, 2014	Capital	Reserve	Total Assets	Total Liabilities	Investments except in case of investment in subsidiaries	Turnover	profit before tax	profit after tax	Proposed Dividend	Country
CF Global Holdings Ltd.	INR (in Cr)	60.1000	198.63	(0.41)	198.25	0.03	0.00	0.00	(0.09)	(0.09)	0.00	Mauritius
	USD 000's		33050	(68)	32986	5	0.00	0.00	(14)	(14)	0.00	
CF (Mauritius) Holdings Ltd.	INR (in Cr)	60.1000	3.01	(0.14)	196.59	193.72	0.00	0.00	(0.04)	(0.04)	0.00	Mauritius
	USD 000's		500	(23)	32711	32234	0.00	0.00	(7)	(7)	0.00	
Cosmo Films (Netherlands) Cooperatief .U.A	INR (in Cr)	82.5800	197.86	(0.05)	197.87	0.06	0.00	0.00	(0.00)	(0.00)	0.00	Netherland
	Euro 000's		23960	(6)	23961	7	0.00	0.00	(0)	(0)	0.00	
CF (Netherlands) Holdings Limited B.V	INR (in Cr)	82.5800	197.85	(31.13)	167.00	0.27	0.00	0.87	(7.28)	(7.37)	0.00	Netherland
	Euro 000's		23959	(3769)	20223	33	0.00	102	(862)	(872)	0.00	
Cosmo Films (Japan) GK	INR (in Cr)	0.5883	8.82	25.18	49.21	15.21	0.00	68.52	4.46	2.82	0.00	Japan
	JPY 000's		150000	428007	836481	258475	0.00	1137674	74122	46806	0.00	
Cosmo Films (Singapore) Pte Ltd.	INR (in Cr)	47.7000	0.24	0.83	1.16	0.09	0.00	2.26	0.88	0.91	0.00	Singapore
	S\$ 000's		50	174	244	19	0.00	462	181	185	0.00	
Cosmo Films Korea Ltd.	INR (in Cr)	0.0564	11.28	10.93	43.54	21.33	0.00	61.73	2.20	2.08	0.00	Korea
	KRW 000's		2000000	1938646	7719686	3781039	0.00	10643454	380074	358405	0.00	
Cosmo Films Inc	INR (in Cr)	60.1000	72.12	(51.66)	119.00	98.54	0.00	187.13	13.94	13.94	0.00	USA
	USD 000's		12000	(8596)	19800	16396	0.00	30344	2261	2261	0.00	



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Cosmo Films Limited

1. We have audited the accompanying consolidated financial statements of Cosmo Films Limited, ("the Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which comprise the consolidated Balance Sheet as at 31 March 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2014;
 - ii) in the case of the Consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
 - iii) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

7. We did not audit the financial statements of certain subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹ 213.30 crores as at March 31, 2014; total revenues (after eliminating intra-group transactions) of ₹ 273.52 crores and net cash flows aggregating to ₹ (9.35) crores for the year then ended. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our audit opinion on the consolidated financial statements of the Group for the year then ended to the extent they relate to the financial statements not audited by us as stated in this paragraph is based solely on the audit reports of the other auditors. Our opinion is not qualified in respect of this matter.

For **Walker Chandio & Co LLP**
(formerly Walker, Chandio & Co)
Chartered Accountants
Firm Registration No.: 001076N

per **Neeraj Goel**
Partner

Place: New Delhi
Date: 20 May 2014

Membership No. 099514

Consolidated Balance Sheet as at 31 March, 2014
(All amounts in ₹ crores, unless stated otherwise)

Particulars	Notes	As at 31 March 2014	As at 31 March 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	19.44	19.44
Reserves and surplus	3	340.54	327.10
		359.98	346.54
Non-current liabilities			
Long-term borrowings	4	317.56	248.68
Deferred tax liabilities (net)	5	51.47	53.66
Long-term provisions	6	0.13	0.13
		369.16	302.47
Current liabilities			
Short-term borrowings	7	207.75	205.50
Trade payables	8	132.32	104.08
Other current liabilities	9	77.52	66.97
Short-term provisions	10	4.03	6.30
		421.62	382.85
	TOTAL	1,150.76	1,031.86
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		631.18	432.88
Intangible assets		5.79	6.55
Capital work in progress		1.58	157.70
Non current investments	12	4.21	4.21
Long term loans and advances	13	31.69	33.93
Other non current assets	14	0.15	0.14
		674.60	635.41
Current assets			
Inventories	15	202.44	151.33
Trade receivables	16	138.26	128.78
Cash and bank balances	17	59.97	34.07
Short term loans and advances	18	74.07	81.83
Other current assets	19	1.42	0.44
		476.16	396.45
	TOTAL	1,150.76	1,031.86
Statement on significant accounting policies	1		

The accompanying notes are an integral part of the consolidated financial statements
This is the consolidated Balance sheet referred to in our report of even date

For and on behalf of Board of Directors

For **Walker Chandio & Co LLP**
(formerly Walker, Chandio & Co)
Chartered Accountants

H K Agrawal
Director

Ashok Jaipuria
Chairman &
Managing Director

per **Neeraj Goel**
Partner

Neeraj Jain
Chief Financial Officer

Jyoti Dixit
Company Secretary

Place : Delhi
Date : 20 May 2014



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Consolidated Statement of profit and loss for the year ended 31 March, 2014
(All amounts in ₹ crores, unless stated otherwise)

Particulars	Notes	As at 31 March 2014	As at 31 March 2013
INCOME			
Revenue from operations (gross)	20	1,543.56	1,318.55
Less : Excise duty		(75.20)	(52.93)
Revenue from operations (net)		1,468.36	1,265.62
Other income	21	6.77	8.00
Total income		1,475.13	1,273.62
EXPENSES			
(Increase)/decrease in inventories of finished goods	22	(33.50)	4.89
Cost of materials consumed		1,030.74	821.38
Purchases of traded goods		5.39	4.82
Employee benefit expenses	23	97.93	90.34
Finance costs	24	43.22	29.01
Depreciation and amortisation expense	11	45.32	38.81
Other expenses	25	259.15	245.48
Total expenses		1,448.25	1,234.73
Profit before tax and exceptional items		26.88	38.89
Exceptional items	26	(28.68)	(17.22)
Profit/(loss) before tax		(1.80)	21.67
Tax expense:			
Current tax			
-Current year		4.93	10.24
-MAT credit entitlement		(1.06)	(1.40)
-Earlier years		0.25	(0.55)
Deferred tax			
-Current year		(0.42)	0.87
-Earlier years		-	1.18
Profit/(loss) for the year		(5.50)	11.33
Earning/(loss) per equity share (₹):			
-Basic	27	(2.83)	5.83
-Diluted		(2.83)	5.83
Statement on significant accounting policies	1		

