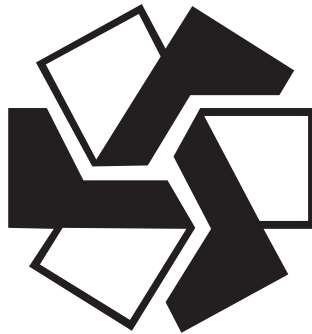


25TH ANNUAL REPORT
2012-2013



GALORE PRINTS
INDUSTRIES LIMITED



CORPORATE INFORMATION

Board of Directors

Mr. Mahesh Kumar Rustagi
Mr. Jainti Parshad Rustagi
Mr. Rajesh Kumar Rustagi
Mr. Bhumesh Rustagi
Mr. Manish Kumar
Mr. Vimal Kumar Singh

Audit Committee

Mr. Rajesh Kumar Rustagi
Mr. Manish Kumar
Mr. Vimal Kumar Singh

Shareholder's Grievance Committee

Mr. Rajesh Kumar Rustagi
Mr. Jainti Parshad Rustagi
Mr. Vimal Kumar Singh

Statutory Auditors

Prem P. Lamba & Co.
Chartered Accountants
E-43, Hauz Khas,
New Delhi - 110016

Registered Office

123-A, DDA office Complex,
Jhandewalan Extn.,
New Delhi- 110055

Registrar & Transfer Agent

Skyline Financial Services Pvt Ltd.
D-153 A, First Floor,
Okhla Industrial Area, Phase I
New Delhi-110028

Name of the Stock Exchanges at which the Company's shares are listed

1. Bombay Stock Exchange Ltd.
2. The Delhi Stock Exchange Association Ltd.
3. The Madras Stock Exchange Ltd.
4. The Stock Exchange, Ahmedabad.

25th Annual General Meeting on Friday, 27th September, 2013 at 10.00 A.M. at
123-A, DDA office Complex, Jhandewalan Extn., New Delhi -110055

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NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the members of Galore Prints Industries Limited will be held on Friday, 27th day of September, 2013 at 10.00 A.M. at 123-A, DDA Office Complex, Jhandewalan Extn. New Delhi-110055 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013 and the Statement of Profit & Loss account for the year ended on that date and reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jainti Prashad Rustagi who retires by rotation and being eligible & offers himself for re-appointment.
3. To appoint a Director in place of Mr. Mahesh Kumar Rustagi who retires by rotation and being eligible & offers himself for re-appointment.
4. To appoint Auditor and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary resolution**.

"RESOLVED THAT M/s. Prem P. Lamba & Co., Chartered Accountants (having firm Registration No. 096654), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

**By order of the Board
For Galore Prints Industries Limited**

Sd/-
(Rajesh Kr. Rustagi)
Chairman

Place : New Delhi
Date : 2.09.2013

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING.**
2. Members can send the shares for transfer in physical form and all other queries to the Company's Register and Transfer Agent Skyline Financial Services Pvt. Ltd.
3. The Register of Members and Share Transfer Register shall remain closed from 25th September, 2013 to 27th September, 2013(both days inclusive).
4. As a measure of economy, copies of the Annual Report and accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
5. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
6. Members who are holding share in identical order or names in more than one folio are requested to write to the company to enable the company/RTA to consolidate their holding in one folio.
7. Any member requiring further information on accounts at the meeting is requested to send their queries in writing to the Managing Director/Compliance Officer of the company at least seven days before the AGM.
8. Shareholders may kindly note that no gifts/coupons will be distributed at the Annual General Meeting.
9. Members are requested to notify change in address, if any immediately to the Company's registrar.
10. All the documents referred to in the accompanying notice, explanatory statement and the Register of Directors' shareholding and the Register of Contracts maintained under Section 307 and 301 of the Companies Act, 1956 respectively are open for inspection at the registered office of the company up to the date of Annual General Meeting.

**On behalf of the board of Directors
For Galore Prints Industries Limited**

Sd/-
(Rajesh Kr. Rustagi)
Chairman

Place : New Delhi
Date : 02.09.2013

**DIRECTORS' REPORT**

To
The Members,
Galore Prints Industries Limited,
New Delhi

Your Directors are pleased in presenting the 25th Annual Report together with the Audited Account of the Company for the financial year ended 31st March, 2013.

FINANCIAL RESULTS:**(Rs. in Lacs)**

	2012-13	2011-12
Turnover/ Income	27.52	3.68
Gross Profit/(Loss)	27.00	(4.54)
Financial Charges	0.31	.12
Depreciation	-	-
Profit/(Loss) before tax	(2.74)	(4.66)
Loss on sale of asset	-	-
Profit/(Loss) after tax	(2.74)	(4.66)
Balance Carried to balance Sheet	(300.34)	(297.59)

CORPORATE OVERVIEW

With the growing competition and aggressive pricing policies, the Company with not so good liquidity position has not been able to make any substantial turnover resulting in subdued performance. During the year under review, Company has incurred losses to the tune of Rs. 274987.48.

