

M U L T I - F L E X

MULTI-FLEX LAMI-PRINT LTD.

22nd ANNUAL REPORT

2012-2013

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MULTI-FLEX LAMI-PRINT LIMITED

DIRECTORS

Mr. Anil K. Dang (Chairman & Managing Director)
Mr. V. R. Shahane
Mr. Sajid Malik

AUDITORS

Chaturvedi Sohan & Co.
Atul C. Shah & Associates

BANKERS

Union Bank of India, Santacruz (W) Branch, Mumbai – 400 054.
Bank of Baroda, Khetwadi Branch, Mumbai – 400 004.
Corporation Bank, Andheri-Kurla Road, Andheri •, Mumbai – 400 093.
Punjab National Bank, Santacruz (W) Branch, Mumbai – 400 054.
The Lakshmi Vilas Bank Ltd., Borivali (W) Branch, Mumbai – 400 092.

TERM LENDERS

Clearwater Capital Partners (India) Pvt. Ltd

REGISTRAR & TRANSFER AGENTS

Satellite Corporate Services Pvt. Ltd
B-302, Sony Apartment, Opp. St. Jude's High School,
Off Andheri-Kurla Road, Jarmari, Sakinaka,
Andheri (E), Mumbai – 400 072.

REGISTERED OFFICE

Plot No. D-54, M.I.D.C. Mahad, Dist. Raigad, Maharashtra.

FACTORY

Unit I – Plot No. D-54 to D-58, MIDC, Mahad, Dist. Raigad, Maharashtra.
Unit II – Plot No. D-50 to D-52, MIDC, Mahad, Dist. Raigad, Maharashtra.

CORPORATE OFFICE

340, Kaliandas Udyog Bhavan, Near Century Bazar,
Prabhadevi, Mumbai – 400 025.

REGIONAL OFFICES

New Delhi.
Bangalore.

URL: www.multiflexindia.com

An ISO 9001 & ISO 22000 Certified Company

MULTI-FLEX LAMI-PRINT LIMITED

DIRECTOR'S REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Twenty-Second Annual Report and Audited Statement of Accounts of the Company for the period ended 30th June, 2013.

FINANCIAL RESULTS

Particulars	(Rs. in Lacs)	
	For the period ended 30-6-2013	For the year ended 31-3-2012
Net Sales & Other Income	14377.11	19584.26
Profit before Interest, Depreciation & Tax	(1423.76)	3391.68
Less: Finance Charges	3168.57	2134.70
Less: Depreciation	706.42	549.31
Less: Income Tax	Nil	11.50
Less/(Add): Deferred Tax	311.66	2.11
Profit/(Loss) for the Year	(4986.51)	407.73
Prior Period Expenses/(Income)	4.25	(37.78)
Profit/(Loss) after Prior Period Adjustments	(4990.84)	445.51
Less/(Add): Extraordinary Items	205.96	Nil
Profit/(Loss) after Extraordinary Items	(5196.81)	445.51
Appropriations		
Wealth Tax	Nil	Nil
Transfer to General Reserve	Nil	500
Balance c/f from last year	918.52	973.01
Balance Carried Over to Balance Sheet	(4278.29)	918.52

DIVIDEND

The Board, in view of the loss during the year, does not recommend any dividend for the year.

YEAR IN RETROSPECT

Following Supreme Court orders, business from the traditional segment (tobacco based products) dried up entirely, leading to gross under utilization of capacity, affecting both billing and working capital cycle.

Besides, since traditional business itself ceased to exist, it had its impact on collections as well. These debtors are delaying payment of monies due to the company and consequently, the funds cycle got affected.

These two factors had a cascading effect on the cash flow of the Company, critically affecting both working capital cycle and liquidity of funds.

With the above difficulties, your Company end the period with Net Sales & Other Income of Rs.14377.11

MULTI-FLEX LAMI-PRINT LIMITED

lakhs i.e. decrease of 26.59% in comparison to last year and further, the company ended with net loss of Rs. 5196.81 lakhs against net profit of Rs.445.51 lakhs in the last year, i.e. its decrease drastically in comparison to last year.

EMPLOYEES

There were no employees covered under the purview of Section 217 (2A) of the Companies Act, 1956 and rules framed there under.

DIRECTORS

Mr. Sajid Malik retires by rotation at the ensuing Annual General Meeting of the company and being eligible offers himself for reappointment.

Mr. V R Shahane retires by rotation at the ensuing Annual General Meeting of the company and being eligible offers himself for reappointment.

Mr. Uday Shah resigned as director with effect from 3rd January 2013. Your company expresses its sincere thanks to Mr. Uday Shah for his valuable contribution in the growth of the company during his tenure.

Mr. Shrigopal Rathie resigned as director with effect from 3rd January 2013. Your company expresses its sincere thanks to Mr. Shrigopal Rathie for his valuable contribution in the growth of the company during his tenure.

Mr. Mahesh Trivedi resigned as director with effect from 3rd January 2013. Your company expresses its sincere thanks to Mr. Mahesh Trivedi for his valuable contribution in the growth of the company during his tenure.

Mr. Manish Jain resigned as director with effect from 2nd January 2013. Your company expresses its sincere thanks to Mr. Manish Jain for his valuable contribution in the growth of the company during his tenure.

Mr. Jason Edwards resigned as director with effect from 3rd January 2013. Your company expresses its sincere thanks to Mr. Jason Edwards for his valuable contribution in the growth of the company during his tenure.

Mr. Mrinal Chandran resigned as director with effect from 3rd January 2013. Your company expresses its sincere thanks to Mr. Mrinal Chandran for his valuable contribution in the growth of the company during his tenure.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Director's Responsibility statement, it is hereby confirmed:

1. That in the preparation of the Annual Accounts for the period ended 30th June, 2013 the applicable accounting standards have been followed along with proper explanation relating to material departures except as mentioned in Auditors Report.
2. That the Directors have selected such accounting policies and applied them consistently and have made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company as at 30th June, 2013 and of the Profit of the Company for the year ended on that date.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting

MULTI-FLEX LAMI-PRINT LIMITED

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.

4. That the Directors have prepared the accounts for the period ended 30th June, 2013 on a 'going concern' basis.

AUDITORS

M/s. Atul C. Shah & Associates, Chartered Accountants and M/s. Chaturvedi Sohan & Co., Chartered Accountants who were appointed as Auditors to hold office until the conclusion of ensuing Annual General Meeting, are eligible for re-appointment.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The Company is not covered under the list of industries specified in form 'A' of the Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988. Though the company does not have specific technology to be absorbed, constant efforts are being made to upgrade the production techniques for better quality products.

FOREIGN EXCHANGE EARNING AND OUTGO

During the year the Company's earning in Foreign exchange was Rs.14,00,27,470/- (P.Y.Rs. 5,46,10,133/-) by way of export of goods, & Foreign exchange difference Rs.61,63,059/- (P.Y. Rs. 21,68,391/-) and outgo in Foreign exchange was Rs.4,42,93,999/- (P.Y. Rs. 6,64,23,443/-) towards purchase of raw material, Rs.17,36,412/- (P.Y. Rs. 42,47,772/-) towards Stores & spares, Rs.7,42,613/- (P.Y. Rs. 2,95,971/-) towards foreign traveling, Rs. Nil (P.Y. Rs. 38,00,815/-) towards purchase of Capital Goods, Rs. Nil (P.Y. Rs. 1,23,498/-) towards Technical Services, Rs. 45,76,630/- (P.Y. Rs. 1,97,259/-) towards Sales Commission and Rs.42,560/- (P.Y. Nil) towards Membership & Subscription.

APPRECIATION

Your Directors wish to express their gratitude for the continuous support received from Clearwater Capital Partners India Pvt. Ltd., Bank of Baroda, Corporation Bank, Lakshmi Vilas Bank Ltd., Union Bank of India, Punjab National Bank, other financial institutions, Shareholders, its valued customers and all other government agencies and authorities during the year.

Relation between the employees and the management continued to remain cordial during the year under review. Your Directors hereby place on record their appreciation for the efficient and loyal service rendered by the employees of the company at all levels.