The accompanying notes are an integral part of the consolidated financial statements

This is the consolidated statement of profit and loss referred to in our report of even date

For and on behalf of Board of Directors

For Walker Chandio & Co LLP
(formerly Walker, Chandio & Co)
Chartered Accountants
per Neeraj Goel
Partner

H K Agrawal
Director

Ashok Jaipuria
Chairman &
Managing Director

Neeraj Jain
Chief Financial Officer

Jyoti Dixit
Company Secretary

Place : Delhi
Date : 20 May 2014

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2014
(All amounts in ₹ crores, unless stated otherwise)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
A. Cash flow from operating activities:		
Profit/(loss) before tax	(1.80)	21.67
Adjustments for:		
Depreciation and amortisation expenses	45.32	38.81
Impairment of land and building	-	4.82
Interest expense	36.38	24.75
Interest income	(2.52)	(2.40)
Unrealised gain on exchange fluctuation (net)	4.97	2.46
Profit on sale of fixed assets (net)	(3.48)	(2.98)
Bad debt written off	0.22	0.94
Provision for bad and doubtful debts/advances	1.45	0.52
Liability no longer required written back	(1.27)	(11.55)
Operating profit before working capital changes	79.27	77.04
Adjustments for changes in working capital :		
- Movement in trade receivables	(11.14)	0.56
- Movement in other receivables	(3.72)	(5.02)
- Movement in inventories	(51.11)	22.62
- Movement in trade and other payables	43.55	8.70
Cash generated from operations	56.85	103.90
Income tax refund received/ (paid)	2.49	(10.03)
Net cash generated from operating activities	59.34	93.87
B. Cash flow from investing activities:		
Purchase of fixed assets and capital work in progress	(88.83)	(170.97)
Proceeds from sale of fixed assets	13.30	11.22
Purchase of investments	-	(4.21)
Proceed on maturity of fixed deposits (net)	1.70	18.30
Interest received	2.04	2.94
Net cash used in investing activities	(71.79)	(142.72)
C. Cash flow from financing activities:		
Proceeds from long term borrowings	126.72	117.06
Repayment of long term borrowings	(64.55)	(58.45)
Proceeds from short term borrowings (net)	2.24	14.27
Interest paid	(39.34)	(25.64)
Dividend paid	(4.86)	(9.72)
Dividend tax paid	(0.83)	(1.58)
Net cash generated in financing activities	19.38	35.94
Net increase/(decrease) in cash and cash equivalents	6.93	(12.91)
Cash and cash equivalents at the beginning of the year	27.37	36.42
Effect of change in exchange rate on cash and cash equivalents	20.67	3.86
Cash and cash equivalents at the end of the year (refer note 17)	54.97	27.37

This is the consolidated Statement of cash flow referred to in our report of even date

For and on behalf of Board of Directors

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants

H K Agrawal
Director

Ashok Jaipuria
Chairman &
Managing Director

per Neeraj Goel
Partner

Neeraj Jain
Chief Financial Officer

Jyoti Dixit
Company Secretary

Place : Delhi

Date : 20 May 2014



COSMO FILMS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(All amounts in ₹ crores, unless stated otherwise)

1. Statement on significant accounting policies

a) Background and nature of operations

Cosmo Films Limited (the 'Company'), manufacturers of Bi-axially Oriented Polypropylene Films (BOPP) was incorporated in India in 1981, under the Companies Act 1956. The Company is engaged in the production of packaging films. Company's product majorly comprises of BOPP Films and Thermal Films. In India, the Company is currently working at Aurangabad in Maharashtra and at Karjan in Gujarat. It also has its subsidiaries working in different countries.

b) Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised schedule VI to the Act.

c) Principles of consolidation

The consolidated financial Statements include the financial statements of the parent company and its subsidiaries.

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra group balances/ transactions and unrealized profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

The excess/deficit of cost to the parent company of its investment over its portion of net worth in the consolidated entities at the respective dates on which the investment in such entities was made is recognized in the financial statements as goodwill/capital reserve. The parent Company's portion of net worth in such entities is determined on the basis of book values of assets and liabilities as per the financial statements of the entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant changes.

Entities acquired during the year have been consolidated from the respective dates of their acquisition.

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent Company for its separate financial statements.

d) Use of estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014
(Continued...)

e) Fixed assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Consolidated statement of profit and Loss. Project under commissioning and other assets under erection/installation are shown under capital work in progress and are carried at cost, comprising of direct cost and related incidental expenses. Spares directly related to plant & machinery are capitalized and depreciated over the life of the original equipment.

Foreign currency loans availed for acquisition of fixed assets are converted at the rate prevailing on the due date for installments repayable during the year and at the rate prevailing on the date of balance sheet for the outstanding loan. The fluctuation is adjusted in the original cost of fixed assets.

The cost of internally constructed assets constructed by Company shall include the cost of all materials used in construction, direct labour employed and an appropriate proportion of variable and fixed overheads.

f) Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments; all other investments are classified as long term investments. Long term investments are carried at cost less provision (if any) for decline in value which is other than temporary in nature. Current investments are carried at lower of cost and fair market value.

g) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- Raw material cost includes direct expenses and is determined on the basis of weighted average method.
- Stores and spares cost includes direct expenses and is determined on the basis of weighted average method.
- In case of finished goods cost includes raw material cost plus conversion costs and other overheads incurred to bring the goods to their present location and condition. Cost of finished goods also includes excise duty, wherever applicable.

h) Depreciation and amortization

Depreciation on fixed assets is provided on straight line method (SLM) at rates which are either greater than or equal to the corresponding rates in Schedule XIV to the Act, based on management estimates of useful life as follows:

Block of asset	Life (in years)
Buildings	30
Plant and machinery (Including computers)	6-21
Furniture and fixtures	16
Vehicles	11
Office equipment	20
Intangible - software	6



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Continued...)

- ii) Cost of the leasehold land is amortised over the period of the lease.
- iii) Depreciation on assets costing ₹ 5000/- or below is charged @ 100% per annum in the year of purchase.

i) Research and development

Revenue expenditure incurred on research and development is charged to Consolidated statement of profit and loss in the year it is incurred.

Capital expenditure is included in the respective heads under fixed assets and depreciation thereon is charged to depreciation account.

j) Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

As per the amendment of the Companies (Accounting Standard) Rules, 2006-'AS 11' relating to 'The Effects of Changes in Foreign Exchange Rates' exchange difference arising on conversion of long term foreign currency monetary items is recorded under the head 'Foreign Currency Monetary Item Translation Difference Account' and is amortized over period not extending beyond, earlier of March 31, 2020 or maturity date of underlying long term foreign currency monetary items.

k) Accounting of cash flow hedges and derivatives

The Company enters into certain derivative financial instruments to manage its exposure to risk arising from changes in interest rate and foreign exchange rates designated as cash flow hedges.

