



PEACOCK

INDUSTRIES LIMITED



ANNUAL REPORT
2010-2011

**BOARD OF DIRECTORS**

Daud Ali	Managing Director
Narendra Bhanawat	Executive Director
Magan Lal Sharma	Director
Mukesh Kumar Kothari	Director

COMMITTEE OF THE BOARD**AUDIT COMMITTEE**

Magan Lal Sharma - Chairman
Narendra Bhanawat
Mukesh Kumar Kothari

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

Magan Lal Sharma - Chairman
Narendra Bhanawat
Mukesh Kumar Kothari

AUDITORS

Sampati Lal Bohara & Co.
Chartered Accountants

BANKERS

ICICI Bank Limited
Yes Bank Limited
IDBI Bank

REGISTERED OFFICE & WORKS

Kodiyat Road,
Village : Sisarma
District : Udaipur (Raj.)

INVESTOR QUERIES

email:-pilkodi@sancharnet.in
email:-peacock_investor@rediffmail.com

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NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of PEACOCK INDUSTRIES LIMITED will be held at the registered office of the Company at Kodiyat Road, Village: Sisarma, District : Udaipur on Saturday 2nd day of July, 2011 at 10.00 AM to transact the following business :

ORDINARY

- (1) To receive, consider and adopt the audited accounts of the Company for the year ended on March 31,2011 alongwith the Report of the Directors' and Auditors' thereon.
- (2) To appoint a director in place of Mr.Mukesh Kumar Kothari who retires by rotation and being eligible, offers himself for re-appointment.
- (3) To appoint auditors and fix their remuneration.

Registered Office : By Order of the Board of Directors
Kodiyat Road,
Village : Sisarma Daud Ali
Distt. : Udaipur Managing Director
Dated : 28-05-2011

Note :

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING

(2) The Register of Members and Share Transfer Books of the Company shall remain closed from 25.06.2011 to 02.07.2011 (both days inclusive).

(3) The Securities and Exchange Board of India has mandated compulsory trading of the Company's equity shares in demat form with effect from 28.08.2000 for all the investors.The International Securities Identification number (ISIN) code is INE 600A01019.

(i) Re-appointment of Directors

Particulars of persons seeking re-appointment at the ensuing annual general meeting pursuant to clause 49 (IV) of the listing agreement is given below :-

Name	: Mr.Mukesh Kumar Kothari
Age	: 42 Years
Qualification	: M.Com
Experience	: Vast experience in Finance and other tax matters activities.
Director of the Company since	: January,2010
Other Directorship	: Nil
Shareholding	: Nil

Registered Office : By Order of the Board of Directors
Kodiyat Road,
Village : Sisarma Daud Ali
Distt. : Udaipur Managing Director
Dated : 28-05-2011

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants, Members who hold shares in physical form are requested to register their e-mail addresses with the company.



DIRECTORS' REPORT

To The Members,

The Directors of your Company have pleasure in presenting their Nineteenth Annual Report and the Audited Accounts of the Company for the year ended 31.3.2011.

FINANCIAL RESULTS

Particulars	(Rs. in lacs.)	
	2010-2011	2009-2010
Turnover	2307.93	1920.98
Other Income	0.64	0
Profit/Loss(-)before Tax, Interest, Depreciation and extra ordinary items	8.96	98.80
Interest	0	0
Depreciation	109.62	243.95
Profit/(Loss) before Tax and extra ordinary items	-100.66	-145.15
Provisions for Income Tax	0	0
Extra Ordinary items	2911.67	0
Profit/(Loss)after Tax and extra ordinary items	2811.01	-145.15
Surplus carried from previous year	-9560.40	-9415.25
Balance carried to Balance Sheet	-6749.39	-9560.40

DIVIDEND

In view of the poor performance of the Company your Directors are unable to recommend any dividend for the year 2010-2011.

OPERATIONS

During the year under review the Company recorded a turnover of Rs. 2307.93 lakhs (pr.yr. Rs. 1920.98 lakhs) and incurred a loss of Rs. 100.66 lakhs (Pr. Yr. Rs. 145.15 lakhs) before considering extra ordinary items.