By order of the Board,

SD/-

Anil K Dang

Chairman & Managing Director

Place: Mumbai

Date: 19th September 2013

MULTI-FLEX LAMI-PRINT LIMITED

AUDITOR'S REPORT

To,

The Member's of

Multi-Flex Lami Print Ltd.

We have audited the accompanying financial statements of **M/s. Multi-Flex Lami Print Limited** which comprise the Balance Sheet as at June 30, 2013, and the statement of Profit and Loss for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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.

Auditor's Responsibility

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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. 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.

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

Opinion

Subject to qualification stated in annexure I and II of our audit report annexed herewith, 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 the following:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2013; and
- (b) in the case of statement of Profit and Loss , **Loss** for the Period ended on that date

MULTI-FLEX LAMI-PRINT LIMITED

Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we herewith enclosed in Annexure I a statement on the matter specified in the paragraph 4 and 5 of said order. *We further enclosed herewith annexure II specifying our observation and qualification.*
2. *Further to our comment in annexure I and II of our audit Report referred above,* 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 Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on June 30, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Chaturvedi Sohan & Co.

Chartered Accountants

FRN : 118424 W

SD/-

Sohan Chaturvedi

Partner

M. No. 30760

For Atul C. Shah & Associates

Chartered Accountants

FRN :113726W

SD/-

Atul C. Shah

Proprietor

M. No. 47361

Place : Mumbai

Date : 19th September 2013

MULTI-FLEX LAMI-PRINT LIMITED

ANNEXURE I TO AUDITOR'S REPORT

I. In respect of its Fixed Assets:

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) We are informed that physical verification of fixed assets have been carried out by the management during the period except furniture & fixtures and office equipments and no material discrepancies were noticed on such verification.
- (c) During the period, the Company has not disposed off substantial part of its fixed assets and the going concern status of the Company is not affected.

II. In respect of inventories:

Our report is limited to Raw materials and finished goods, in the absence of records of work in progress not being maintained by the company we are unable to comment on the same.

- (a) Inventory has been physically verified by the management at reasonable intervals.
- (b) The procedure and frequency of physical verification of inventories followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The company has maintained records of inventories; we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material and the same are properly dealt with in the books of accounts.

III. In respect of Loans, Secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained u/s. 301 of the Companies Act 1956 :-

- (a) In our opinion and according to the information and explanations given to us, during the period the company has not granted any loan secured or unsecured to parties covered as per register maintained u/s. 301 of the Companies Act, 1956, accordingly clause (b), (c) and (d) of the para (iii) of the Order are not applicable.
- (e) In our opinion and according to the information and explanations given to us, the company has taken unsecured loan from three parties covered under register maintained u/s. 301 of the Companies Act, 1956 in respect of which the maximum balance outstanding during the period is Rs.3,50,00,000/- and period end balance is Rs. 3,40,00,000/-
- (f) In our opinion and according to the information and explanation given to us, the terms and conditions are not prima facie prejudicial to the interest of the company.
- (g) As per the information and explanation given to us, the above loans were repayable after five year and there is no defined repayment schedule.

MULTI-FLEX LAMI-PRINT LIMITED

- IV. In our opinion, and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business with regards to purchase of Inventory, fixed assets and sales of goods.
- V. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
- (a) To the best of our knowledge and belief and according to the information and explanation given to us, transaction that needed to be entered into the register has been so entered.
- (b) Transaction made in pursuance of contracts or arrangements entered into the register maintained under section 301 and exceeding the value of five lakhs rupees in respect of any party during the period, these in our opinion and according to the information and explanation given to us, have been made at price which are reasonable have regard to prevailing market price at the relevant time.
- VI. *The Company has not complied with provisions of Section 58 A and 58 AA read with Companies (Acceptance of Deposits), Rules 1975.*
- VII. *Company does not have formal internal audit system commensurate with its size and nature of its business.*
- VIII. We are informed that Central Government has prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956. It is informed by the company that they have maintained the cost records. We have however not made an examination of cost records with a view to determine whether they are accurate or complete.
- IX. According to the information and explanation given to us in respect of statutory and other dues;
- a) *The Company has not been regular in depositing undisputed statutory dues including provident fund, Employee's State Insurance, Income Tax, Service tax, TDS, TCS, WCT TDS etc. with the appropriate authorities,.*
- b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Custom Duty and Cess were in arrears, as at 30th June, 2013 for a period of more than six months from the date they became payable except the following:

Nature of Dues	Amount
TDS	91,13,726
Excise Duty	48,659
Sales Tax VAT	5,849
Sales Tax deferral Loan	71,73,721
TCS	69,861
WCTTDS	22,829
Service Tax	2,86,151

MULTI-FLEX LAMI-PRINT LIMITED

- c) According to the information & explanation given to us, the particular of dues of income tax, excise duty and sales tax as at 30th June ,2013, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Appeal No	Nature of Dues	Amount Rupees	Period	Forum Where the dispute is Pending
Central Excise Act, 1944	Raigad/MHD/5/03-04 Dt.04/08/2003	Excise Duty	19,50,955	Mar.2000 to June 2000	CESTAT
Central Excise Act, 1944	Raigad/MHD/36-03/04 Dt.08/08/2001	Excise Duty	10,81,073	July 2000 to Dec 2000	CESTAT
Central Excise Act, 1944	Raigad/MHD/37-03/04 Dt.08/08/2001	Excise Duty	9,89,500	Jan 2001 to Aug.2001	CESTAT
Central Excise Act, 1944	Raigad/ADC/15-16/09-10 Dt.08/08/2003	Excise Duty	43,91,224	F.Y. 2003-04 to F.Y.2006-07	CESTAT
Central Excise Act, 1944	RGD/MHD/45-46/09 Dt.30/06/2009	Excise Duty	3,92,934	April 05 to April 07	CESTAT
Central Excise Act, 1944	F.No.v.18/MHD/10-11 Dt. 8.12.2010	Excise Duty	67,257	September, 09	CESTAT
Central Excise Act, 1944	RGD/MHD/21/10-11Dt.20/01/2011	Excise Duty	66,580	2010-2011	CESTAT
Central Excise Act, 1944	Raigad/DC(S tax) 17/10-11Dt. 22/10/2010	Service Tax	1,01,001	2003-04	Commissioner (Appeal)
MVAT Act, 2002	124/2009 Dt.23/12/2009	Sales Tax & Interest	5,52,18,875	Apr. 2008 to Mar.2009	Sales Tax Appellate Tribunal
Central Sales Tax Act, 1956	JCST/APP/CA78 Dt.31/05/11	Sales Tax on Stock Transfer	13,75,63,328	2004-2005	Commissioner Appeal –Thane

- X. The company has accumulated loss of Rs. 4,269.89 lacs for the period ended 30th June, 2013. However, Company has incurred cash losses during the period covered by the audit but not in the immediately preceding financial year.
- XI. Based on our audit procedures and as per the information and explanation given to us by the management, Company has not defaulted in the repayment of dues of financial institution, banks except repayment of loan of Clearwater of which Principal repayment Amounting to Rs. 9,15,65,139/- and Interest thereon Amounting to Rs 4,49,69,058/-.

MULTI-FLEX LAMI-PRINT LIMITED

- XII.** According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII.** In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
- XIV.** The Company is not dealing or trading in shares, securities, debentures and other investment, The Company has maintained proper records of transactions and contracts in respect of investments in shares and timely entries have been made therein. The Company has held all the investments in its own name.
- XV.** In our opinion according to information and explanation given to us the company has not given any guarantee for loans taken by others from banks and financial institutions.
- XVI.** In our opinion according to information and explanation given to us the company has not taken any term loans except vehicle loan during the period.
- XVII.** According to the information and explanations given to us and on the over all examination of Balance Sheet of the company we are of the opinion that the fund raised on short term basis has not been used for Long Term investments except permanent working capital.
- XVIII.** The Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained u/s section 301 of the Act during the period.
- XIX.** The Company has not issued any debentures during the period. Therefore the provision of clause (xix) of paragraph of the Companies (Auditor's Reports) Order, 2003 is not applicable to the company.
- XX.** The Company has not raised any money by public issue during the period. Therefore the provision of clause (xx) of paragraph of the Companies (Auditor's Reports) Order, 2003 is not applicable to the company.
- XXI.** To the best of our Knowledge and belief and according to the information and explanation given to us, no material fraud on or by the company was noticed or reported during the period.