At the inception of a hedge relationship, the Company documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges which meet the strict criteria for hedge accounting are accounted for as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Continued...)

Derivatives are recorded at their fair value with changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in a hedging reserve account. The gain or loss relating to the ineffective portion is recognized immediately in Consolidated statement of profit and loss. Amounts deferred in the hedging reserve account are released to the Consolidated statement of profit and loss in the year when the hedged item affects profit or loss. hedge accounting is discontinued when the Company revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting upon which remaining balance of such hedge in the hedging reserve account is released to the Consolidated statement of profit and loss.

Derivatives which are not designated as effective hedge are also recorded at their fair value and change in fair value is recognized immediately in the Consolidated statement of profit and loss.

The company also uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The premium or discount arising at the inception of such forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Consolidated statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense in the period in which same is cancelled or rolled over.

l) Employees benefits**Provident fund**

The Company makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Gratuity

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Consolidated statement of profit and loss in the year in which such gains or losses arise.

Compensated absences

Provision for compensated absences when determined to be a long term benefit is made on the basis of actuarial valuation as at the end of the year. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Consolidated statement of profit and loss in the year in which such gains or losses arise. Provision related to short term compensated absences of workers is provided on actual basis.

m) Taxation

The tax expense comprises of current taxes and deferred taxes. Current Tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of Income Tax, 1961. Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Continued...)

reviewed at each balance sheet date and recognized/derecognized only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Consolidated statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that the Company will pay normal income tax during the specified period.

n) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sales

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership are transferred to the buyer and the Company retains no effective control of the goods transferred to a degree usually associated with ownership; and

No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding held and the interest rate applicable.

Dividend

Dividend income is recognized as income when the right to receive the payment is established.

Export benefits/incentives

Revenue in respect of duty entitlement pass book scheme and duty drawback scheme is recognized when the entitlement to receive the benefit is established.

o) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use are complete.

p) Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Continued...)

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Consolidated statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

r) Provisions and contingent liabilities

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation on the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made when there is a present obligation that may, but probably will not, require an outflow of resources. Disclosure is also made in respect of a present obligation as a result of past event that probably requires an outflow of resource, where it is not possible to make a reliable estimate of the outflow. Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

s) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments in fixed deposits with an original maturity of three months or less.



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

2 SHARE CAPITAL

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount
Authorised share capital				
Equity shares of ₹ 10 each	25,000,000	25.00	25,000,000	25.00
		<u>25.00</u>		<u>25.00</u>
Issued, subscribed and fully paid up share capital				
Equity shares of ₹ 10 each	19,440,076	19.44	19,440,076	19.44
Total		<u>19.44</u>		<u>19.44</u>

Notes:

- (i) Of the above 242,051 (Previous year 242,051) shares have been allotted to erstwhile shareholders of Gujarat Propack Limited on amalgamation.
- (ii) Of the above 8,486,705 (Previous year 8,486,705) shares have been allotted as fully paid bonus shares by capitalisation of capital reserves and share premium account.
- a) There is no movement in equity share capital during the current year and previous year.

b) Terms and rights attached to equity shares

The Company has only one class of equity shares having the par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

During the year ended 31 March 2014 the amount of per share dividend recognised as distributions to equity shareholders was ₹ 1 (previous year ₹ 2.50 per share). The dividend proposed by Board of Directors is subject to approval of shareholders in Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31 March 2014		As at 31 March 2013	
	Number of shares held	% of holding	Number of shares held	% of holding
Sunrise Manufacturing Company Limited	3,957,552	20.36%	3,957,552	20.36%
Pravasi Enterprises Limited	2,895,104	14.89%	2,271,104	11.68%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

3. RESERVES AND SURPLUS

Particulars	As at	
	31 March 2014	31 March 2013
Capital reserves	3.32	3.32
Securities premium account	31.26	31.26
Foreign currency translation reserve	25.69	5.02
General reserve		
Balance at the beginning of the year	274.07	272.66
Add: Transferred from surplus in statement of profit and loss	-	1.41
Balance at the end of the year	274.07	274.07
Hedging reserve		
Balance at the beginning of the year	(2.10)	(4.73)
Add : Amount recognised during the year	1.29	2.63
Balance at the end of the year	(0.81)	(2.10)
Foreign currency monetary item translation difference account		
Balance at the beginning of the year	(5.77)	(5.36)
Add : Amounts recognised during the year	(5.71)	(2.87)
Less : Amounts amortised during the year	4.97	2.46
Balance at the end of the year	(6.51)	(5.77)
Surplus as per Consolidated statement of profit and loss		
Balance at the beginning of the year	21.30	17.07
Add: Profit for the year	(5.50)	11.33
Less : Proposed dividends on equity shares	(1.94)	(4.86)
Less : Tax on dividends distributed during the year	(0.33)	(0.83)
Less : Transfer to general reserve	-	(1.41)
Balance at the end of the year	13.52	21.30
Total	340.54	327.10

4. LONG TERM BORROWINGS

Particulars	As at 31 March 2014		As at 31 March 2013	
	Non current	Current	Non current	Current
Secured				
Term loans				
Foreign currency loans (note a)	240.58	44.15	225.94	42.61
Rupee term loans (note b)	76.50	16.67	22.50	11.79
Vehicle loans (note c)	0.48	0.75	0.24	0.49
	317.56	61.57	248.68	54.89



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

Notes:

a) Foreign currency loans comprises of :

- (i) Loan of USD 10,000,000 taken from ICICI Bank during the financial year 2010-11 and carries interest @ Libor +400 bps per annum. The loan is repayable in 5 equal semi annual installments of USD 2,000,000 each after moratorium of 3.5 years from the date of loan.
- (ii) Loan of USD 7,500,000 taken from HSBC PLC Bank during the financial year 2008-09 and carries interest @ Libor+150 bps per annum. The loan is repayable in 6 equal semi annual installments of USD 1,250,000 each after moratorium of 2.5 years from the date of loan. The loan has been repaid in full during financial year 2013-14.
- (iii) Loan of USD 13,272,220 taken from Landesbank Baden Wurttemberg Bank (LBBW) during the financial year 2008-09 and 2009-10 and carries interest @ Libor+37.5 bps per annum. The loan is repayable in 16 equal semi annual installments of approx. USD 832,640 each after six month from the date of start of commercial production.
- (iv) Loan of USD 10,000,000 taken from IFC Bank during the financial year 2011-12 and carries interest @ Libor+400 bps per annum. The loan is repayable in 17 semi-annual installments after moratorium of 2.5 years from the date of loan.
- (v) Loan of EURO 9,793,450 taken from Landesbank Baden Wurttemberg Bank (LBBW) during the financial year 2012-13 and 2013-14 and carries interest @ Euribor+105 bps per annum. The loan is repayable in 17 equal semi annual installments starting after six month from the signing of final acceptance certificate for start of commercial production.
- (vi) Loan of USD 7,000,000 taken from DBS Bank Limited during the financial year 2012-13 and carries interest @ Libor+225 bps per annum. The loan is repayable in 8 equal semi-annual installments of USD from April-2015. The loan has been fully hedged into an equivalent Rupee loan with fixed rate of interest.
- (vii) Loan of USD 45,000,000 taken from SBI Antwerp branch during the financial year 2009-10 and carries interest @ Libor +500 bps per annum. The loan is repayable after moratorium of 20 months in 14 quarterly installments.
- (viii) Loan of KRW 3 billion taken from IBK Korea during the financial year 2011-12 and carries interest rate @4.4% per annum (reset after every three months). The loan is repayable after a moratorium period of 2 years in 14 quarterly installments.
- (ix) Loan of USD 9.5 million taken from SBI Antwerp branch during the financial year 2009-10 and carries interest @ Libor + 500 bps per annum. The loan is repayable after moratorium of 2 years in 14 quarterly installments. The loan has been repaid during financial year 2013-14.

