

Staying Ahead

Notice

Notice is hereby given that the Thirty-Fourth Annual General Meeting of the members of Cosmo Films Limited will be held at Shah Auditorium, 2, Raj Niwas Marg, Civil Lines, Delhi- 110054 on Wednesday, the 13th day of July, 2011 at 12.00 Noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date and the report of the Board of Directors and the Auditors of the Company thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. H.K. Agrawal, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint M/s. Walker Chandio & Co. as the statutory auditors of the Company from the conclusion of the 34th Annual General Meeting upto the conclusion of next Annual General Meeting and to fix their remuneration. M/s. B. K. Shroff & Co., the retiring auditors have expressed their unwillingness to be re-appointed as the auditors of Company at this Annual General Meeting.

SPECIAL BUSINESS:

Item No. 5

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

“RESOLVED THAT Mr. Suresh Rajpal, who was appointed as Director under section 262 of the Companies Act, 1956 in the casual vacancy caused by the resignation of Mr. H. L. Paranjpe and who holds office only upto the conclusion of this Annual General Meeting and in respect of whom due notice in writing along with requisite fees under section 257 of the Companies Act, 1956 has been received by the Company from a member proposing the candidature of Mr. Suresh Rajpal for office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

Item No. 6

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

“RESOLVED THAT in supersession of the resolution passed earlier, pursuant to Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, the Board of Directors of the Company (hereinafter called “the Board”, which term shall be deemed to include any other Committee of the Board, which the Board may have constituted or hereinafter constitute for the time being, to exercise its powers including the powers conferred on the Board of Directors by this resolution, or any person(s) authorised by the Board or its Committee for such purposes), is hereby authorised to borrow from time to time as it may think fit, by way of loans from, or issue of bonds, debentures or other securities whether convertible into equity/preference shares and/or securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe for equity/preference shares to, bank(s), financial or other institution(s), mutual fund(s), non-resident Indians, foreign institutional investors or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not, whether unsecured or secured and on such terms and conditions as the Board may deem fit, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 1000 crores.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to sign all such agreements, documents, papers and writings as may be deemed necessary, expedient or desirable to give effect to above resolutions.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects.”

Item No. 7

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

“RESOLVED THAT pursuant to the provisions of Sections 269, 198, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956

(including any statutory modifications or re-enactment thereof for the time being in force) and subject to such other sanctions and approvals as may be required, the consent of the Company, be and is hereby accorded for the appointment of Mr. Anil Kumar Jain as the whole – time Director in the capacity of Director – Corporate Affairs of the Company with effect from May 24, 2011.”

“RESOLVED FURTHER THAT the Company hereby approves the salary, perquisites, allowances and commission as per the terms and conditions as may be decided by the Board of Directors within the overall limits specified under Section I of Part II of Schedule XIII of the Companies Act, 1956 or any statutory modification thereof and to alter and vary the terms and conditions as the Board of Directors may in their absolute discretion consider necessary.”

“RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the Company do pay to Mr. Anil Kumar Jain remuneration by way of salary, perquisites and allowances not exceeding the ceiling limit specified under Section II of Part II of Schedule XIII to the Companies Act, 1956 or any statutory modification thereof.”

“RESOLVED FURTHER THAT Mr. Anil Kumar Jain shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company’s business and such other benefits/amenities and other privileges, as from time to time, be available to other senior executives of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things and to sign all such documents, papers and writings as may be necessary to give effect to the above resolution.”

**For by order of the Board
Cosmo Films Limited**

New Delhi
May 24, 2011

Neetu Sharma
Company Secretary

NOTES:

1. The relative explanatory statement, pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. As a measure of economy, copies of the Annual Report shall not be distributed at the Meeting, therefore members are requested to bring their own copies at

the Meeting.

3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 7th day of July, 2011 to Wednesday, the 13th day of July, 2011 (Both days inclusive).
6. A notice pursuant to Section 192A(2) of the Companies Act, 1956 containing resolutions relating to the following items were circulated to the shareholders of the Company for seeking their assent/dissent by way of Postal Ballot.
 - (i) Alteration in the Article of Association of the Company under Section 31 and;
 - (ii) Creation of charge, mortgage or hypothecation under Section 293(1)(a) of the Companies Act, 1956

The result of the aforesaid Postal Ballot will be announced by the Chairman of the Annual General Meeting of the Company to be held on Wednesday, July 13, 2011.

7. Members, who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificates to consolidate their holdings in one folio.
8. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
9. The Members holding shares in physical form are also requested to notify any change in their addresses immediately to the Company’s Share Registrar and Transfer Agents **M/s. Alankit Assignments Limited, 2E/21, Alankit House, Jhandewalan Extension, New Delhi 110 055.**

10. Members / Proxy holders are requested to produce at the entrance of the Auditorium the enclosed admission slip duly completed and signed.