The bottom line continues to be under pressure due to non availability of adequate working capital facilities leading to under utilisation of the manufacturing facilities culminating in to high cost of production. The bottom line is also under pressure due to increased competition and declining margin coupled with the rising cost of the component of the production.

REHABILITATION AND REVIVAL

As you are aware your Company was declared a sick industrial Company by the Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 21.12.1998 In spite of all the endeavour, the BIFR recommended the winding of the Company against which an appeal has been preferred to the AAIFR and the same is pending for adjudication.

Your directors are fully confident that the Company is potentially viable and can be revived. With this zeal and happy to communicate that during the year under review your Company entered into negotiated settlements with its secured lenders and their assignees and settled their dues.

In order to discharge the settled amount the Company borrowed a sum of Rs. 516.50 lakhs on the security of its assets. Further under the settlement the Stressed assets Stabilisation Fund-assignee of Industrial Development Bank of India agreed to accept Rs. 640 lakhs including interest over a period of eight years.

The company continues to make payment as per the schedule of payment and there is no default.

DIRECTORS

Mr.Mukesh Kumar Kothari,Director, retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

FIXED DEPOSITS

The Company has not accepted any deposit from public during the year ended 31st March, 2011, under section 58-A of the Companies

Act,1956.

HUMAN RESOURCES

Your Directors would like to place on record their appreciation of the efficient and loyal services rendered by all staff and workforce of the Company, without whose wholehearted efforts, the overall satisfactory performance would not have been possible.

There are no employees covered under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act, 1956, it is stated that :

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to the material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss (without considering the non-provisions of interest, etc. as stated in the Notes to Accounts - schedule 14) of the Company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records, except Fixed Assets Register which is missing and the adequate steps have been taken to make it afresh, in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) Your Company has been declared Sick by the Board for Industrial and financial Reconstruction (BIFR) vide its order dated 21-12-1998, BIFR vide its order dated 22-02-2007 recommended winding up of the Company. However Company preferred an appeal ,AAIFR has stayed the impugned order. The management feels that result will come in to the company's favour. In view of this the Accounts had been prepared on a going concern basis.

CONSERVATION OF ENERGY

The Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in the per unit consumption of energy is on going exercise in the Company. Effective measures have been taken to minimize the lossess of energy as far as possible.

TECHNOLOGY IMPORT AND ABSORPTION

Constant watch is kept on market trends. New designs are developed to cater market requirements. Processes are adapted to improve product quality thus meeting requirements for use on the latest market trends. The Company does not have a sepa-rate Research and Development activity.

The Company has not imported any technology.

FOREIGN EXCHANGE EARNINGS AND OUT GO

During the year under review there was no earnings and outgo in foreign exchange.

AUDITORS AND AUDITORS'REPORTS

M/S Sampatilal Bohara & Co., Chartered Accountants, Udaipur retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Their remuneration for the current year is to be fixed by you.

The Auditors' observations in their report are self explanatory and hence do not call for any further clarification under section 217 (3) of the Companies Act,1956.



CORPORATE GOVERNANCE

A separate report on the compliance with clause 49 of the Listing Agreement with the Stock Exchanges on Corporate Governance and the Auditors' Certificate on its compliance form a part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis report on the operation of the Company is provided in a separate section and forms a part this Report.

SAFETY

Adequate safety measures and safe working practices have been implemented to ensure safety of workforce, plant and Machinery as well as of the environment.

APPRECIATION

Your Directors wish to place on record their appreciation of co-operation and support received from the banks, financial Institutions, Customers, Suppliers, Shareholders, Central and State Government Authorities etc. to the continued growth and prosperity of your Company. Your Directors look forward to the continued support of these partners in progress.

Your Directors also wish to place on record their deep sense of appreciation for the devoted services of the executives, Staff and Workers of the Company for its success.

Place : Udaipur for and on behalf of the Board of Directors
Dated : 28-05-2011

DAUD ALI	NARENDRA BHANAWAT
Managing Director	Executive Director