b) Rupee term loans comprises of :

- (i) Loan of ₹ 108,675,000 taken from Kotak Mahindra Bank during the financial year 2011-12 and carries interest @ base rate+ 3.75% per annum. The loan is repayable in 78 equal monthly installments of ₹ 1,393,000 alongwith interest from the date of loan.
- (ii) Loan of ₹ 318,159,170 taken from IDBI Bank during the financial year 2008-09 and carries interest @ base rate+ 2.65% per annum. The loan is repayable in 10 equal semi annual installments of ₹ 31,815,917 alongwith interest from the date of loan. The loan has been repaid in full during financial year 2013-14.
- (iii) Loan of ₹ 300,000,000 taken from SBI during the financial year 2012-13 and 2013-14 and carries interest @ base rate+ 2.25% per annum. The loan is repayable after a moratorium of 12 month from the date of disbursement in 8 equal quarterly installments of ₹ 37,500,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

- (iv) Loan of ₹ 600,000,000 taken from SBI during the financial year 2013-14 and carries interest @ base rate+ 2.3% per annum. The loan is repayable after a moratorium of 24 month from the date of disbursement in 24 equal quarterly installments of ₹ 25,000,000.
- c) Vehicle loans taken from Union Bank of India carries interest @10.5% -12% per annum. This loan is repayable in 3 years.
- d) Details of security for each type of borrowings:-
 - (i) Foreign currency loan from ICICI Bank is secured by subservient charge on all of the Company's moveable fixed assets, both present and future, save and except plant and machineries at Baska and Chikalthana and any assets charged exclusively to other lenders.
 - (ii) Foreign currency loan from Landesbank Baden Wurttemberg Bank (LBBW) taken in financial year 2008-09 and financial year 2009-10 is secured against hypothecation of machinery financed out of the loan amount at the Company's plant at Karjan - Vadodara.
 - (iii) Foreign currency loan from HSBC PLC Bank is secured by first pari-passu charge over the entire fixed assets of the Company except assets exclusively charged to Landesbank Baden Wurttemberg Bank (LBBW). The loan has been repaid and security released during financial year 2013-14.
 - (iv) Foreign currency loan from IFC Bank is secured by first ranking security interest over all present and future movable and immovable fixed assets except the excluded assets, ranking pari passu with the other lenders.
 - (v) Foreign currency loan from Landesbank Baden Wurttemberg Bank (LBBW) taken in financial year 2012-13 and 2013-14 is secured against hypothecation of machinery financed out of the loan amount at the Company's new plant at Shendra, Aurangabad.
 - (vi) Foreign currency loan from DBS Bank is secured by pari passu charge on the movable and immovable fixed assets both present and future of the Company, except the excluded assets.
 - (vii) Foreign currency loans from SBI Antwerp branch and IBK Korea is secured by first charge over the entire assets of the respective subsidiaries.
 - (viii) Rupee term loan from Kotak Mahindra Bank is secured against mortgage by way of exclusive charge on the immovable properties being commercial properties situated at 1004-1010, 10th floor, DLF Towers, Jasola, New Delhi.
 - (ix) Rupee term loan from IDBI Bank is secured against pari-passu first charge on entire fixed assets of the Company by way of extension except assets exclusively charged to Landesbank Baden Wurttemberg (LBBW). The loan has been repaid and security released during financial year 2013-14.
 - (x) Rupee term loan of ₹ 30 crores from SBI is secured against pari-passu charge with other term lenders on entire fixed assets of the Company, present and future including equitable mortgage of certain properties.
 - (xi) Rupee term loan of ₹ 60 crores from SBI is secured against pari-passu charge with other term lenders on entire fixed assets of the Company, present and future including equitable mortgage of certain properties.
 - (xii) Vehicle loans from Union Bank of India are secured against hypothecation of vehicles financed out of the loan amount.
- e) Current maturities of long term borrowings are disclosed under the head other current liabilities.



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

5 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 March 2014	As at 31 March 2013
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation charged in the books	98.75	80.23
Acquisition gain	0.14	1.13
Others	0.35	0.31
Gross deferred tax liability	99.24	81.67
Deferred tax assets		
Unabsorbed losses	41.53	22.36
Provision for bad and doubtful debts	0.78	0.74
Tax impact of other expenses charged in the financial statement but allowable as deductions in future years under income tax	5.46	4.91
Gross deferred tax assets	47.77	28.01
Deferred tax liabilities (net)	51.47	53.66

6. LONG TERM PROVISIONS

Particulars	As at 31 March 2014	As at 31 March 2013
Employee benefit payable	0.13	0.13
Total	0.13	0.13

7. SHORT TERM BORROWINGS

Particulars	As at 31 March 2014	As at 31 March 2013
Secured		
From banks		
Cash credits/ working capital demand loans (note a)	207.75	205.03
Overdraft (note b)	-	0.47
Total	207.75	205.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

Notes:

- a) Cash credits/ working capital demand loans/ export packing credits are secured/to be secured by hypothecation of inventories, trade receivable and second charge on fixed assets secured to financial institutions except assets exclusively charged.

