



COSMO FILMS LIMITED

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www.cosmofilms.com



CFL/SEC/SE/HC/2011-12/011
May 24, 2011

By Courier/Fax – 022-26598238

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra Kurla Complex,
Bandra (E), Mumbai – 400001

Dear Sirs,

Sub: Audited Financial Results & Outcome of Board Meeting

Pursuant to the Clause 41 of the Listing Agreement please find attached herewith the Audited Financial Results of the Company along with auditor's report thereon for the F. Y. ended March 31, 2011.

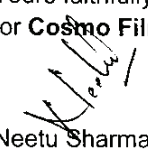
The Board of Directors of the Company at its meeting held today i.e. on May 24, 2011, inter alia, has decided the following:

1. The Board has recommended a Dividend of Rs. 5 per equity share for the F.Y. 2010-11.
2. 34th Annual General Meeting of the Company to be held on July 13, 2011:
3. The Register of Members & Share Transfer Books of the Company will remain closed from July 07, 2011 to July 13, 2011 (both days inclusive) for the purpose of payment of Dividend
4. The dividend for the financial year 2010-11 shall be paid/dispached to the shareholders on or before August 10, 2011
5. Appointment of Mr. Sankaranarayana Rama Iyer as a Director in the casual vacancy caused by resignation of Mr. Suresh Mathur w.e.f. May 24, 2011.
6. Appointment of Mr. Anil Kumar Jain as a Whole Time Director of the Company w.e.f. May 24, 2011
7. M/s. B.K. Shroff & Co., the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and have expressed their unwillingness to be re-appointed at the ensuing Annual General Meeting.
8. The Board of Directors have proposed the appointment of M/s. Walker, Chandio & Co. (Grant Thornton), Chartered Accountants as the Statutory auditors subject to the approval of the shareholders at the ensuing Annual General Meeting.
9. Passing of resolution by Postal Ballot for creation of charges, mortgages and hypothecations under section 293(1)(a) of the Companies Act, 1956.

This is for your information and record please.

Thanking you,

Yours faithfully
for **Cosmo Films Limited**


Neetu Sharma
Company Secretary

B. K. SHROFF & CO.

Chartered Accountants

3/7-B, Asaf Ali Road,
1st Floor, Flat No. 4,
New Delhi - 110002.
Phones : 23271407, 23284825, 23284826
Telefax : 23270362
E-mail : bkshroffdelhi@yahoo.com
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To
Board of Directors of Cosmo Films Limited

We have audited the quarterly financial results of Cosmo Films Limited for the quarter ended 31st March, 2011 and the year to date results for the period 1st April, 2010 to 31st March, 2011 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act 1956 and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended 31st March, 2011 as well as the year to date results for the period from 1st April, 2010 to 31st March, 2011.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

Place: New Delhi
Date: 24 May 2011

For B.K. SHROFF & Co.
Chartered Accountants
Firm Registration No. 302166E

B.K. Shroff

PARTNER

Membership Number : 6329



B. K. SHROFF & CO.

Chartered Accountants

3/7-B, Asaf Ali Road,
1st Floor, Flat No. 4,
New Delhi - 110002.
Phones : 23271407, 23284825, 23284826
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Cosmo Film Inc (CFI)	USA	100%*****
CF Global Holdings GK (CGHG)	Japan	100%*****
Cosmo Films (Singapore) Pte Ltd. (CFS)	Singapore	100%*****
Cosmo Films Hwa Seung Company Ltd (CHS)	Korea	80%*****
Cosmo Films Korea Ltd. (CFK) #	Korea	100%*****
Cosmo Films (Hong Kong) Ltd. (CFH) ##	Hong Kong	100%*****

*Held by the Company

**Held by CGH

*** Held by CMH (99%) and by CGH (1%)

**** Held by CNC

***** Held by CNBV

Incorporated on 6th October 2010.

Liquidated on 1st December 2010.

b. Associate

Cosmo Ferrites Limited (Ceased to be an associate w.e.f 17th Oct'2010)

- (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from disclosures made by the management and have not been audited by us: and
- (iii) give a true and fair view of the consolidated net profit and other financial information for the consolidated year to date results for the year ended 31st March 2011

Further, we also report that we have, on the basis of the books of account and other record and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For B.K.Shroff & Co.
Chartered Accountants
Firm Registration No. 302166E

B.K. Shroff
Partner

Membership Number 6324

Place: New Delhi.
Date: 24, May, 2011



B. K. SHROFF & CO.

Chartered Accountants

3/7-B, Asaf Ali Road,
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To
Board of Directors of Cosmo Films Limited

We have audited the consolidated financial results of Cosmo Films Limited for the year ended 31st March 2011, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement. These consolidated year to date financial results have been prepared from consolidated financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act 1956 and other accounting principles generally accepted in India.