11. In order to provide protection against fraudulent encashment of the warrants, shareholders holding shares in physical form are requested to intimate the company under the signature of the Sole/First Joint holder, the following information to be incorporated on the Dividend Warrants:

- i) Name of the Sole/First Joint Holder and the folio number
- ii) Particulars of Bank Account, viz
 - Name of the Bank
 - Name of the Branch
 - Complete address of the bank with Pin Code Number
 - Account type, whether savings (SB) or Current Account (CA)
 - Account number allotted by the bank

12. Shareholder holding shares in electronic form may kindly note that their Bank account details as furnished by the depositories to the company will be used for payment by ECS or printed on their Dividend Warrants as per the applicable regulations. The company will not entertain any direct request from such shareholders for deletion of/ change in such bank details. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode. **Shareholders who wish to change such bank account details are therefore requested to advise**

their Depository Participants about such changes, with complete detail of bank account.

13. Electronic Clearing Service (ECS) Facility

With respect to the payment of dividend, the company provides the facility to all of its shareholders, holding shares in electronic form and shareholders who have opted for ECS and are holding shares in physical forms.

Shareholders holding shares in physical form who wish to avail ECS facility, may authorize the Company with their ECS Mandate in the prescribed form, can be downloaded from the company's website (www.cosmofilms.com) under the section Investor Service or can be obtained from the Registrar and Share Transfer Agents, M/s Alankit Assignment Limited. Requests for payment of dividend through ECS for the year 2010-11 should be lodged with M/s Alankit Assignments Limited on or before the 6th day of July, 2011.

14. Pursuant to provisions of Section 205 A of the Companies Act, 1956, all unpaid or unclaimed dividends upto the year ended 31st March, 2003 have been transferred to Investor Education and Protection Fund (IEPF) established by the Central Govt.

15. Pursuant to provisions of Section 205 A(5) of the Companies Act, 1956, dividend for the financial year ended March, 31, 2004 and thereafter, which remains unclaimed for a period of 7 years will be transferred by the Company to Investor Education and Protection Fund established by the Central Govt.

Information in respect of such unclaimed dividend when due for transfer to the fund is given below:

Financial Year	Type of dividend	Date of declaration	Due for transfer
2003-04	Final Dividend	30/07/2004	05/09/2011
2004-05	Final Dividend	27/09/2005	03/11/2012
2005-06	Final Dividend	30/08/2006	06/10/2013
2006-07	Final Dividend	31/07/2007	06/09/2014
2007-08	Final Dividend	24/07/2008	30/08/2015
2008-09	Final Dividend	25/08/2009	01/10/2016
2009-10	Final Dividend	09/09/2010	16/10/2017

Shareholders who have not encashed the dividend warrant(s) are requested to seek issue of duplicate dividend warrants by writing to the Company.

Shareholders are requested to note that no claims shall lie against the Company or the said fund in respect of any amount which were unclaimed and unpaid for a period of seven years from the dates that they became due for payment and no payment shall be made in respect of any such claims.

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| <p>16. Non Resident Indian shareholders are required to inform M/s Alankit Assignments Limited immediately :</p> <ul style="list-style-type: none">- The change in the residential status on return to India for permanent settlement.- The particulars of the Bank Account maintained in India with complete name, branch, account type, account number, and address of the bank, if not furnished earlier. <p>17. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.</p> | <p>18. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Transfer Agents, M/s Alankit Assignments Limited. The said Form 2B can also be downloaded from the Company's web site www.cosmofilms.com.</p> <p>19. The details pertaining to the Directors, proposed to be reappointed in terms of Listing agreement is annexed to this notice.</p> |
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EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 5

Mr. Suresh Rajpal was appointed as Director on 28th May, 2010 in casual vacancy caused by the resignation of Mr. H. L. Paranjpe who holds office upto the date of this Annual General Meeting.

A notice in terms of Section 257(1) of the Companies Act, 1956 has been received from a member signifying his intention to propose the candidature of Mr. Suresh Rajpal for office of director of the company.

Mr. Suresh Rajpal is an Electrical Engineer from the Banaras Hindu University in India and earned his MBA from York University, Toronto, Canada. He was the founder President & CEO of Hewlett-Packard India, since its inception in 1989.

Suresh co-founded Tecnova in September 2001, providing consulting services to emerging growth companies in India.

In July 2006, he founded Visnova Solutions, a focused software solutions and high-end KPO/BPO organization.

He received the Entrepreneur of the Year Award for companies begun in the prior 3 years in India from Ernst & Young in 2002 and is a recipient of US Ambassador's Award for Extraordinary Service to American Businesses in India, as the President of American Chamber of Commerce.

Pursuant to the requirement of the listing agreement with the stock exchanges, on corporate governance the

ANNEXURES TO THE NOTICE

information required to be given in case of appointment of new director or re-appointment of a director, is annexed herewith.

Except Mr. Suresh Rajpal, none of the Directors is concerned or interested in the resolution

Item No. 6

In order to address various growth opportunities, the Company would need to raise funds. In view thereof, the Board, at its meeting held on 24th May, 2011, has approved in principle the increase in the borrowing powers of the Company, subject to shareholders' approval.