For Chaturvedi Sohan & Co.

Chartered Accountants

FRN : 118424 W

SD/-

Sohan Chaturvedi

Partner

M. No. 30760

For Atul C. Shah & Associates

Chartered Accountants

FRN :113726W

SD/-

Atul C. Shah

Proprietor

M. No. 47361

Place : Mumbai

Date : 19th September 2013

MULTI-FLEX LAMI-PRINT LIMITED

ANNEXURE II TO AUDITOR'S REPORT

Basis of Qualified opinion

- *Financial statements have been prepared on going concern basis, although the Net worth of the Company is negative.*
- *Short Term Loan and Advance includes Rs. 251.05 Lacs which is unadjusted for more than 3 year. Since the amounts have not been written off / written back. Hence in our opinion, the loss for the period is therefore understated by Rs. 251.05 Lacs.*
- *Trades Receivable includes Rs. 957.03 Lacs which are in our opinion are bad in nature. Since provision for same is not been provided, loss for the period is therefore understated by Rs. 957.03 Lacs.*
- *Company has paid remuneration of Rs. 25.12 Lacs to relative of managing director is covered u/s 314 (1B) of the Companies Act, 1956 but approval from shareholders and central government has not been obtained.*
- *Company has entered into contracts and arrangements u/s. 297 of the Companies Act 1956 with certain parties for sale and purchase of goods and services for which approval of Central Government is pending.*
- *The company has not appoint a full time Company Secretary u/s. 383 A and to form audit committee u/s. 292 A of the Companies Act 1956.*

For Chaturvedi Sohan & Co.

Chartered Accountants

FRN : 118424 W

SD/-

Sohan Chaturvedi

Partner

M. No. 30760

For Atul C. Shah & Associates

Chartered Accountants

FRN :113726W

SD/-

Atul C. Shah

Proprietor

M. No. 47361

Place : Mumbai

Date : 19th September 2013

MULTI-FLEX LAMI-PRINT LIMITED

Balance Sheet as at June 30, 2013

	Note	As at 31-06-2013	As at 31-03-2012
Equity And Liabilities			
Shareholders' Funds			
Share Capital	1	121,720,180	121,720,180
Reserves and Surplus	2	(155,311,309)	364,369,420
Money received against Share warrant	1	4,427,268	4,427,268
		(29,163,861)	490,516,868
Non-Current Liabilities			
Long Term Borrowings	3	327,804,854	323,383,988
Deferred Tax Liabilities (Net)	4	-	31,165,571
Other Long Term Liabilities	5	3,120,000	2,520,000
Long Term Provisions	6	3,863,641	3,358,633
		334,788,495	360,428,192
Current Liabilities			
Short Term Borrowings	7	600,240,381	727,399,426
Trade Payables	8	224,839,516	242,883,155
Other Current Liabilities	9	637,169,947	128,445,734
Short Term Provisions	10	3,439,440	2,260,465
		1,465,689,284	1,100,988,780
Total		1,771,313,918	1,951,933,840
Assets			
Non - Current Assets			
Fixed Assets:	11		
-Tangible Assets		323,498,117	432,678,074
-Capital Work-in-progress		-	-
		323,498,117	432,678,074
Non Current Investments	12	914,000	1,914,000
Long Term Loans and Advances	13	6,604,829	42,101,923
Other Non-Current Assets	14	7,618,782	-
		15,137,611	44,015,923
Current Assets			
Inventories	15	837,604,509	941,878,073
Trade Receivables	16	309,304,913	302,788,486
Cash and Bank Balances	17	4,607,203	28,864,153
Short term Loans and Advances	18	281,161,565	201,709,131
		1,432,678,190	1,475,239,843
Total		1,771,313,918	1,951,933,840
The notes are an integral part of these financial statements.	1 to 37		

As per our Report of even date attached

For Chaturvedi Sohan & Co.

Chartered Accountants

FRN No. 118424 W

SD/-

Sohan Chaturvedi

Proprietor

Membership No. 30760

Place : Mumbai

Date : 19th September, 2013

For Atul C Shah & Associates

Chartered Accountants

FRN No. 113726 W

SD/-

Atul C Shah

Partner

Membership No. 47361

For and on behalf of the Board of Director

SD/-

Anil K Dang

Chairman & Managing Director

SD/-

Vijay R Shahane

Director

MULTI-FLEX LAMI-PRINT LIMITED

Statement of Profit & Loss for the year ended 30st June 2013

	Note	For the period ended 30-06-2013	For the year ended 31-03-2012
Income			
Gross Revenue from Operations	19	1,569,567,108	2,164,846,174
Less : Excise Duty & Sales Tax		183,967,699	245,402,656
Net Revenue from Operations		1,385,599,409	1,919,443,518
Other Income	20	52,111,958	38,982,956
Total Revenue		1,437,711,367	1,958,426,474
Expenses			
Cost of Materials Consumed	21	1,189,813,463	1,353,696,802
Purchases of Stock-in-Trade	22	5,792,139	5,108,533
Changes in Inventories	23	30,519,532	(85,058,658)
Employee Benefits Expense	24	102,018,517	88,637,680
Finance Cost	25	316,856,517	213,470,214
Depreciation	11	70,641,912	54,931,152
Other Expenses	26	251,894,528	285,506,544
Total Expenses		1,967,536,608	1,916,292,267
Profit / (Loss) before Tax		(529,825,241)	42,134,207
Less : Tax Expenses			
Current Tax			1,150,000
Deferred Tax Liability/(Asset)		(31,165,571)	210,871
Wealth Tax		-	-
		(31,165,571)	1,360,871
Profit / (Loss) for the year		(519,255,477)	40,773,336
Prior Period Expenses (Income)	27	397,444	(536,021)
Income tax of Earlier period		27,808	(3,241,623)
Balance carried to Balance Sheet		(519,680,729)	44,550,980
Earnings Per Equity Share:	28		
1) Basic / Diluted		(42.69)	3.39
The notes are an integral part of these financial statements.	1 to 37		

As per our Report of even date attached

For Chaturvedi Sohan & Co.

Chartered Accountants

FRN No. 118424 W

SD/-

Sohan Chaturvedi

Proprietor

Membership No. 30760

For Atul C Shah & Associates

Chartered Accountants

FRN No. 113726 W

SD/-

Atul C Shah

Partner

Membership No. 47361

For and on behalf of the Board of Director

SD/-

Anil K Dang

Chairman & Managing Director

SD/-

Vijay R Shahane

Director

Place : Mumbai

Date : 19th September, 2013

MULTI-FLEX LAMI-PRINT LIMITED

Cash Flow Statement	For the period ended 30-06-2013	For the year ended 31-03-2012
A Cash Flow From Operating Activities		
Net Profit/(Loss) Before Tax & Extra Ordinary Items	(529,825,241)	42,134,207
Adjustments for:		
Depreciation	70,641,912	54,931,152
Interest paid	316,856,517	213,470,214
Interest Received	(3,124,076)	(2,393,756)
Dividend Received	(19,000)	(10,000)
Loss/(Profit) on Sale/Scrap of Fixed Assets	11,497,922	3,215,650
Unrealised Foreign Exchange Difference	1,971,031	2,451,792
Exceptional Item	(20,595,807)	-
Provision for Leave Salary	538,577	482,440
Operating Profit before working capital changes	(152,058,165)	314,281,699
Adjustments for:		
Trade and Other Receivables	(55,048,519)	(180,327,876)
Inventories	104,273,564	(158,384,854)
Trade Payables and other payables	283,216,417	16,988,315
Cash Generated from operations	180,383,297	(7,442,716)
Income Tax	1,184,414	(9,079,134)
Wealth Tax	-	(4,366)
Income tax of Earlier period	(27,808)	3,241,623
Cash Flow before Extra Ordinary Items	181,539,903	(13,284,593)
Extra Ordinary Items:		
Prior Period Adjustments	(397,444)	536,021
Net Cash From Operating Activities (A)	181,142,459	(12,748,572)
B Cash Flow From Investing Activities		
Purchase of Fixed Assets (inclusive of Capital Work-in-Progress)	(6,695,455)	(105,943,921)
Sale of Fixed Assets	33,735,578	290,195
Investment	1,000,000	(1,000,000)
Dividend Received	19,000	10,000
Interest Received	3,124,076	2,393,756
Net Cash Used in Investing Activities (B)	31,183,199	(104,249,970)
C Cash Flow From Financing Activities		
Proceeds/(Repayment) from Secured Loans	91,405,294	304,657,873
Proceeds/(Repayment) from Unsecured Loans	(3,512,603)	2,830,710
Interest Paid	(316,856,517)	(213,470,214)
Net Cash Flow from Financing Activities(C)	(228,963,826)	94,018,369
D Net Increase In Cash & Cash Equivalents (A+B+C)	(16,638,168)	(22,980,173)
Cash and Cash equivalent as at begining of the period	28,864,153	51,844,326
Cash and Cash equivalent as at end of the period	12,225,985	28,864,153
Notes to Cash Flow Statement : 1) Cash and Cash equivalent consist of Cash in Hand & Balance with Banks, Cash and Cash equivalent included in the cash flow statement comprise of the following balance sheet item:		
Cash in Hand	2,778,153	818,040
Balance with schedule bank		
In current a/c	305,949	274,733
In Fixed & Margin Deposit(provided against letter of credit & bank gaurantee)	9,141,883	27,771,380
Total	12,225,985	28,864,153
2) Previous year's figures are re-arranged or re-grouped wherever necessary		