REVIEW OF OPERATIONS

The Company has made a loss during the year. The Company is hopeful of maintaining and improving its position in the future.

FUTURE OUTLOOK

Keeping in view the performance and future prospects of the Company's business, your Company is poised for sustained growth and the outlook is bright.

DIVIDEND

Keeping in view the financial performance yours Directors regret to recommend any dividend on the equity share capital of the company for the year 2012-2013.

MATERIAL CHANGE

There was no material change affecting the financial position of the Company between the date of balance Sheet and the date of this Report.

PUBLIC DEPOSITS

The Company has not accepted deposit pursuant to Section 58A of the Companies Act, 1956.

DIRECTORS

In accordance with the Article of Association of the Company, Mr. Jainti Prashad Rustagi & Mr. Mahesh Kumar Rustagi who retires by rotation and being eligible, offers himself for re-appointment. All the directors of the Company have confirmed that they are not disqualified for being appointed/ reappointed as directors in term of Section 274(1) (g) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed.

- That in the preparation of the annual accounts, for the year ended 31st March, 2013 the applicable accounting standards read with requirement set out under schedule VI of the Companies Act 1956 have been followed and there are no material departures from the same;
- That the Directors had selected such accounting policies and applied them consistently and made judgment and estimate that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the loss of the Company for the year ended on that date.
- That 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.
- That the annual accounts have been prepared on a going concern basis.



AUDITORS

M/s. Prem P. Lamba & Co., Chartered Accountants, Auditors of the Company retires at the forthcoming Annual General Meeting of the Company and is eligible for re-appointment. The Company has received a certificate to the effect that their appointment, if made, shall be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956 and they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

AUDITORS' REPORT & NOTES ON ACCOUNTS

The observations made by the Auditors are self-explanatory and have also been further simplified in the Notes to Accounts.

PARTICULARS OF EMPLOYEES AND DISCLOSURE INFORMATION

The Company has not paid any remuneration attracting the provision of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended in 2011. No information is required to be appended to this report in this regard.

CORPORATE GOVERNANCE REPORT

Your Company has complied with the provisions of Corporate Governance as under the amended Listing Agreements of the Stock Exchanges, with which the Company's shares are listed. Trading in shares of the company is currently suspended, company is making effort to revive the listing on BSE & steps have been taken in this direction. Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, the followings form part of this Annual Report:

- (i) Chairman & Managing Director's declaration regarding compliance of Code of Conduct by Board Members and Senior Management personnel;
- (ii) Management Discussion & Analysis
- (iii) Report on the Corporate Governance;
- (iv) Auditor's Certificate regarding compliance of conditions of Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS:

As required by Clause 49 of the Listing Agreement with the stock Exchanges, Management Discussion and Analysis is appended to the Annual Report.

EMPLOYEE RELATIONS:

Employee relations continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation for the excellent spirit with which the entire team of the Company worked at all sites and other offices and achieved commendable progress.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING & OUTGO

Information under section 217(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is given below:

The Company ensures that all possible measures are taken to conserve energy including identification of potential areas of saving energy, installation of energy efficient equipment such as capacitor control panels to improve power factor and use of energy efficient lamps and compact Florescent Lamps Wherever Possible.

The energy conservation measures undertaken by the Company ensure savings in energy costs and thereby improving operating efficiency. There are no specific additional investments or proposed investments for reduction of consumption of energy since the primary investments decisions are always taken such that energy is spent to the minimum level.

FOREIGN EXCHANGE EARNINGS & OUTGO:

Foreign Exchange Earnings & Outgo Rs. NIL

COMPLIANCE CERTIFICATE

Pursuant to requirement of section 383(1) of the Companies Act, 1956, with respect to compliance certificate, the company has obtained the compliance certificate from Practicing Company Secretary, for the financial year ended 31st March, 2013. The same has been attached in Director's Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for and gratitude to the Company's Customers, Bankers, Shareholders, Dealers and Suppliers for their assistance and co-operation and who have helped the Company in its endeavour.

Your Directors also wish to place on record their appreciation of the wholehearted and continued support extended by the shareholders and investors, which had always been a source of strength for the Company.