Under the provisions of Section 293(1)(d) of the Companies Act, 1956, as amended, the consent of the shareholders is required to authorize the Board to borrow money (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of its paid-up capital and free reserves.

The resolution as set out at item no. 6 of the notice is placed for your approval for enhancing the limits of borrowings by the Board up to an amount not exceeding Rs. 1000 crore (Rupees One Thousand Crore) or equivalent thereof in any foreign currency(ies).

The Board accordingly recommends the resolution as set out in item no. 6 of the accompanying notice for the approval of the shareholders by way of an ordinary resolution.

None of the Directors of the Company is, in any way, concerned or interested in the aforesaid resolution.

Item No. 7

The Board of Directors of the Company at their meeting held on May 24, 2011 appointed Mr. Anil Kumar Jain as whole – time director in the capacity of Director - Corporate Affairs of the Company with effect from May 24, 2011 on the following remuneration and perquisites, subject to approval of the shareholders at the General Meeting.

- I. **Salary:** As may be fixed by the Board from time to time but not exceeding a sum of Rs. 1,50,00,000 (Rupees one crore fifty lacs) per annum.
- II. **Perquisites and allowances:** Perquisites (evaluated as per Income Tax rules, wherever applicable, and at actual cost to the Company in other cases) like medical reimbursement, leave travel allowance, premium on personal accident policy, medical insurance, use of car, mobile phone, leave with full pay and allowance and the right to accumulate in accordance with the rules of the Company, provident fund, superannuation fund, gratuity, and other retirement benefits. The Board of Directors in its absolute discretion may vary the perquisites payable to the Whole-time director.
- III. **Others Terms:**
 - A. **Minimum Remuneration:** In the event of absence of or inadequacy of net profits in any financial year, the Company do pay to Mr. Anil Kumar Jain, whole-time director remuneration by way of salary, perquisites and allowance not exceeding the ceiling limit specified under section II of part II of schedule XIII to the Companies Act, 1956 or any statutory modification thereof.
 - B. **Reimbursement of expenses in connection with Company's business:** Mr. Anil Kumar Jain Whole-time director shall also be entitled for the reimbursement

of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenties and other privileges, as from time to time, be available to other senior executives of the Company.

The appointment of Mr. Anil Kumar Jain, pursuant to section 269 & Schedule XIII of the Companies Act, 1956, as Whole-time Director shall be subject to the approval of shareholders in the next general meeting of the Company.

The above remuneration is within the ceiling laid down in section 198, 269 and 309 read with Schedule XIII to the Companies Act, 1956 as modified by the circulars issued by the Company Law Board / Ministry of Corporate Affairs, from time to time.

Except Mr. Anil Kumar Jain, none of the Director is concerned or interested in the resolution.

Copies of the resolution passed by the Board of Directors at the meeting held on 24th May, 2011 in respect of the above, may be inspected at the Registered Office of the Company on any working day excluding Saturdays between 2.00 p.m. and 4.00 p.m.

Registered Office:
1008, DLF Tower-A
Jasola District Centre,
New Delhi 110 025

By order of the Board
for **Cosmo Films Limited**

New Delhi
May 24, 2011

Neetu Sharma
Company Secretary

PURSUANT TO THE PROVISIONS OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, ON CORPORATE GOVERNANCE, THE INFORMATION REQUIRED TO BE GIVEN, IN CASE OF THE APPOINTMENT / REAPPOINTMENT OF A DIRECTOR IS AS FOLLOWS:

Director's name	Mr. H. K. Agrawal	Mr. Suresh Rajpal	Mr. Anil Kumar Jain
Date of Birth	11.10.1947	17.08.1943	18.03.1951
Qualifications	Bachelor of Eng., PG Diploma in Business Administration, IIM, Ahmedabad	B. E. (Electrical), M.B.A.	B.Com. (H), A.I.C.W.A., CISA
Nature of Expertise	Corporate Strategy, Management Structures & Mentoring	Corporate Strategy & Mentoring	Finance & Accounts
Date of Appointment/ Reappointment	13.01.2000	28.05.2010	24.05.2011
Name of The other Companies in which he holds Directorship	Nil	Visnova Solutions Pvt. Ltd. Electronic Tender.com (India) Pvt. Ltd. Inde Pay Networks (P) Ltd. Gisil Designs (P) Ltd.	Usha International Ltd. Trusted Info Systems Pvt. Ltd.
Name of the committees of Companies in which he holds memberships/ Chairmanships	Cosmo Films Limited· • Audit Committee – Chairman • Share Transfer & Investor Grievance Committee – Chairman	Nil	Cosmo Films Limited· • Audit Committee – Member· • Share Transfer & Investor Grievance Committee Member Usha International Ltd. • Audit Committee
Shereholding in the company	1000 Shares	Nil	Nil

Note: Only Audit & Share Transfer & Investors Grievance Committees have been considered.

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 best corporate governance practices.

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