As per our Report of even date attached

For Chaturvedi Sohan & Co.

Chartered Accountants

FRN No. 118424 W

SD/-

Sohan Chaturvedi

Proprietor

Membership No. 30760

Place : Mumbai

Date : 19th September 2013

For Atul C Shah & Associates

Chartered Accountants

FRN No. 113726 W

SD/-

Atul C Shah

Partner

Membership No. 47361

For and on behalf of the Board of Director

SD/-

Anil K Dang

Chairman & Managing Director

SD/-

Vijay R Shahane

Director

MULTI-FLEX LAMI-PRINT LIMITED

			As at 30-06-2013	As at 31-03-2012
NOTE 1 - Share Capital				
Authorised : 1,50,00,000 Equity Shares of 10 each (P.Y. 1,50,00,000 Equity Shares of 10 each) Issued, Subscribed and Paid Up : 1,21,72,018 Equity Shares of 10 each (P.Y. 1,21,72,018 Equity Shares of 10 each)			150,000,000	150,000,000
			150,000,000	150,000,000
			121,720,180	121,720,180
			121,720,180	21,720,180
Reconciliation of number of shares outstanding at the beginning and at the end of year				
	As at 30-06-2013		As at 31-03-2012	
	No. of Shares	Amount	No. of Shares	Amount
No. of Share at the beginning of the reporting period	12,172,018	121,720,180	12,172,018	121,720,180
Add : Issue of Share during the year	-	-	-	-
No. of Share at the end of the reporting period	12,172,018	121,720,180	12,172,018	121,720,180
List of Share Holders Holding more than 5% of Share Capital				
	As at 30-06-2013		As at 31-03-2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Anil Dang	3,252,636	26.72%	3,252,636	26.72%
Ventura Securities Ltd	1,320,000	10.84%	1,320,000	10.84%
Ventura Guarantee Ltd	600,000	4.93%	600,000	4.93%
V C Distributors Pvt Ltd	1,233,413	10.13%	1,233,413	10.13%
Clearwater Capital Partners Singapore	1,186,386	9.75%	1,186,386	9.75%
Opportunities Fund Pvt Ltd				
Clearwater Capital Partners Singapore ADF Fund Pvt Ltd	959,095	7.88%	959,095	7.88%
Multi-Flex Financial Services Pvt Ltd	813,333	6.68%	813,333	6.68%
Mission Packaging Industries Ltd	744,684	6.12%	744,684	6.12%
Terms and Rights attached to equity shares				
(i) The Company has only class of Equity Shares having a par value of Rs 10 per share. Each holder of Equity Shares is entitled to one vote per share.				
(ii) They are also entitled to dividend if proposed by the Board of Directors and approved by the shareholders in the ensuing Annual General Meeting except in case of interim dividend.				
(iii) In the event of liquidation the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their share holding.				
Money received against share warrants				
	As at 30-06-2013		As at 31-03-2012	
Share Warrants 21,48,000 Share Warrants issued on preferential basis, which can be converted into 21,48,000 equity shares at the option of the holder's. Less :- 4,77,333 Share Warrants forfeited during the last year.				
	4,427,268		5,692,268	
	-		(1,265,000)	
		4,427,268	4,427,268	
Terms and Rights attached to equity shares				
(i) Compnay has issued Shares Warrant at preferencial basis, which can be converted into equity shares at the option of warrant holder at Rs.53/-.				

MULTI-FLEX LAMI-PRINT LIMITED

	As at 30-06-2013	As at 31-03-2012
NOTE 2 - Reserves And Surplus		
Capital Reserve		
As per Last Balance Sheet	1,265,000	-
Add:- Share Warrants forfeited during the year	-	1,265,000
	1,265,000	1,265,000
Special Capital Incentive Reserve	2,500,000	2,500,000
Securities Premium Reserve	218,752,864	218,752,864
General Reserve		
As per Last Balance Sheet	50,000,000	36,723,925
Add: Transferred from Profit and Loss Account	-	50,000,000
Less:- Transfer to Profit & Loss Account	-	36,723,925
	50,000,000	50,000,000
Surplus /(deficit) in the statement of profit and loss account		
As per Last Balance Sheet	91,851,556	97,300,576
Add : Profit /(Loss) for the year	(519,680,729)	44,550,980
Less: Transfer to General Reserve	-	50,000,000
	(427,829,173)	91,851,556
Total	(155,311,309)	364,369,420
NOTE 3 - Long Term Borrowings		
(A) Secured Loan		
Term Loan		
-From Banks	204,311,868	9,431,713
-From Others	281,504,877	297,244,340
	485,816,745	306,676,053
Less:- Current Maturities transferred to Other Current Liabilities (Refer note 9)	233,382,927	88,659,051
	252,433,818	218,017,002
Vehicles Loan		
-From others	810,818	3,411,815
-From banks	2,272,568	-
	3,083,386	3,411,815
Less:- Current Maturities transferred to Other Current Liabilities (Refer note 9)	1,306,898	2,279,369
	1,776,488	1,132,446
(B) Unsecured Loans		
-From Banks	685,161	1,500,000
-From Company	30,068,167	32,848,821
-Sales Tax Deferral Loan	80,355,707	84,547,213
	111,109,035	118,896,034
Less:- Current Maturities transferred to Other Current Liabilities (Refer note 9)	37,514,487	14,661,494
	73,594,548	104,234,540
Total	327,804,854	323,383,988
Unsecured Loan From Company includes From Related Party		
Mission Packaging Industries Ltd	29,500,000	28,900,000
Nature of Security and terms of repayment for Loans		
- Secured loan from Corporation bank which is been restructured on 29.06.2013 consist of working capital term loan & funded interest term loan which are secured by hypothecation of entire current assets of Company, present and future, on Pari Passu Basis in favour of member of consortium of bank along with a second charge on the entire fixed assets of the Company. It is also guranteed by managing director. The WCTL amounting to 8.62 Crores is repayable in 20 quarterly installments starting from December 2014 - 2% in F.Y.2014-15, 8% in F.Y. 2015-16, 20% in F.Y. 2016-17, 24% in F.Y. 2017-18, 28% in F.Y. 2018-19 and 18% in F.Y. 2019-20. The FITL amounting to 2.97 Crores is repayable in 14 quarterly installments starting from December 2014 - 10% in F.Y.2014-15, 30% in F.Y. 2015-16, 38% in F.Y. 2016-17 and 22% in F.Y. 2017-18. The WCTL carries an interest of 15.95% and FITL of 15.35%.		
Secured loan from Union Bank of India bank which is been restructured on 27.06.2013 consist of working capital term loan & funded interest term loan which are secured by hypothecation of entire current assets of Company, present and future, on Pari Passu Basis in favour of member of consortium of bank along with a second charge on the entire fixed assets of the Company. It is also guranteed by managing director. The WCTL		

MULTI-FLEX LAMI-PRINT LIMITED

amounting to 10.62 Crores is repayable in 20 quarterly installments starting from December 2014 - 2% in F.Y.2014-15, 8% in F.Y. 2015-16, 20% in F.Y. 2016-17, 24% in F.Y. 2017-18, 28% in F.Y. 2018-19 and 18% in F.Y. 2019-20. The FITL amounting to 3.10 Crores is repayable in 12 quarterly installments starting from December 2014 - 10% in F.Y.2014-15, 30% in F.Y. 2015-16, 38% in F.Y. 2016-17 and 22% in F.Y. 2017-18. The WCTL carries an interest of 15.95% and FITL of 15.75%.