Cash credit and working capital demand loans from the bank comprises of the following:

- (i) Cash credit/working capital demand loan of ₹ 30 crores sanctioned by Export Import Bank of India is repayable on demand and carries interest rate @ 11.5% per annum, Libor+4% and 11.75% per annum for PCFC INR, PCFC USD and working capital demand loan, respectively.
 - (ii) Cash credit/working capital demand loan of ₹ 15 crores sanctioned by CITI Bank is repayable on demand and carries interest as mutually decided. The loan has been repaid in financial year 2013-14.
 - (iii) Working capital demand of ₹ 20 crores sanctioned by HDFC Bank is repayable on demand and carries interest rate as mutually decided.
 - (iv) Cash credit/working capital demand of ₹ 15 crores sanctioned by ICICI Bank is repayable on demand and carries interest @ base rate+3.5% per annum.
 - (v) Cash credit/working capital demand of ₹ 25 crores sanctioned by ING Vysya Bank is repayable on demand and carries interest @ base rate+2.35% per annum.
 - (vi) Cash credit/working capital demand of ₹ 65 crores sanctioned by Union Bank of India is repayable on demand and carries interest @ base rate+2% per annum.
 - (vii) Cash credit/working capital demand of ₹ 15 crores sanctioned by YES Bank of India is repayable on demand and carries interest @ base rate+2.5% per annum.
 - (viii) Cash credit/working capital demand of ₹ 50 crores sanctioned by IDBI Bank is repayable on demand and carries interest @base rate+2.5% per annum.
 - (ix) Cash credit of ₹ 50 crores sanctioned by State Bank of India is repayable on demand and carries interest @ base rate+0.5% per annum.
 - (x) Cash credit/working capital Loan/export packing credit of ₹ 20 crores sanctioned by DBS Bank is repayable on demand and carries interest as mutually agreed.
 - (xi) Loan of JPY 100 million is taken from Mizuho Bank, Japan and carries rate of interest @1.725% per annum. All are current and payable within one year.
- b) Overdraft of ₹ 5 crores from HDFC Bank are secured against pledge of the fixed deposits of the Company is repayable on demand and carries interest @ 11.5% per annum.



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

8. TRADE PAYABLES

Particulars	As at 31 March 2014	As at 31 March 2013
Due to Micro, Small and Medium Enterprises *	-	-
Total outstanding dues to units other than Micro, Small and Medium Enterprises **	98.90	77.01
Employee related payables	1.54	3.20
Other accrued liabilities	31.88	23.87
Total	132.32	104.08

*The Company has circulated letters to all its suppliers requesting them to confirm whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'). Certain suppliers have provided the necessary confirmation alongwith the evidence of being Micro or Small enterprises. However from the majority of the suppliers these confirmations are still awaited. On the basis of available information no principal or interest is payable at the year end to any supplier covered under MSMED.

**Includes ₹ 4.74 crores (previous year ₹ 15.18 crores) being the liabilities to be paid out of the undrawn sanctioned long term loans.

9. OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2014	As at 31 March 2013
Current maturities of long term debt (refer note 4)	61.57	54.89
Interest accrued but not due on borrowings	4.30	4.67
Statutory dues payable	2.32	1.88
Advance received from customers	9.27	5.47
Others	0.06	0.06
	77.52	66.97

10. SHORT TERM PROVISIONS

Particulars	As at 31 March 2014	As at 31 March 2013
Employee benefit payable	1.76	0.61
Others		
Proposed dividend (note a)	1.94	4.86
Provision for taxes on proposed dividend	0.33	0.83
Total	4.03	6.30

Notes:

a) Details with respect to proposed dividend

Dividends proposed to		
-Equity shareholders	1.94	4.86
Proposed dividend per share		
-Equity shareholders (₹)	1.00	2.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

11 FIXED ASSETS

Particulars	Tangible fixed assets							Total	Intangible fixed assets Software	Capital work in progress
	Land freehold	Land leasehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment			
Gross block										
Balance as at 1 April 2012	18.85	1.46	97.45	577.28	5.09	6.92	14.22	721.27	7.67	4.02
Additions (note b)	-	7.22	2.91	19.96	1.49	0.81	0.84	33.23	0.68	162.04
Disposals	-	-	(1.79)	(10.15)	-	(0.90)	(0.32)	(13.16)	-	(11.27)
Other adjustments:										
- Impairment (note c)	(2.89)	-	(1.93)	-	-	-	-	(4.82)	-	-
- Borrowing costs	-	-	-	-	-	-	-	-	-	2.23
- Foreign exchange fluctuation	-	-	-	3.45	-	-	-	3.45	-	0.68
- Translation adjustment	1.07	-	1.52	2.61	0.03	(0.02)	0.15	5.36	-	-
Balance as at 31 March 2013	17.03	8.68	98.16	593.15	6.61	6.81	14.89	745.33	8.35	157.70
Additions	-	1.91	40.57	199.80	0.79	1.43	2.87	247.37	-	69.35
Disposals	(6.60)	-	(3.54)	(1.12)	-	(0.76)	(0.02)	(12.04)	-	(239.86)
Other adjustments:										
- Borrowing costs	-	-	-	-	-	-	-	-	-	2.60
- Foreign exchange fluctuation	-	-	-	(4.10)	-	-	-	(4.10)	-	11.79
- Translation adjustment	2.74	-	3.17	4.46	0.05	0.03	0.26	10.71	-	-
Balance as at 31 March 2014	13.17	10.59	138.36	792.19	7.45	7.51	18.00	987.27	8.35	1.58
Accumulated depreciation and amortisation										
Balance as at 1 April 2012	-	0.09	18.67	246.44	2.67	2.07	9.83	279.77	0.51	-
Depreciation and amortisation expense	-	-	3.52	31.68	0.28	0.80	1.24	37.52	1.29	-
Adjusted on disposal of assets	-	-	(0.24)	(4.67)	-	(0.40)	(0.08)	(5.39)	-	-
Translation adjustment	-	-	0.11	0.37	0.01	(0.02)	0.08	0.55	-	-
Balance as at 31 March 2013	-	0.09	22.06	273.82	2.96	2.45	11.07	312.45	1.80	-
Depreciation and amortisation expense	-	0.15	4.50	37.17	0.33	0.71	1.70	44.56	0.76	-
Adjusted on disposal of assets	-	-	(1.18)	(0.60)	-	(0.42)	(0.02)	(2.22)	-	-
Translation adjustment	-	-	0.40	0.72	0.02	-	0.16	1.30	-	-
Balance as at 31 March 2014	-	0.24	25.78	311.11	3.31	2.74	12.91	356.09	2.56	-
Net block										
Balance as at 31 March 2013	17.03	8.59	76.10	319.33	3.65	4.36	3.82	432.88	6.55	157.70
Balance as at 31 March 2014	13.17	10.35	112.58	481.08	4.14	4.77	5.09	631.18	5.79	1.58

Note:

a) Capitalization of foreign exchange differences

The foreign exchange difference capitalized during the year ended 31 March 2014 was ₹ 7.69 crores (previous year: ₹ 4.13 crores). The Company has adopted the MCA notification dated December 29, 2011 on Accounting Standard - 11, "The effects of changes in foreign exchange rates" and accordingly capitalised ₹ 7.69 crores

b) Additions include ₹ Nil (previous year ₹ 0.31 crores) towards assets located at research and development facilities.

c) Impairment adjustment represent land and building impairment expenses recognised on the basis of valuation report in CF (Netherlands) Holdings Limited B.V. These expenses are disclosed in note 26 as exceptional items.