On behalf of the board of Directors
For **Galore Prints Industries Limited**

Sd/-
(Rajesh Kr. Rustagi)
Chairman

Place : New Delhi
Date : 2.09.2013



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. OVERVIEW OF THE INDIAN ECONOMY

Industry Outlook

Packaging, as distinct from mere "packing", plays its most visible and catalytic role in a modern economy with the widespread adoption of branding of products and development of consumer preferences. The demands on the packaging industry are challenging, given the increasing environmental awareness among communities. The Indian packaging industry itself is growing at 14-15% annually. This growth rate is expected to double in the next two years. Indian Packaging industry is USD 14 billion and growing at more than 15% p.a. Indian packaging machinery imports are USD 125 million. Indian packaging machinery exports are rapidly growing.

There are about 600-700 packaging machinery manufacturers, 95% of which are in the small and medium sector located all over India.

The important observation in the printing industry is that though the volume & value are increasing by 10-15 %, the average price over the years does not seem to be increasing. India, in the next 5 years is on the path of upgrading its benchmark of quality because of the digital technology revolution in pre-press, press and post-press.

2. Industry structure and development

The Company is mainly engaged in manufacturing in the Flexible Packaging Material. The Flexible Packaging Industry is growing at a steady pace. We therefore foresee steady growth for our products in the coming years.

Packaging plays a very distinct role in today's modern consumerist economy with the need for widespread adoption of branding and development of consumer preferences. Any manufactured item, to gain market share, requires packaging to ensure safety, convenience and attractiveness. Packaging is a key component for consumption and consumer preferences in today's economy. Packaging helps in preservation of quality and lengthening shelf life of products such as milk, biscuits, drugs, processed and semi-processed foods, fruits and vegetables, edible oils, etc. Packaging is also required for most other manufactured goods to preserve it from any damage during transit.

The packaging industry has evolved over the years from a relatively small range of heavy, rigid containers made of wood, glass and steel to a broad array of rigid, semi rigid and flexible packaging options increasingly made from specialized lightweight materials.

The packaging industry's growth has also led to greater specialization and sophistication from the point of view of health (in the case of packaged foods and medicines) and environment friendliness of packing material. The demands on the packaging industry are challenging, given the increasing environmental awareness among communities.

3. Opportunities and threats

The growing flexible packaging has a clear opportunity for growth. The Company enjoys a high degree of acceptance for its products and business among its valued customers and hence is in a position to take full advantages of the opportunities for a growing packaging industry.

The threat to the Company is from unorganized sector producing cheaper, low quality products. Continues efforts are therefore on to cut down on costs and offer other value added products at most competitive prices.

4. Segment wise performance

As the Company's business activity falls within a single segment viz, "Flexible Packaging", the disclosure requirement of segment reporting is not applicable.

5. Outlook

As stated earlier, we see a clear path of growth for the product of the Company in coming years. Increasing competition both in terms of more manufactures of our products and coming in of lower end products will be challenge that we will need to meet in order to stay abreast with the market growth. The Company intends to do this to more efficient operation and focused customer's contacts.

6. Risk and Concerns

Your Company is exposed to the business and financial risks. Business risk include need for continuous technological up gradation to meet emission standards/ safety requirements, customers higher expectations for better value and intense competition.

All these risks are continuously addressed in the business plans, functional strategies and management review and acted upon.

**7. Internal Control System and their Adequacy:**

Company has adequate internal control procedures to commensurate with the nature and size of its business. It ensures that all the assets are safeguarded and used productively. The Audit Committee and the internal control procedures and corrective action taken by the company where needed.

The Company's system primarily covers the aspects such as:

1. Control over operating parameters and various factors relating to production.
2. Efficient use and protection and resources.
3. Accuracy and promptness of financial reporting.
4. Compliance with laws and regulations.

8. Discussion on financial performance with respect to operational performance.

The details of the financial performance of the Company appear in the Balance Sheet, Profit & Loss Account highlights for the year 2013 are as under:

	Rs. in lacs
Sales	-
Other Income	27.52
Profit After tax	(2.74)

The Financial performance of the Company has been explained in the Directors Report of the Company for the year 2013 appearing separately.

9. Human resources Policies:

Labour relations at all the manufacturing units of the Company continued to remain cordial throughout the year. There was no industrial unrest during the year.

10. Cautionary statement:

The statements in report of the Management Discussion & Analysis Report describing the Company's objectives, expectations and industrial outlook, may constitute 'forward looking statements' within the meaning of applicable laws. Actual results could differ materially from those expressed or implied.