-Secured loan from others consist of term loan from Clearwater Capital Partners (India) Private Limited which is secured by first charge on all the existing & future immoveable & moveable Assets of the Company and second charge on all current assets of the company and also guaranteed by the managing director. The principal is repayable in 42 equated monthly installment of Rs.75 Lakhs for first 15 installment, 100 Lakhs for next 12 installment, 125 Lakhs for next 12 installment, 150 Lakhs for next 2 and 111 Lakhs for last installment commencing from April 2011. The loan carries an interest of 13.50%.

-Secured loan from others consists term loan from Religare Finvest Limited which is secured by first charge of specified Assets. Repayment of loan is commencing from March 2, 2012 and repayable in (i) 12 equated monthly installment of Rs 7.03 Lakhs till feb 2013, (ii) 12 equated monthly installment of Rs 6.35Lakhs till feb 2014, (iii) 12 equated monthly installment of Rs 4.99 Lakhs till feb 2015 and (iv) 12 equated monthly installment of Rs 4.31Lakhs in last year. The loan carries an interest of 18%.

-Vehicles loan consist loan financed by ICICI Bank Limited which is secured by the specified vehicles. The principal is repayable in 60 equated monthly installment of Rs. 0.56 Lakhs commencing from November 1, 2012. The loan carries an interest of flat 10.75%.

-Vehicles loan consist multiple loan financed by Kotak Mahindra Prime Limited which is secured by the specified vehicles. The principal is repayable in 24 equated monthly installment of Rs.ranging from 0.18 Lakhs to 0.71 Lakhs commencing from November 30, 2011. The loan carries an interest of flat 9.6%.

-Unsecured loan from bank consists Loans financed by HDFC Bank repayable in 24 equated monthly installments of Rs 0.74 Lakhs commencing from April 4, 2012. The loan carries an interest of 17%

Sales Tax deferral Loan(Unsecured) - Interest Free.

Sr.No.	As at 30-06-13	As at 31-03-12	Terms of Repayment
1	927,501	1,855,000	Repayable in 1 equal annual installments of Rs.9.27 Lakhs ending on April 26, 2014
2	3,559,170	4,581,785	Repayable in 3 annual installments, 2 of Rs.12.73 Lakhs and 1 of Rs.10.12 Lakhs ending on April 26, 2015
3	8,965,570	11,206,962	Repayable in 4 equal annual installments of Rs.22.41 Lakhs ending on April 26, 2016
4	19,598,743	19,598,743	Repayable in 5 equal annual installments of Rs.39.20 Lakhs ending on April 26, 2017
5	22,491,877	22,491,877	Repayable in 5 equal annual installments of Rs.44.98 Lakhs ending on April 26, 2018
6	21,219,233	21,219,233	Repayable in 5 equal annual installments of Rs.42.44 Lakhs ending on April 26, 2019
7	2,826,642	2,826,642	Repayable in 5 equal annual installments of Rs.5.65 Lakhs ending on April 26, 2020
8	766,971	766,971	Repayable in 5 equal annual installments of Rs.1.53 Lakhs ending on April 26, 2021
Total	80,355,707	84,547,213	

- Unsecured loan from Companies consists Loans financed Bajaj Finserv Lending and TATA capital Limited repayable in 24 monthly installments of Rs 1.26 Lakhs and 1.25 lakhs respectively.

-Unsecured loan form Company also includes interest free corporate loan repayble after five years.

	As at 30-06-2013	As at 31-03-2012
NOTE 4 - Deferred Tax Liabilities (Net)		
Liabilities		
Related to Fixed Assets	-	32,822,166
	-	32,118,835
Assets		
Disallowances as per Income Tax Act 1961	-	1,656,595
Total	-	31,165,571

In view of the losses and in accordance with the prudence accounting policy, as the company has unabsorbed depreciation and losses under tax loss, in absence of virtual certainty of sufficient further taxable income net deferred tax Asset has not been recognized in accordance with accounting standard 22 issued by ICAI and provision for deferred tax assets is made only to the extent existing deferred tax liability.

MULTI-FLEX LAMI-PRINT LIMITED

	As at 30-06-2013	As at 31-03-2012
NOTE 5 - Other Long Term Liabilities		
Security Deposits	3,120,000	2,520,000
Total	3,120,000	2,520,000
NOTE 6 - Long Term Provisions		
Provisions for Investment Price Fluctuation	704,000	704,000
Provision for Employees Benefits (refer note 33)	3,159,641	2,654,633
Total	3,863,641	3,358,633
NOTE 7 - Short Term Borrowings		
Secured Loans		
Loans Repayable on demand		
-Working Capital Loans from Banks	595,539,081	726,972,522
Unsecured Loans		
-Deposits	201,300	201,300
-From Others	4,500,000	-
-From Company	-	225,604
Total	600,240,381	727,399,426
Unsecured Loan From others includes From Related Party		
Tarana Dang	4,500,000	-
Nature of Security and terms of Loan		
Working capital facilities from Corporation Bank, Bank of Baroda, Punjab National Bank, Lakshmi Vilas Bank Limited and Union Bank of India are secured by hypothecation of entire current assets of Company, present and future, on Pari Passu Basis in favour of member of consortium of bank along with a second charge on the entire fixed assets of the Company. It is also guaranteed by managing director.		
The working capital loan carries an interest rate ranging from 1% to 5.25% above bank's base rate, payable at monthly rests.		
NOTE 8 - Trade Payables		
Acceptance	47,186,816	145,712,254
Trade Payables	168,905,776	37,929,646
Advance From Customers	8,746,924	59,241,255
Total	224,839,516	242,883,155
The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.		
NOTE 9 - Other Current Liabilities		
Current Maturities of Long Term Debts (refer note 3)	272,204,312	105,599,914
Interest Accrued and due on Borrowings	44,026,472	-
Unpaid Dividends	770	940
Statutory Liabilities	25,663,920	15,944,590
Others	295,274,473	6,900,290
Total	637,169,947	128,445,734
NOTE 10 - Short Term Provisions		
Provision for Employee Benefits (refer note 33)	3,439,440	1,110,465
Provisions for Income Tax	-	1,150,000
Provisions for Wealth Tax	-	-
Total	3,439,440.00	2,260,465.00

MULTI-FLEX LAMI-PRINT LIMITED

**NOTE 11 -
Fixed Assets**

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31-03-2012	Addition	Deduction	As on 30-06-2013	Upto 31-03-2012	For the year	Deduction	Upto 30-06-2013	As on 30-06-2013	As on 31-03-2012
Leasehold Land	3,200,504	-	-	3,200,504	338,999	44,855	-	383,854	2,816,650	2,861,505
Factory Premises	96,252,811	803,418	-	97,056,229	22,522,229	4,034,144	-	26,556,373	70,499,856	73,730,582
Office Premises	49,997,277	-	48,945,016	1,052,261	4,085,802	784,259	4,553,489	316,572	735,689	45,911,475
Factory Equipments	19,203,223	1,000,572	-	20,203,795	4,909,869	1,154,865	-	6,064,734	14,139,061	14,293,354
Electrical Fittings	21,896,154	367,442	984,183	21,279,413	16,313,658	1,358,590	816,502	16,855,746	4,423,667	5,582,496
Plant & Machineries	699,200,787	-	-	699,200,787	421,546,619	60,391,402	-	481,938,021	217,262,766	277,654,168
Furniture & Fittings	13,621,366	186,686	2,232,757	11,575,295	9,149,194	707,407	1,968,982	7,887,619	3,687,676	4,472,172
Office Equipments	4,272,859	166,373	-	4,439,232	2,384,179	277,275	-	2,661,454	1,777,778	1,888,680
Computers	9,633,451	200,543	122,100	9,711,894	7,359,476	795,050	122,100	8,032,426	1,679,468	2,273,975
Softwares	1,899,796	190,914	-	2,090,710	1,408,909	229,952	-	1,638,861	451,849	490,887
Vehicles	5,636,103	3,779,507	778,734	8,636,876	2,117,323	864,113	368,217	2,613,219	6,023,657	3,518,780
Total	924,814,331	6,695,455	53,062,790	878,446,996	492,136,257	70,641,912	7,829,290	554,948,879	323,498,117	432,678,074
Previous Year	850,184,904	114,999,588	40,370,161	924,814,331	474,069,421	54,931,152	36,864,316	492,136,257	432,678,074	
Add:- Capital Work-in-Progress									--	-
Total									--	432,678,074