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

12. NON CURRENT INVESTMENTS

Particulars	As at 31 March 2014	As at 31 March 2013
Unquoted, trade investments (valued at cost unless otherwise stated)		
Investment in equity instruments - Gupta Energy Private Limited	4.21	4.21
	4.21	4.21

Details of trade investments (unquoted)

Name of the body corporate	No. of shares		Face value	Partly paid/ Fully paid	Amount	
	31 March 2014	31 March 2013			31 March 2014	31 March 2013
Equity						
Gupta Energy Private Limited *	294,252	294,252	₹ 10	Fully paid	4.21	4.21
	294,252	294,252			4.21	4.21

*Pledged with banks for securing the financial facilities availed by Gupta Energy Private Limited pursuant to the agreement for generation and supply of captive power to the Company's plant.

13. LONG TERM LOANS AND ADVANCES

Particulars	As at 31 March 2014	As at 31 March 2013
Secured		
Capital advances (note a)	-	4.81
Unsecured, considered good		
Capital advances	28.33	24.30
Security deposits	0.61	1.24
Loans and advance to related parties (refer note 32)	0.51	-
Prepaid expenses	0.24	0.62
Others	2.00	2.96
Total	31.69	33.93

Note:

- a) Capital advances are secured by way of bank guarantees received from the supplier of equipments/ services relating to capital jobs.

14. OTHER NON CURRENT ASSETS

Particulars	As at 31 March 2014	As at 31 March 2013
Pledged deposits (note a)	0.15	0.14
Total	0.15	0.14

Note: (a) Pledged deposits represent ₹ 0.15 crores (Previous Year ₹ 0.14 crore) pledged with sales tax authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

15. INVENTORIES

Particulars	As at 31 March 2014	As at 31 March 2013
Raw material (including material in transit ₹ 10.73 crores) (previous year ₹ 1.93 crores)	55.09	36.45
Finished goods (including goods in transit ₹ 49.42 crores) (previous year ₹ 29.86 crores)	136.62	103.12
Stores and spares	10.73	11.76
Total	202.44	151.33

16. TRADE RECEIVABLES

Particulars	As at 31 March 2014	As at 31 March 2013
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	0.85	1.38
Unsecured, considered doubtful	2.37	2.06
	3.22	3.44
Less : Allowances for bad and doubtful debts	(2.37)	(2.06)
	0.85	1.38
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	137.41	127.40
Unsecured, considered doubtful	1.00	0.10
	138.41	127.50
Less : Allowances for bad and doubtful debts	(1.00)	(0.10)
	137.41	127.40
Total	138.26	128.78

17. CASH AND BANK BALANCES

Particulars	As at 31 March 2014	As at 31 March 2013
Cash and cash equivalents		
Cash in hand	0.09	0.05
Cheques and drafts in hand	5.28	2.73
Balances with schedule banks		
- in current accounts	17.05	1.96
- in deposit account with original maturity upto 3 months	16.85	2.50
Balances with other banks		
- in current accounts	15.70	20.13
	54.97	27.37



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

Other bank balances		
Deposits with maturity more than 3 months but less than 12 months (note a)	5.00	6.70
	5.00	6.70
Total	59.97	34.07

Note:

- a) Includes deposit of ₹ 5 crores (previous year ₹ 5 crores) pledged against overdraft facility.

18. SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 March 2014	As at 31 March 2013
Unsecured, considered good		
Advances to vendors	1.41	1.65
Tax recoverable (net of provision)	13.72	22.85
Loans and advances to related party (refer note 32)	-	0.44
MAT credit entitlement	2.15	1.40
Deposits with excise and other tax authorities	13.28	10.07
Export benefit recoverable	20.67	28.40
Discount recoverable	12.73	6.93
Prepaid expenses	4.00	6.44
Others (note a and b)	6.11	3.65
Total	74.07	81.83

Note:

- a) Includes ₹ 0.03 crores being the excess of remuneration paid during the year to Chairman and Managing Director over the maximum remuneration payable under Companies Act, 1956 based on net profits for the year. The amount has been refunded subsequently on 15 May 2014.
- b) Includes ₹ 0.73 crores being the excess of remuneration paid during the year to whole-time Director over the maximum remuneration payable under Companies Act, 1956 based on net profits for the year. The Board of Directors have resolved to seek approval for this excess remuneration from the shareholders and the Central Government. Till these approvals are obtained, the amount is held in trust by the whole-time Director for the Company.

19. OTHER CURRENT ASSETS

Particulars	As at 31 March 2014	As at 31 March 2013
Unsecured, considered good		
Interest receivable	0.92	0.44
Others	0.50	-
Total	1.42	0.44

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

20. REVENUES

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Revenue from operations		
Sale of products (including export benefits of ₹ 21.16 crores previous year ₹ 27.46 crores)	1,531.70	1,301.43
Other operating revenues (note a)	11.86	17.12
Revenue from operations (gross)	1,543.56	1,318.55
Less : Excise duty	(75.20)	(52.93)
Revenue from operations (net)	1,468.36	1,265.62

Note :

(a) Includes ₹ 0.65 crores (previous year ₹ 9.26 crores) write back of old sales tax liabilities on account of favorable order from sales tax department.

Details of products sold

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Manufactured goods		
- Packaging films	1,510.54	1,273.96
- Others	21.16	27.47
Total	1,531.70	1,301.43

21. OTHER INCOME

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Interest income	2.52	2.40
Profit on sale of assets (net) (note a)	3.48	2.98
Insurance and other claims	0.38	0.29
Miscellaneous receipts	0.39	0.26
Liabilities no longer required written back	-	2.07
Total	6.77	8.00

Note:

a) Profit on sale of assets for the year ended 31 March 2014 includes ₹ 4.05 crores (previous year ₹ Nil) profit from sale of land.