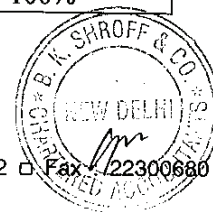
We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiary namely CF Global Holdings Ltd and certain step down subsidiaries whose financial statements reflects total assets of Rs 215.02 crores as on 31st March, 2011 and total revenues of Rs 271.25 crores for the year then ended. These financial statements have been audited by other auditor whose report has been furnished to us, and in our opinion, in so far as it relates to the amounts included in respect of the said subsidiary, is based solely on the report of the other auditor. We further report that the financial statements of certain step down subsidiaries whose financial statements reflect total assets of Rs. 31.71 crores as on 31st March, 2011 and total revenues of Rs.54.00 crores for the year then ended, have not been audited either by us or by any other auditors and therefore, unaudited financial statements for the year ended 31st March 2011 of these subsidiaries have been furnished to us by the management. These subsidiaries are not material to the consolidated financial statements either individually or in the aggregate.

In our opinion and to the best of our information and according to the explanations given to us these consolidated year to date results:

- (i) include the year to date results of the following entities:
a. subsidiaries:

Subsidiary/Step down subsidiary	Country of Incorporation	Holding %age
CF Global Holdings Ltd. (CGH)	Mauritius	100%*
CF (Mauritius) Holdings Ltd. (CMH)	Mauritius	76%**
Cosmo Films (Netherlands) Cooperatief U.A (CNC)	Netherlands	100%***
CF (Netherlands) Holdings Ltd. B V (CNBV)	Netherlands	100%****



COSMO FILMS LIMITED
AUDITED FINANCIAL RESULTS

(Rs in Crores)

Particulars	STAND ALONE				CONSOLIDATED		
	Quarter ended		Year ended		Quarter ended	Year ended	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2011	31.03.2010
	Audited	Audited	Audited	Audited	Reviewed	Audited	Audited
1. Income:							
a) Net Sales/ Income from Operations	255.31	209.11	938.02	748.85	304.18	1129.79	959.67
b) Other Operating Income	4.22	(0.67)	11.55	7.23	5.55	16.88	15.32
c) Income from associates	-	-	-	-	-	0	1.06
d) Total	259.53	208.44	949.57	756.08	309.73	1146.67	976.05
2. Expenditure:							
a) Decrease/(Increase) in Stock	2.94	(1.26)	(0.12)	(2.02)	7.57	(10.27)	(37.88)
b) Raw materials consumption	162.59	132.57	609.15	469.54	183.39	704.19	598.09
c) Purchase of traded goods	-	-	0.11	0.03	1.76	7.72	27.68
d) Power, Water & Fuel	18.28	14.77	66.37	53.35	19.36	70.54	57.79
e) Employees Costs	12.29	10.09	48.43	39.43	25.65	103.39	88.37
f) Depreciation	7.33	7.15	28.30	28.92	8.87	34.39	33.86
g) Other expenditure	31.66	27.29	118.02	89.51	41.49	170.72	136.17
h) Total	235.09	190.61	870.26	678.76	288.09	1080.68	904.08
3. Profit from Operation before Other Income, Interest & Exceptional Items (1-2)	24.44	17.83	79.31	77.32	21.64	65.99	71.97
4. Other Income	-	-	4.44	-	-	1.10	-
5. Profit before Interest & Exceptional Items (3+4)	24.44	17.83	83.75	77.32	21.64	67.09	71.97
6. Interest	4.33	3.53	16.06	15.02	5.72	21.80	18.28
7. Profit after Interest but before Exceptional Items (5-6)	20.11	14.30	67.69	62.30	15.92	45.29	53.69
8. Exceptional items	-	-	-	-	-	-	-
9. Profit from Ordinary Activities before Tax (7+8)	20.11	14.30	67.69	62.30	15.92	45.29	53.69
10. Tax expense							
a) Provision-Income Tax	5.80	3.06	19.27	14.66	6.07	23.11	19.17
b) Deferred Tax	(1.31)	0.26	(2.03)	1.82	(3.18)	(12.20)	(3.89)
c) Total	4.49	3.32	17.24	16.48	2.89	10.91	15.28
11. Net profit from Ordinary Activities after tax (9-10)	15.62	10.98	50.45	45.82	13.03	34.38	38.41
12. Extraordinary Items	-	-	1.07	(1.22)	(4.60)	(3.39)	29.28
13. Net profit before Minority Interest (11+12)	15.62	10.98	51.52	44.60	8.43	30.99	67.69
14. Minority Interest	-	-	-	-	(1.19)	(3.77)	4.21
15. Net profit after Minority Interest (13-14)	15.62	10.98	51.52	44.60	9.62	34.76	63.48
16. Paid - up equity share capital (Face value Rs. 10)	19.44	19.44	19.44	19.44	19.44	19.44	19.44
17. Reserves excluding Revaluation Reserve	-	-	312.38	272.25	-	300.66	272.72
18. Basic & Diluted EPS for the period (Rs.)							
Excluding extraordinary item	8.03	5.65	25.95	23.57	7.21	19.52	21.32
Including extraordinary item	7.96	5.65	26.50	22.94	4.95	17.88	32.65
19. Public shareholding(Non promotor)							
a) Number of shares	10879737	10494037	10879737	10494037	10879737	10879737	10494037
b) Percentage of shareholding	56%	54%	56%	54%	56%	56%	54%
20. Promoters and promoter group shareholding							
a) Pledged / Encumbered							
- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a %of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a %of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Non-encumbered							
- Number of shares	8560339	8946039	8560339	8946039	8560339	8560339	8946039
- Percentage of shares (as a %of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%	100%
- Percentage of shares (as a %of the total share capital of the company)	44%	46%	44%	46%	44%	44%	46%