MULTI-FLEX LAMI-PRINT LIMITED

	As at 30-06-2013	As at 31-03-2012
NOTE 12 - Non Current Investments		
Other Than Trade Investments		
At Cost, Quoted		
99990 Units of DBG-Union KBC Dynamic Bond Fund-Growth 1,000,000	-	1,000,000
At Cost, Unquoted		
10000 Equity Shares of SICOM Ltd of Rs. 10/- each	804,000	804,000
100 13% Preference Shares of Ceat Financial Services Ltd of Rs. 100/- each	10,000	10,000
4000 Equity Shares of The Shamrao Vithal Co-op Bank Ltd Of Rs. 25/- Each	100,000	100,000
Total	914,000	1,914,000
Aggregate Book Value of Quoted Investments	-	1,000,000
Aggregate Market Value of Quoted Investments	-	1,007,089
Aggregate Book Value of Unquoted Investments	914,000	914,000
-Basis of Valuation		
Non-Current Investments are valued at cost less provision for diminution in value of investment other than temporary in nature.		
NOTE 13 - Long Term Loans And Advances		
(Unsecured, Considered Good)		
Security Deposits#	6,604,829	42,101,923
Total	6,604,829	42,101,923
NOTE 14 - Other Non-current Assest		
Deposit with banks for the period of more than 12 Months	7,618,782	-
Total	7,618,782	-
NOTE 15 -Inventories		
Raw Materials	8,892,121	94,808,538
Work-in-Progress	624,481,783	637,707,310
Finished Goods	21,119,511	38,344,443
Packing Material	19,287,121	21,662,654
Stores & Spares	32,800,121	35,435,287
Cylinders	131,023,852	113,850,768
Scrap	-	69,073
Total	837,604,509	941,878,073
Finished goods are valued at lower of cost or net realisable value on average basis. Stores & spares and Raw materials are valued at cost or net realisable value on FIFO basis. Semi-finished goods are valued at average cost. Process scrap is valued at net realisable price. The company follows accounting practice in respect of cylinders to take average cost of cylinders(net of excise & recovery) as stock until it is scrapped. Cost of inventories comprises of all cost of purchase (net of cenvat), cost of conversion and other cost incurred in bringing the inventory to their present location and condition.		
NOTE 16 -Trade Receivables		
(Unsecured, Considered Good)		
Due for a period exceeding Six Months (Refer note 36)	136,124,884	22,381,726
Others	173,180,029	280,406,760
Total	309,304,913	302,788,486

MULTI-FLEX LAMI-PRINT LIMITED

	As at 30-06-2013	As at 31-03-2012
NOTE 17 -Cash And Bank Balances		
(Cash and cash equivalents)		
-Cash on hand	2,778,153	818,040
Balance with Bank:-		
-In Current accounts	305,949	274,733
	305,949	274,733
Other bank balances		
-In Fixed deposits (including accrued interest) (Pledge with banks):-		
Bank deposits held less than 12 months	839,739	13,121,380
Bank deposits held for More than 12 months	8,302,144	14,650,000
Less:-	9,141,883	27,771,380
Non current portion transferred to other non-current assets	7,618,782	-
	1,523,101	27,771,380
Total	4,607,203	28,864,153
NOTE 18 - Short Term Loans And Advances		
Other Advances recoverable in Cash or in kind or for value to be received	42,050,058	9,247,185
Capital Advances	29,207,497	27,446,633
Advance to Suppliers	153,555,755	99,896,535
Loan to Staff & Workers	454,035	625,149
Balance with Government Authorities	55,894,220	64,493,629
Total	281,161,565	201,709,131
	For the period ended 30-06-2013	For the years ended 31-03-2012
NOTE 19 - Gross Revenue From Operations		
Sale of Products	1,555,678,070	2,144,445,030
Other Operating Revenues	13,889,038	20,401,144
Total	1,569,567,108	2,164,846,174
NOTE 20 - Other Income		
Interest Received	3,124,076	2,393,756
Dividend Received	19,000	10,000
Net Gain on Foreign Currency Transaction and Translation	6,163,059	2,168,392
Discount	24,577,478	31,979,404
Net Profit on Sales of Assets	11,497,922	-
Other Miscellaneous Receipts	6,730,423	2,431,404
Total	52,111,958	38,982,956
NOTE 21 - Cost Of Materials Consumed		
Film	476,549,940	545,975,036
Solvents	93,341,976	118,209,912
Adhesives	75,709,986	65,682,946
Inks	136,637,523	163,484,743
Poly Granules	371,108,911	301,242,500
Paper	33,298,422	156,882,099
Other Raw Material	3,166,705	2,219,566
Total	1,189,813,463	1,353,696,802
NOTE 22 - Purchases Of Stock-In-Trade		
Purchases for Goods resold	5,792,139	5,108,533
Total	5,792,139	5,108,533

MULTI-FLEX LAMI-PRINT LIMITED

	For the period ended 30-06-2013	For the period ended 31-03-2012
NOTE 23 - Changes In Inventories		
(a) At the end of the year		
(i) Finished Goods	21,119,511	38,344,443
(ii) Scrap	-	69,073
(iii) Work-in-Progress	624,481,783	637,707,310
Total (a)	645,601,294	676,120,826
(b) At the beginning of the year		
(i) Finished Goods	38,344,443	31,353,162
(ii) Scrap	69,073	112,773
(iii) Work-in-Progress	637,707,310	559,596,233
Total (b)	676,120,826	591,062,168
Total(b-a)	30,519,532	(85,058,658)
NOTE 24 - Employee Benefits Expenses		
Salaries, Wages and Allowances	88,943,135	77,135,182
Contribution to P.F. and Other Funds	8,078,683	5,926,232
Welfare & Amenities	4,996,699	5,576,266
Total	102,018,517	88,637,680
NOTE 25 - Finance Cost		
Interest Expenses	293,810,117	197,157,323
Other Borrowing Costs	23,046,400	16,312,891
Total	316,856,517	213,470,214

MULTI-FLEX LAMI-PRINT LIMITED

	For the period ended 30-06-2013	For the year ended 31-03-2012
NOTE 26 - Other Expenses		
Manufacturing Expenses		
Consumption of Stores and Spares	20,812,142	24,761,091
Consumption of Cylinders	14,352,618	16,995,823
Power and Fuel	82,741,399	78,019,760
Repairs to Machinery	2,744,904	4,184,348
Repairs to Buildings	497,415	2,418,684
Labour Charges	14,253,068	18,811,435
Excise Duty	(1,894,804)	1,290,214
Other Manufacturing Expenses	351,078	468,686
Total(a)	133,857,820	146,950,041
Selling and Distribution Expenses		
Advertisement & Publicity Charges	9,576	14,290
Octroi, Carriage Outward & Marine Insurance	28,005,629	28,373,899
Packing Material	26,742,962	25,792,604
Sales Tax	1,027,786	1,572,609
Excise Duty	5,920,478	1,804,904
Discount Expenses	7,382,125	8,574,185
Business Promotion Expenses	7,629,384	4,878,070
Bad Debts	-	65,486,188
Sundry Balance Written off	171,538	108,924
	76,889,478	136,605,673
Less:- Transfer from General Reserve to the extent of Bad Debts	-	36,723,925
Total(b)	76,889,478	99,881,748
Administrative and General Expenses		
Rent	1,745,215	1,621,326
Rates, Taxes and Fees	338,773	380,524
Insurance	2,718,627	2,018,815
Payment to Auditors:		
-Audit Fees	842,900	630,900
-Other Services	3,000	10,000
Director's Sitting Fees	42,000	22,500
Travelling Expenses	5,312,709	3,394,718
Conveyance Expenses	7,824,460	6,634,093
Legal and Professional Charges	5,062,042	6,824,036
Repair & Maintenance - Others	2,507,009	1,641,858
Printing & Stationery	1,334,919	1,512,922
Electricity Charges	666,147	523,428
Water Charges	1,634,758	778,068
Security Charges	3,649,450	3,383,000
Vehicle Expenses	690,099	616,070
Postage, Telegrams & Courier Charges	1,041,286	612,460
Membership and Subscription	177,262	85,793
Donations	21,501	50,408
Telephone Charges	2,133,271	2,107,449
Net Loss on Sale of Fixed Assets	-	3,215,650
Miscellaneous Expenses	3,401,802	2,610,737
Total(c)	41,147,230	38,674,755
Total(a+b+c)	251,894,528	285,506,544