22. (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Opening stock of finished goods	103.12	108.01
Closing stock of finished goods	136.62	103.12
(Increase)/decrease in inventories of finished goods	(33.50)	4.89



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

Details of finished goods

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Finished goods		
-Packaging films	126.29	92.89
-Equipments	10.33	10.23
Total	136.62	103.12

23. EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Salaries, wages and bonus	90.63	85.86
Gratuity expense (refer note 30)	1.45	(2.48)
Contribution to provident and other funds	3.92	5.24
Staff welfare expenses	1.93	1.72
Total	97.93	90.34

Note:

a) Employee benefit expenses includes research and development expenses (refer note 29)

24. FINANCE COSTS

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Interest expenses	36.38	24.75
Bank charges	6.84	4.26
	43.22	29.01

25. OTHER EXPENSES

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Stores, spares and packing material consumed	52.76	49.22
Power, water and fuel	89.28	89.69
Excise duty on internal consumption/change in finished goods inventory	6.93	5.43
Other manufacturing expenses	1.01	1.13
Rent	9.41	8.35
Repairs and maintenance		
- Buildings	0.59	0.74
- Plant and equipment	10.63	8.83
- Others	3.32	2.03
Insurance	2.68	2.46
Rates and taxes	0.94	0.70
Printing and stationary	0.82	0.77
Training and recruitment expenses	0.60	0.49
Travelling and conveyance	7.98	7.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

continued

Vehicle running and maintenance	2.76	2.29
Communication expenses	2.38	2.35
Legal and professional charges (including statutory audit fees)	7.81	3.04
Directors' fees	0.03	0.05
Charity and donations	0.37	0.32
Bad debts written off	0.22	0.94
Provision for bad debts	1.45	0.52
Freight and forwarding	53.29	53.33
Claims paid	-	0.21
Others	3.89	4.75
Total	259.15	245.48

Note:

a) Other expenses includes research and development expenses (refer note 29).

26. EXCEPTIONAL ITEMS

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Loss due to exchange rate fluctuation on foreign currency transactions	(28.68)	(7.51)
Impairment of land and building	-	(4.82)
Severance pay	-	(4.89)
Total	(28.68)	(17.22)

27. EARNING PER SHARE

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
a) Net profit/(loss) after tax as per statement of profit and loss attributable to equity shareholders (₹ in crores)	(5.50)	11.33
b) Weighted average number of equity shares	19,440,076	19,440,076
c) Basic EPS (₹)	(2.83)	5.83
d) Diluted EPS (₹)	(2.83)	5.83
e) Nominal value per equity share (₹)	10.00	10.00

28. CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent liabilities

Particulars	As at 31 March 2014	As at 31 March 2013
a) Disputed demands for income tax (refer note f below)	4.83	4.83
b) Disputed demands for excise and custom duty and service tax	3.81	3.97
c) Disputed demands for labour/employee dispute	4.15	1.18
d) Claims against the Company not acknowledged as debts	0.12	0.12
e) Discounting of export customer invoices (refer note g below)	43.83	35.71



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

- f) Disputed demand for income tax includes a dispute of ₹ 4.83 crores (previous year ₹ 4.83) between the Company and income tax department over computation of deduction under section 80HHC of the Income Tax Act, 1961. The Company has filed a special leave petition against the order of Hon'ble Court which has been accepted by Supreme Court and is pending. Based on the legal opinion taken from an independent expert, the management is of the view that it is more likely than not that matter will be decided in favour of the Company.
- g) It represents discounted debtors amount to ₹ 12.46 crores (previous year ₹ 10.64 crores) against letter of credit and other discounted debtors of ₹ 31.37 crores (previous year ₹ 25.07 crores). Other discounted debtors amounting to ₹ 12.68 crores (previous year ₹ 14.38 crores) has 90% credit insurance coverage from ECGC. All the discounted invoices have been reduced from Trade Receivables in note 16.

(ii) Commitments

a) Capital and Other Commitment

The Company has the following commitments :

Particulars	As at 31 March 2014	As at 31 March 2013
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4.94	36.00
Letter of credit opened for which the material has not been shipped as on the date of the balance sheet.	25.40	19.44

b) The following amounts are to be credited to investor education and protection fund as and when due:

Particulars	As at 31 March 2014	As at 31 March 2013
Unpaid dividend	0.84	0.86

29. RESEARCH AND DEVELOPMENT EXPENDITURE

Particulars	As at 31 March 2014	As at 31 March 2013
Employee benefit expenses	1.01	1.24
Materials and consumables	1.76	1.71
Others	0.54	0.37
Total research and development expenditure	3.31	3.32

30. EMPLOYEE BENEFITS

Defined benefit plans (funded)

The Company makes contribution towards gratuity to a defined contribution retirement benefits plan for qualifying employees. The Company has taken policy with Life Insurance Corporation of India to provide for payment of retirement benefits to vested employees. The present value of obligation is determined based on actuarial valuation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

1. The assumptions used to determine the gratuity benefit obligations are as follows :

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Discount rate	8.00%	8.00%
Salary escalation	7.00%	7.00%

2. Table showing changes in present value of obligations

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Present value of obligations as at beginning of year	8.42	10.15
Interest cost	1.11	0.81
Current service cost	0.61	0.92
Benefits paid	(0.65)	(0.33)
Actuarial loss/(gain) on obligations	0.65	(3.13)
Present value of obligations as at end of year	10.14	8.42

3. Table showing changes in the fair value of plan assets

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Fair value of plan assets at beginning of year	10.69	11.68
Expected return on plan assets	0.92	1.08
Contributions	-	0.01
Benefits paid	(0.65)	(2.08)
Fair value of plan assets at the end of year	10.96	10.69

4. The amounts to be recognised in the balance sheet and statement of profit and loss

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Present value of obligations as at the end of year	10.14	8.42
Fair value of plan assets as at the end of the year	10.96	10.69
Funded status	0.82	2.27
Net asset recognized in balance sheet	0.82	2.27

5. Expenses recognised in statement of profit and loss

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Current service cost	0.61	0.92
Interest cost	1.11	0.81
Expected return on plan assets	(0.92)	(1.08)
Net actuarial loss/(gain) recognized in the year	0.65	(3.13)
Expenses recognized in statement of profit and loss	1.45	(2.48)



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

6. Amounts for the current and previous years are as follows

Particulars	31 March 2014	31 March 2013	31 March 2012	31 March 2011	31 March 2010
Defined benefit obligation	10.14	8.42	10.15	8.46	7.58
Plan asset	10.96	10.69	11.68	9.26	7.29
(Surplus) / deficit	(0.82)	(2.27)	(1.53)	(0.80)	0.29
Net actuarial loss/(gain) recognized in the year	0.65	(3.13)	0.61	0.12	1.38

31. SEGMENT REPORTING

Segments have been identified in accordance with Accounting Standard on Segment Reporting (AS-17) taking into account the organization structures well as differential risks and returns of these segments.

- Business segment has been disclosed as the primary segment. The company is organised into two business segments namely Packaging Films and Others (Equipments and Parts).
- Secondary segment reporting is performed on the basis of location of all customers. The location of customers is classified into two geographic segments namely in India and outside India.