(Rs in Crores)

Particulars	STAND ALONE		CONSOLIDATED	
	YEAR ENDED		YEAR ENDED	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
	Audited	Audited	Audited	Audited
SHAREHOLDERS' FUNDS:				
(a) Capital	19.44	19.44	19.44	19.44
(b) Reserves and Surplus	312.38	272.25	300.66	272.72
MINORITY INTEREST			5.82	8.97
LOAN FUNDS	312.43	264.95	402.78	356.39
DEFERRED TAX LIABILITY	64.75	66.78	57.35	70.62
FIXED ASSETS	371.84	376.14	435.90	439.10
INVESTMENTS	54.79	51.26	-	8.89
CURRENT ASSETS, LOANS AND ADVANCES				
(a) Inventories	80.37	67.93	162.05	134.89
(b) Sundry Debtors	178.22	130.96	169.65	146.76
(c) Cash and Bank balances	46.93	24.16	68.97	43.75
(d) Loans and Advances	50.65	37.80	53.82	47.90
Less : Current Liabilities and Provisions				
(a) Liabilities	60.41	51.60	90.95	79.92
(b) Provisions	13.39	13.23	13.39	13.23
MISCELLANEOUS EXPENDITURE				
(NOT WRITTEN OFF OR ADJUSTED)				
PROFIT AND LOSS ACCOUNT				
TOTAL	709.00	623.42	786.05	728.14

REPORTING OF SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs in Crores)

Particulars	STANDALONE				CONSOLIDATED		
	Quarter ended		Year ended		Quarter ended	Year ended	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2011	31.03.2010
	Audited	Audited	Audited	Audited	Reviewed	Audited	Audited
a) Segment Revenue							
Packaging Films	255.31	209.11	937.86	748.77	301.57	1113.86	944.63
Others	-	-	0.16	0.08	2.61	15.93	15.04
Sub Total	255.31	209.11	938.02	748.85	304.18	1129.79	959.67
Less: Inter Segment Revenue							
Total	255.31	209.11	938.02	748.85	304.18	1129.79	959.67
b) Segment Results							
Profit/(Loss) before Tax and Interest							
Packaging Films	26.00	19.26	89.78	82.28	23.49	73.59	77.23
Others	-	-	0.04	0.01	0.30	0.17	(0.45)
Sub Total	26.00	19.26	89.82	82.29	23.79	73.76	76.78
Less: Interest	4.33	3.53	16.06	15.02	5.72	21.80	18.28
Less: Unallocable expenses net of unallocable income	1.56	1.43	6.07	4.97	2.15	6.67	4.81
Total Profit before Tax and exceptional items	20.11	14.30	67.69	62.30	15.92	45.29	53.69
c) Capital Employed							
Packaging Films	600.72	555.46	600.72	555.46	699.23	699.23	670.75
Others	0.23	0.23	0.23	0.23	15.05	15.05	17.80
Unallocated	108.05	67.73	108.05	67.73	71.77	71.77	39.59
Total	709.00	623.42	709.00	623.42	786.05	786.05	728.14

Notes

- The Company is expanding its capacity by adding a new BOPP Line of 40000 MT. The line is expected to be commissioned by January, 2013 for which order has already been placed.
- The company started publishing quarterly consolidated results from the current year and hence consolidated figures for corresponding quarters of previous year are not given.
- Other income represents profit on sale of investment in an associate company. In case of consolidated results the income is lower because of prorata share in accumulated profit of the associate company having already been accounted in the respective years.
- Extra ordinary items presents restructuring expenses of step down subsidiaries, foreign exchange fluctuations and tax refunds of earlier years.
- For calculation of basic and diluted earnings per share excluding extra ordinary items, minority interest of Rs.(-) 3.58 crores in Net Profit from Ordinary Activities after tax of the respective subsidiaries is considered.
- The notional mark-to-market (MTM) net loss on outstanding interest rate SWAP contracts is estimated by the banks approximately at Rs. 2.27 crores as on 31st March 2011 which has been provided by creating Hedge Reserve. Foreign Currency derivative contracts are entered into for hedging the business related exposures which are not speculative in nature. MTM loss of Rs. 0.33 crores has been adjusted in profit and loss account.
- The Board of Directors have recommended dividend of Rs.5 per Equity Share for the year.
- The number of investor complaints pending at the beginning of the quarter were nil. Complaints received and disposed off during the quarter were 7. Outstanding complaints at the end of quarter were nil.
- Figures have been regrouped wherever required.

New Delhi
24th, May 2011

ASHOK JAIPURIA
CHAIRMAN