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	For the period ended 30-06-2013	For the year ended 31-03-2012		
NOTE 27 - Prior Period Items				
Prior Period Income	(397,444)	536,021		
Prior Period Expenses/(Income)	(397,444)	536,021		
NOTE 28- Basic And Diluted Earnings Per Equity Shares				
For the purpose of calculation of Basic and Diluted Earnings Per Share, the following amounts are considered :				
Net Profit /(Loss) After Tax	(519,255,479)	40,773,336		
Less : Expenses/(Income) of earlier years	397,444	(536,021)		
Amount available for Equity Shareholders	(519,652,923)	41,309,357		
(b) Weighted Average No. of Equity Shares Outstanding during the year				
-For Basic EPS	12,172,018	12,172,018		
-For Diluted EPS	12,172,018	12,172,018		
(c) Earnings Per Shares				
- Basic EPS	(42.69)	3.39		
- Diluted EPS	(42.69)	3.39		
Face Value Per Equity Share (Rs.)	10.00	10.00		
(d) Reconciliation between number of shares used for calculating basic and diluted earnings per share				
Weight Number of Equity Shares used for calculating Basic EPS	12,172,018	12,172,018		
Add: Potential Equity Shares	-	-		
Weighted number of equity shares used for calculating Diluted EPS	12,172,018	12,172,018		
NOTE 29- CIF Value Of Imports				
Stores & Spares	1,736,412	4,247,772		
Raw material	44,293,999	66,423,443		
Capital Goods	-	3,800,815		
Total	46,030,411	74,472,030		
NOTE 30- Expenditure In Foreign Currency				
Travelling Expenses	742,613	295,971		
Technical Services	-	123,498		
Membership & Subscription	42,560	-		
Sales Commission	4,576,630	197,259		
Total	5,361,803	616,728		
NOTE 31 - Value Of Raw Materials, Spare Parts and Components Consumed				
	For the period ended 30-06-2013		For the year ended 31-03-2012	
	Amount	% of Consumption	Amount	% of Consumption
Raw Materials Consumed				
Imported	96,323,184	8.10%	48,216,414	3.56%
Indigenous	1,093,490,280	91.90%	1,305,480,388	96.44%
Total	1,189,813,464	100.00%	1,353,696,802	100.00%
Spare Parts and Components Consumed				
Imported	3,797,704	18.25%	2,555,851	10.32%
Indigenous	17,014,438	81.75%	22,205,240	89.68%
Total	20,812,142	100.00%	24,761,091	100.00%
	For the period ended 30-06-2013		For the year ended 31-03-2012	
NOTE 32 - Earnings In Foreign Currency				
FOB Value of Exports	140,027,470		54,610,133	
Total	140,027,470		54,610,133	

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NOTE 33 -

Reconciliation of opening and closing balances of the present value of the defined benefit obligation				
	For the period ended 30-06-2013		For the year ended 31-03-2012	
	Gratuity - Funded	Leave Encashment (Non Funded)	Gratuity - Funded	Leave Encashment (Non Funded)
A. Expenses recognised in Profit & Loss Account for the year				
1. Current Service Cost	1,670,906	756,546	944,313	352,301
2. Interest cost on Defined Benefit Obligation as on end of the previous year	1,294,392	311,739	869,136	206,601
3. Expected return on Plan Assets	(1,140,033)	-	(672,512)	-
4. Actuarial (Gain) / Loss	470,141	(208,357)	(428,305)	81,147
5. Expenses / (Gains) recognised in Profit & Loss Account	2,295,406	859,928	712,632	640,049
B. Net Asset (Liability) recognised in Balance Sheet as at end of the year				
1. Present value of Defined Benefit Obligation as at end of the year	14,939,694	3,459,061	12,182,514	2,934,015
2. Fair value of Plan Assets as at end of the year	11,862,108	-	11,400,334	-
3. Asset / (Liability) recognised in Balance Sheet	(3,077,586)	(3,459,061)	(782,180)	(2,934,015)
C. Change in Defined Benefit Obligation during the year				
1. Present value of Defined Benefit Obligation as at end of the previous year	12,182,514	2,934,015	10,864,196	2,504,249
2. Current Service cost	1,670,906	756,546	944,313	352,301
3. Interest cost	1,294,392	311,739	869,136	206,601
4. Actuarial (Gain) / Loss	355,988	(208,357)	(165,932)	81,147
5. Benefits paid	(564,106)	(334,882)	(329,199)	(210,283)
6. Present value of Defined Benefit Obligation as at end of the year	14,939,694	3,459,061	12,182,514	2,934,015
D. Change in Plan Assets during the year				
1. Present value of Plan Assets as at end of the previous year	11,400,334	-	8,406,396	-
2. Expected return on Plan Assets	1,140,033	-	672,512	-
3. Actuarial Gain / (Loss)	(114,153)	-	262,373	-
4. Actual Company contribution	-	-	2,388,252	-
5. Benefits paid	(564,106)	-	(329,199)	-
6. Plan Assets as at end of the year	11,862,108	-	11,400,334	-
E. Actuarial assumptions				
1. Discount rate	7.75 th %	7.75 th %	8.50 th %	8.50 th %
2. Expected rate of return on Plan Assets	8.70 th %	0.00 th %	8.00 th %	0.00 th %
3. Turnover rate	2.00 th %	2.00 th %	2.00 th %	2.00 th %
4. Salary escalation rate	6.00 th %	6.00 th %	6.00 th %	6.00 th %

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NOTE 34 - Contingent Liabilities

	For the period ended 30-06-2013	For the year ended 31-03-2012
Bill Discounting	309,720,125	235,040,623
Outstanding Letter of Credit	1,370,058	1,643,652
Bank Guarantees	448,592	448,592
Claims against Company not acknowledged as debts and disputed in the current year (against which Rs.Nil (P.Y. Rs.3,34,87,094/- against which Rs. 3,34,87,097/- has been paid and shown in advances)	-	33,487,094
Excise Duty under dispute (against which Rs.37,89,186/- (P.Y. Rs.37,39,186/-) has been paid and shown in advances)	9,040,524	9,486,069
Sales Tax Liability under dispute (against which Rs.1,15,00,000/- (P.Y. Rs.1,15,00,000/-) has been paid and shown in advances, however as per expert opinion this liability will be deleted in appeal.)	192,782,203	211,004,634

Export Obligation

Year of export obligation	2004-05	2007-08	Total
Obligation to be discharge upto	July 2013	August 2015	
Value of Machineries	106,970,080	128,964,170	235,934,250
Export Obligation	295,631,728	264,491,853	560,123,581
Less:-			
Obligation discharge upto March 2013	295,134,093	-	295,134,093
Net obligation to be discharge	497,635	264,491,853	264,989,488
Export obligation on machineries to be imported (2007-08)	-	153,557,078	153,557,078

NOTE 35 - List Of Related Parties & Relationships

Information in accordance with Accounting Standard 18 issued by the Institute of Chartered Accounts of India on 'Related Parties Disclosures'

Enterprise over which key managerial personnel and their relatives are having significant influenced or control (Other related party)	Key Management Personnel and their elatives:
Pallav Chemical & Solvents Pvt. Ltd Mission Packaging Industries Ltd T R Flexi-Pack	Anil Dang Sanjay Dang Tarana Dang