**Business segment
Year ended 31 March 2014**

Particulars	Packaging Films	Others	Total
Revenue			
External sales	1,448.57	7.93	1,456.50
Other operating revenue	11.86	-	11.86
Other income	6.77	-	6.77
Total revenue	1,467.20	7.93	1,475.13
Results			
Segment result	40.17	(0.84)	39.33
Unallocated corporate expenses	-	-	2.09
Operating profit	40.17	(0.84)	41.42
Interest expenses and bank charges	-	-	(43.22)
Profit before tax	40.17	(0.84)	(1.80)
Income taxes	-	-	(3.70)
Profit for the year	40.17	(0.84)	(5.50)
Other information			
Segment assets	1,039.22	10.33	1,049.55
Unallocated corporate assets	-	-	101.22
Total assets	1,039.22	10.33	1,150.77
Segment liabilities	732.73	-	732.73
Unallocated corporate liabilities	-	-	58.05
Total liabilities	732.73	-	790.78
Capital expenditure	97.86	-	97.86
Depreciation and amortisation	45.32	-	45.32

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

Year ended 31 March 2013

Particulars	Packaging Films	Others	Total
Revenue			
External sales	1,239.37	9.13	1,248.50
Other operating revenue	17.12	-	17.12
Other income	8.00	-	8.00
Total revenue	1,264.49	9.13	1,273.62
Results			
Segment result	53.17	1.04	54.21
Unallocated corporate expenses	-	-	(3.53)
Operating profit	53.17	1.04	50.68
Interest expenses and bank charges	-	-	(29.01)
Profit before tax and exceptional items	53.17	1.04	21.67
Income taxes	-	-	(10.34)
Profit for the year	53.17	1.04	11.33
Other information			
Segment assets	942.12	10.23	952.35
Unallocated corporate assets	-	-	79.51
Total assets	942.12	10.23	1,031.86
Segment liabilities	621.30	-	621.30
Unallocated corporate liabilities	-	-	64.02
Total liabilities	621.30	-	685.32
Capital expenditure	191.03	-	191.03
Depreciation and amortisation	38.81	-	38.81

Business segment / geographical segment

Year ended 31 March 2014

Particulars	Revenue	Segment assets	Capital expenditure
In India	643.96	937.46	86.36
Outside India	812.54	213.30	11.50
Total	1,456.50	1,150.76	97.86

Year ended 31 March 2013

Particulars	Revenue	Segment assets	Capital expenditure
In India	473.69	808.79	189.96
Outside India	774.81	223.07	1.07
Total	1,248.50	1,031.86	191.03



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014

(All amounts in ₹ crores, unless stated otherwise)

32. RELATED PARTY DISCLOSURE

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

i) List of related parties and relationships:

A. Key management personnel

a) Mr. Ashok Jaipuria Chairman and Managing Director of parent Company

B. Enterprises over which Key managerial personnel of the Company and their relatives have significant influence:

a) Sunrise Manufacturing Company Private Limited

ii) Transactions with related parties

Particulars	Key management personnel and their relatives		Enterprises over which Key managerial personnel of the Company and their relatives have significant influence		Total	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Rent paid						
Sunrise Manufacturing Company Private Limited	-	-	1.00	0.89	1.00	0.89
Security deposit/advance rent paid						
Sunrise Manufacturing Company Private Limited	-	-	0.07	-	0.07	-
Remuneration						
Mr. Ashok Jaipuria	0.30	1.03	-	-	0.30	1.03
iii) Outstanding balances :						
Loans and advance						
- Sunrise Manufacturing Company Private Limited	-	-	0.51	0.44	0.51	0.44
Managerial remuneration recoverable/(payable)*						
-Mr. Ashok Jaipuria	0.03	(0.75)	-	-	0.03	(0.75)

* recovered subsequently.

33. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

a) Foreign currency exposure hedged by derivative instruments (against imports):

Currency	No. of contracts		Amount		Notional gain/(loss)	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
EURO	4	-	468,848	-	(0.23)	-
USD	53	-	13,364,580	-	(3.46)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)
Notes:

- i) The Company has entered into interest rate swap contract (floating rate to fixed rate) to hedge its risk associated with LIBOR fluctuations and such instruments qualify as effective hedges. In accordance with Accounting Standard 30, "Financial Instruments - recognition and measurement" the mark to market loss as on 31 March 2014 is estimated at ₹ 0.81 crores (previous year ₹ 2.10 crores).
- ii) The Company has entered into a cross currency swap agreement with DBS Bank for hedging of installment and interest rate for term loan amounting to USD 7,000,000 taken in the previous year. In accordance with Accounting Standard 30, "Financial Instruments - recognition and measurement" the mark to market gain as on 31 March 2014 is estimated at ₹ 4.99 crores (previous year loss ₹ 0.85 crores).

b) Particulars of unhedged foreign currency exposure as at the reporting date

Currency	31 March 2014		31 March 2013	
	Foreign currency	Local currency (₹)	Foreign currency	Local currency (₹)
USD	(26,133,050)	(157.87)	(48,410,094)	(263.38)
EURO	(8,797,411)	(72.65)	(12,558,304)	(87.38)
GBP	341,602	3.41	(47,190)	(0.39)
CAD	611,469	3.32	567,075	3.14
SGD	153,007	0.73		

Note: Figures in bracket signifies amount payable.

34. Building includes ₹ 0.64 crores towards cost of residential space in a Co-operative Housing Society. The Company has taken possession of the same in terms of agreement to sell. Conveyance deed is yet to be registered. Besides, the amount includes cost of shares of the said society received by the Company which are yet to be transferred in the name of the Company.
35. Per transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transactions with associated enterprises and maintain adequate documentation in this respect. Since law requires existence of such information and documentation to be contemporaneous in nature, the Company has appointed independent consultants for conducting a Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arms length basis". Management is of the opinion that the Company's international transactions are at arm's length and that the results of the on-going study will not have any impact on the financial statements and the independent consultants appointed have also preliminarily confirmed that they do not expect any transfer pricing adjustments.
36. During the year, the Company became aware of an instance of fraud perpetrated against the Company by an outside party with respect to non receipt of collection of ₹ 0.15 crore (approx.) from an overseas customer whereas same has been claimed as remitted by the customer. The internal examination of the matter by the Company did not reveal any involvement of the present employees of Company. However, the Company has filed its complaint with Cyber Crime cell of Delhi Police which was pending as on 31 March 2014 and all necessary steps are being taken to ensure proper recovery of such amount.



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2014
(All amounts in ₹ crores, unless stated otherwise)

37. Previous years figures

Previous years figures have been regrouped / rearranged wherever considered necessary.

For and on behalf of Board of Directors

For **Walker Chandiook & Co LLP**
(formerly Walker, Chandiook & Co)
Chartered Accountants

H K Agrawal
Director

Ashok Jaipuria
Chairman &
Managing Director

per **Neeraj Goel**
Partner

Neeraj Jain
Chief Financial Officer

Jyoti Dixit
Company Secretary

Place : Delhi
Date : 20 May 2014



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