By order of the Board
For **Galore Prints Industries Limited**

Sd/-
(Rajesh Kr. Rustagi)
Chairman

Place : New Delhi
Date : 2.09.2013



COMPLIANCE CERTIFICATE

To,

The Members

GALORE PRINTS INDUSTRIES LIMITED

123-A, DDA OFFICE COMPLEX,
PH-I, JHANDEWALAN EXTEN,
NEW DELHI-110055

CIN: L24119DL1988PLCO31866

Nominal Capital: Rs.50, 000,000

PAID UP CAPITAL: Rs. 3,06,93,430/-

I have examined the registers, records, books and papers of **GALORE PRINTS INDUSTRIES LIMITED** (hereinafter referred as 'the Company') as required to be maintained under the Companies Act, and the rules made there under and also the provision contained in the Memorandum and Articles of Association of the company for the financial year ended on **31st March, 2013**. In my opinion and to the best of my information and according to the examination carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the applicable statutory registers as stated in **Annexure 'A'** to this certificate, as per the provision of the Act and the rules made there under and all entries there in have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within/beyond the time prescribed under the Act and the rules made there under.
3. The Company being a public limited company, has the minimum paid-up capital, provisions of restriction clauses under 3 (1) (iii) of the Act, as applicable to private Company, do not apply.
4. As per information & explanations provided to us, the Board of Directors duly met 5(Five) times on the dates mentioned below in the table till 31st March 2013. In respect of those meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.

Dates of Meetings of Board of Directors:-

S.No.	Dates on which Meeting held	S.No.	Dates on which Meeting held
1.	05.05.2012	4.	13.11.2012
2.	16.08.2012	5.	14.02.2013
3.	03.09.2012		

5. The Company has closed its Register of Members from September 26, 2012 to September 29, 2012 for the purpose of Annual General Meeting held on September 29, 2012 and necessary compliance of section 154 of the act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 29th September, 2012 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting of the Members of the Company was held during the Financial Year 2012-2013.
8. As per information & explanations provided to us the Company has not advanced any loans to its directors or persons or firm or companies referred in section 295 of the Act during the Financial Year under review.
9. As per information & explanations provided to us the Company not made transactions with its directors or persons or firm or companies referred in section 297 of the Act during the Financial Year under review.
10. This Company made all necessary entries in the Register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government, as the case may be.
12. The Company has not issued any duplicate Share Certificate during the financial year.
13. The Company has:
 - (i) Delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year;
 - (ii) declared no dividend including interim dividend, hence no amount is required to be deposited in a separate bank a/c;



- (iii) no liability to pay/post warrant for dividend to all the members within 30 days from the date of declaration as it has not declared any dividend that it has no unclaimed/unpaid dividend which are required to be transferred to Unpaid Dividend Account of the Company with its bank;
 - (iv) no amount is outstanding in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of 7 years, hence nothing is required to be transferred to Investor Education and Protection Fund;
 - (v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The Company has appointed Mr Jainti Prashad Rustagi and Mr. Mahesh Kumar Rustagi, as directors liable to be retiring by rotation, in its Annual General Meeting Dated 27th September 2013. There was no other appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year. There was no resignation of director during the financial year.
 15. As per information & explanations provided to us, The Company has not appointed any managing Director/whole time Director during the financial year.
 16. The Company has not appointed any sole-selling agents during the financial year.
 17. As per information & explanations provided to us, the Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies, and/or such other authorities as prescribed under the various provision of the Act during the Financial Year.
 18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provision of the Act and the rules made there under.
 19. The Company has not issued any equity shares or debentures or other securities during the financial year.
 20. The Company has not bought-back share during the financial year.
 21. There was no redemption of preference shares or debentures during the financial year.
 22. There were no transaction necessitating the company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
 23. As per information & explanations provided to us the Company has not invited /accepted any deposits falling within the purview of Section 58 A of the Companies Act 1956 during the Financial Year.
 24. As per information & explanations provided to us, the amount borrowed by the Company from Directors, members, banks, Financial Institution and other during the Financial Year ending on March 31, 2013 is within the borrowing limits of the Company as per the provision of Section 293 (1)(d) of the Companies Act, 1956.
 25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
 26. The Company has not altered the provision of the Memorandum with respect to change in situation of the Company's registered office from one state to another during the year under scrutiny.
 27. The Company has not altered the provision of the Memorandum with respect to the object of the company during the year under scrutiny and complied with the provision of the Act.
 28. The Company has not altered the provision of Memorandum with respect to name of the Company during the Year under scrutiny.
 29. The Company has not altered the provision of Memorandum with respect to Share Capital of the Company during the financial year under scrutiny.
 30. The Company has not altered the Article of association during the financial year.
 31. As per information & explanations provided to us, there was/were no prosecution initiated against or show cause notices received by the company and no fines and penalties or any other punishment imposed on the company during the financial year, for offences under the Act.
 32. As per information & explanations provided to us, The Company has not received any money as security from its employees during the Financial Year.
 33. As per information & explanations provided to us, The Company has not constituted provident fund for its employees and as such provision of Section 418 of the Act are not applicable

For Nishi Talwar & Associates
Company Secretaries

Place : Delhi
Date : 02/09/2013

Sd/-
Nishi Talwar
C.P. No.-10529