List of Related Parties Transactions:

Transactions	Enterprises over which key management persons have significant influence and enterprises having key management		Key Management Persons & Relatives	
	For the period ended 30-06-2013	For the year ended 31-03-2012	For the period ended 30-06-2013	For the year ended 31-03-2012
Interest on Delayed Payment	2,561,257	1,222,740	-	-
Directors Remuneration	-	-	5,094,000	4,075,200
Salary	-	-	2,512,069	2,178,164
Purchase of Material	87,208,325	94,075,346	-	-
Commission	1,168,456	1,118,665	-	-
Interest on Loan	9,764	666,532	-	-
Loan Taken During the year	295,583,742	225,853,152	-	-
Loan Repaid during the year	181,642,617	148,575,057	-	-
Loans/Advance(Closing Balance)	34,000,000	29,500,000	-	-
Advance from customers(closing balance)	-	14,842,206	-	-
Closing Balances - Debtors	7,105,588	-	-	-
Closing Balances - Creditors	64,693,745	45,592,136	-	-
Sales	132,449,317	68,701,750	-	-

(Clearwater Capital Partners (Cyprus) Ltd. Has significant influence over the company)

"Company has paid Rs.5,91,60,917/- (P.Y. Rs.4,27,04,596/-) as interest to Clearwater Capital Partners India Pvt. Ltd. However same has not been included above for want of information of relationship between the above name parties."

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NOTE 36 - Others

- 1) The company operates in only one business segment of flexible packing and as such there is no separate reportable segments including geographical segments to be reported as required by the Accounting Standard AS-17 of Institute of Chartered Accountants of India.
- 2) The company has taken office premises, factory premises and other facilities on operating lease and these lease agreements are cancelable, range between 11 Months to 5 years generally and are usually renewable by mutual consent on mutually agreeable terms. Total lease rent payable under operating lease is Rs.17,30,630/- (P.Y.Rs. 13,06,932/-) has been debited to Statement of profit & loss under the head administrative expenses.
- 3) The previous year's figures have been regrouped, reclassified and rearranged wherever necessary to make them comparable with that of current period's figures.
- 4) In the opinion of the management, Current Assets, Loans and Advances are of the value stated, if realised in the ordinary course of business.
- 5) The company has commissioned its new plant (unit 2) at Mahad in the financial year 2007-08 and consequently all assets i.e. Land, building, Plant & Machinery, office equipments and furniture and fixtures etc have been capitalized in the year 2007-08 which added substantial value to the Gross block of the company's Fixed Assets. The company as per its accounting policy and as per Accounting Standard 16 and Accounting Standard 10 capitalized expenses directly attributable to the fixed assets including borrowing and other financial cost amounting to Rs. 250.80 lacs, pertaining to the year 2007-08 to the respective assets till the date of commencement of commercial operations. The company has continued to provide depreciation on the various fixed assets after adding the amount of expenses capitalized, referred as above.
- 6) Remuneration of Rs.25,12,069/- (P.Y. Rs.21,78,164/-) paid to relative of managing director is covered u/s 314 (1B) of the Companies Act,1956 and is subject to approval from shareholders and central government.
- 7) During the period company has entered into contracts and arrangements u/s. 297 of the Companies Act 1956 with certain parties for sale and purchase of goods and services for which approval of Central Government is pending.
- 8) The company is in process to appoint a full time Company Secretary u/s. 383 A and to form a audit committee u/s. 292 A of the Companies Act 1956.
- 9) Balances of Trade Payables, Trade Receivables and Loans and Advances are subject to confirmation and reconciliation.
- 10) Various Suit amounting to Rs. 4,36,16,248/- U/s 138 of Negotiable Instrument Act and also one winding up petition have been filed against the company.
- 11) Foreign Currency exposures that are not hedged by derivatives instruments as on 30th June, 2013 amounts to Rs.2,34,32,557/- (P.Y. 5,20,59,936/-)

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NOTE 37 - Significant Accounting Policies

1. **Basis of Accounting:**

The Financial Statements are prepared on the basis of historical cost convention and on the accounting principles of a going concern, complying with the Accounting Standards, issued by the Institute of Chartered Accountants of India and as per provision of the Companies Act, 1956. The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except bonus which is accounted on cash basis.

2. **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the periods in which the results are known/materialize.

3. **Revenue Recognition:**

Sales are recognized on dispatch to customers and are recorded at net of Value Added Tax and trade discount and are exclusive of Excise Duty. Material returned/rejected are accounted for in year of return or acceptance of claim of rejection.

4. **Fixed Assets:**

Fixed assets are recognised at cost of acquisition including expenditure up to the date of commissioning, net of cenvat. Fixed Assets are stated at cost less accumulated depreciation.

5. **Depreciation:**

Depreciation on fixed assets is provided using the straight line method at rates prescribed under Schedule XIV of the Companies Act, 1956 except the followings:-

- Software is being amortized over the period of five year.
- Leasehold land is being amortized over the period of lease
- Expenditure incurred on Furniture Fixtures, Electrical Installation which cannot be removed in premise taken on lease are being amortized during the period of lease.
- Assets having value less than 5,000/- are written off during the period.

Depreciation on assets acquired during the year is charged on pro-rata basis

6. **Investments:**

Long term investments are stated at cost. Provision for diminution in value of long term investment is made only if such decline is other than temporary. Dividends are accounted for as and when received.

MULTI-FLEX LAMI-PRINT LIMITED

7. **Inventories:**

Finished goods are valued at lower of cost or net realisable value on average basis. Stores and spares and Raw materials are valued at cost or net realizable value on FIFO basis. Semi-finished goods are valued at average cost. Process scrap is valued at net realizable price. The company follows accounting practice in respect of cylinders to take average cost of cylinders (net of excise & recovery) as stock until it is scrapped. Cost of inventories comprises of all cost of purchase (net of cenvat), cost of conversion and other cost incurred in bringing the inventory to their present location and condition.

8. **Excise Duty:**

Excise duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for finished goods lying in stock at the end of the year.

9. **Foreign Currency Transactions:**

- a. In respect of foreign exchange transaction, the transaction in foreign currency is recorded in Rupees by applying the exchange rate prevailing at the time of the transaction. Amount short or excess realised/incurred is transferred to Profit and Loss Account.
- b. All foreign currency liabilities/assets at the year end are restated at the rates prevailing at the year end, except those covered by a foreign exchange contract restated at contract rate and any exchange differences are dealt with in the Profit & Loss Account.

10. **Export Benefits:**

All export benefits are accounted for on accrual basis.

11. **Borrowing Cost:**

Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalised as part of cost of such asset till such time as the assets is ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

12. **Taxation:**

Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income." Taxes comprise both current and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the revenue authorities, using the applicable tax rates and laws. The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations. The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonable certainty that sufficient future taxable income will be available against which the deferred tax assets can be realized.

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13. Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may probably not require an outflow of resources. Contingent assets are neither recognised nor disclosed in the financial statements.

14. Employee Benefit:

- a. Short term employee benefits are recognised as an expense at the undiscounted amounts in the Profit and Loss Account of the year in which the related service is rendered.
- b. Liabilities in respect of retirement gratuities for employees of the Company are funded in terms of a scheme of Life Insurance Corporation of India.
- c. Leave encashment are provided based on valuation by an independent actuary as at balance sheet date, which are measured on discounted basis by project unit credit method.

15. Impairment of Asset

An assets is treated as impaired when the carrying cost of assets, or where applicable cash generating unit to which the assets belongs exceed its recoverable amount(i.e. the higher of the asset's net selling price and value in use) and the reduction is recognized as an impairment loss recognized in prior accounting periods is reversed if there has been changed in the estimate of recoverable amount.

Signature to Note No 1 to 36

As per our Report of even date attached

For Chaturvedi Sohan & Co.

Chartered Accountants

FRN No. 118424 W

SD/-

Sohan Chaturvedi

Proprietor

Membership No. 30760

For Atul C Shah & Associates

Chartered Accountants

FRN No. 113726 W

SD/-

Atul C Shah

Partner

Membership No. 47361

For and on behalf of the Board of Director

SD/-

Anil K Dang

Chairman & Managing Director

SD/-

Vijay R Shahane

Director

Place : Mumbai

Date : 19th September, 2013