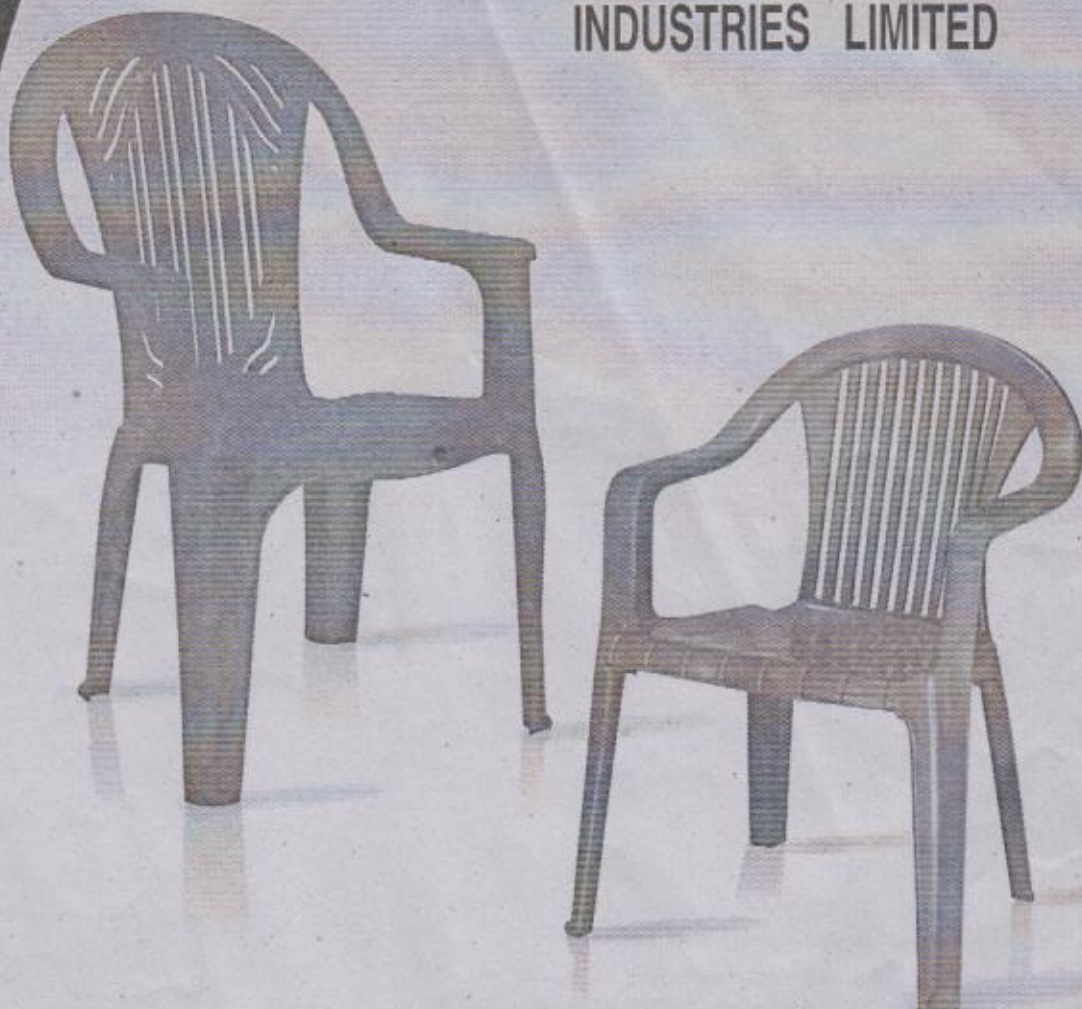




**ITALICA**  
MOULDED FURNITURE

**PEACOCK**  
INDUSTRIES LIMITED



**ANNUAL REPORT**  
**2011-2012**





#### 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

##### SHARE HOLDERS / 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:-plikodi@sancharnet.in  
email:-peacock\_investor@rediffmail.com

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#### 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.





## NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of PEACOCK INDUSTRIES LIMITED will be held at the registered office of the Company at Kodyat Road, Village: Sisarma, District : Udaipur on Thursday 28th day of June, 2012 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, 2012 alongwith the Report of the Directors' and Auditors' thereon.
- (2) To appoint a director in place of Mr. Magan Lal Sharma who retires by rotation and being eligible, offers himself for re-appointment.
- (3) To appoint auditors and fix their remuneration.

### SPECIAL

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

"RESOLVED that pursuant to section 269 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (hereinafter referred to as "the Act") (including any statutory modification or re-enactment thereof, for the time being in force), Mr. Narendra Bhanawat whose term of office as a wholtime Director designated as Executive Director of the Company expires on 28-05-2012, be and is hereby re-appointed as a wholtime Director designated as Executive Director of the Company for a further period of two years with effect from 29-05-2012 to 28-05-2014 on the terms and conditions including remuneration as are set out in the Agreement to be entered into between the Company and Mr. Narendra Bhanawat, a draft whereof duly initialed by the Chairman of this meeting for the purpose of identification is submitted to this meeting, with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board") to alter and vary the said terms of re-appointment and remuneration and/or Agreement in such manner as may be agreed to between the Board and Mr. Narendra Bhanawat but so that his remuneration shall not exceed the limits specified in Schedule XIII to the Act, (including any statutory modification or re-enactment thereof, for the time being in force) or any amendment and/or modifications that may hereafter from time to time be made thereto by the Central Government, without any further reference to the Company in general meeting.

"RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Narendra Bhanawat as a wholtime Director designated as Executive Director, the Company has no profits or its profits are inadequate, the salary and perquisites payable shall be as specified in the agreement referred to herein above".

"RESOLVED FURTHER that the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution".

5. To consider and, if thought fit, to pass with or without modification (s) the following resolution as a special resolution :

"RESOLVED that pursuant to the provisions of section 100 and all other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval, consent, permissions, sanction etc. by the Board for Industrial and Financial Reconstruction (BIFR) in connection with the Draft Revival Scheme submitted or to be submitted to the BIFR/Operating Agency viz : Industrial Development Bank of India (IDBI) or any modification(s) therein or any authority as may be required and subject to such terms and conditions as may be prescribed by the authority while granting permission, sanctions, approval etc. and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the paid

up share capital of the Company be reduced from Rs. 1550 lakhs divided into 15500000 equity shares of Rs. 10/- each to Rs. 620 lakhs divided into 15500000 equity shares of Rs. 4/- each and that such reduction be effected by cancelling capital which has been lost or is unrepresented by available assets, to the extent of Rs. 6 per share upon each of one equity share which have been issued and by reducing the nominal amount of all the shares in the Company's capital from Rs. 10/- per share to Rs. 4/- per share.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 1956 and consequent upon the reduction of share capital as provided in the forgoing resolution i.e. from Rs. 10/- per equity share to Rs. 4/- per equity share, the existing authorized share capital of the Company being Rs. 25 crores (Rupees twenty five crores) divided into 2,50,00,000 (Two crores fifty lakhs) equity shares of Rs. 10/- each be sub-divided/re-classified into 6,25,00,000 Equity Shares of Rs. 4/- each aggregating to Rs. 25,00,00,000.

RESOLVED FURTHER THAT consequential amendments be made in the share capital clause of the Memorandum of association of the Company after the said reduction becomes operative.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the company be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute direction deemed necessary and to settle any questions that may arise in this regard."

6. To consider and, if thought fit, to pass with or without modification (s) the following resolution as a special resolution :

"RESOLVED THAT pursuant to and in accordance with the provisions of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and subject to the approval, consent, permissions, sanction etc. by the Board for Industrial and Financial Reconstruction (BIFR) in connection with the Draft Revival Scheme submitted or to be submitted to the BIFR/Operating Agency viz : Industrial Development Bank of India (IDBI) or any modification(s) therein and all other applicable laws and regulations including the Securities and Exchange Board of India (Issue of capital and Disclosures Requirements) Regulations, 2009, the Securities and Exchange Board of India (Substantial Acquisition of shares and Takeover) Regulations, 2011, the relevant provisions of the Memorandum and Articles of Association of the Company and the provisions of the Listing Agreements with the Stock Exchange, on which the equity shares of the Company are listed or may be hereafter be listed (including any amendments thereto or re-enactment of all or any of the aforesaid) and subject to all such approvals, permissions, sanctions and consents, if any, as may be required under the applicable laws and regulations of the concerned Authorities, bodies and Agencies and subject to such conditions and modifications as may be prescribed by any of the above said authorities, bodies, agencies and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof which the Board may have or may hereafter constitute, to which all or any of the powers hereby conferred on the Board by this Resolution, have been or may hereafter at any time be delegated), the consent, authority and approval of the Company be and is hereby accorded to the Board to offer and, if the offer be accepted, issue and allot 2,32,50,000 equity shares of Rs. 4/- each at par, for cash consideration of an aggregate amount of Rs. 9,30,00,000/- (Rupees Nine Crores Thirty Lakhs only) on such terms as may be permitted by the appropriate authorities to the promoters or any other persons as provided in the draft Revival scheme or any modification therein.

"RESOLVED FURTHER THAT the Equity shares so issued shall rank pari passu with the existing equity shares of the Company and shall carry the same rights as the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT the new shares to be issued to be listed on the Stock Exchanges at which the shares are already listed/ proposed to be listed by the Company."





"RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion considers necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer /issue, allotment and utilization of the proceeds and further to do all such acts, deeds matters and things and to finalise and execute all documents and writings as may be proper, desirable or expedient, as it may deem fit."

**Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of Item No. 4, 5 and 6 set out above is annexed hereto.**

#### Item No. 4

The present term of appointment of Mr. Narendra Bhanawat as Wholtime Director designated as Executive Director will expire on 28-05-2012. The Board of Directors of the Company feels that for the sake of continuity of the present management and for efficient running of the company the service of Mr. Narendra Bhanawat should be available to the company for a further period of two years with effect from 29-05-2012. In terms of the provisions of the articles of association of the company. The Board of Directors at a meeting held on 23-05-2012 re-appointed him as a Wholtime Director designated as Executive Director for a further period of two years with effect from 29-05-2012. on the remuneration determined by the remuneration committee of the Board and approved by the Board. The terms and conditions of the re-appointment of the Wholtime Director designated as Executive Director are embodied in the agreement to be made between the Company and the Wholtime Director designated as Executive Director, inter alia, contains the following terms and conditions :-

**NAME AND DESIGNATION :** Mr. Narendra Bhanawat  
Wholtime Director designated  
as Executive Director

**PERIOD :** 29-05-2012 to 28-05-2014

**Remuneration :** Rs. 4500/- per month in the Scale of 4500 -500-7500-800-10500 per month. The Annual increments which will be effective from 1st June every year will be decided by the Remuneration committee of the Company and will be merit based and take into account the Company's performance.

#### PERQUISITES :

(a) House rent allowance : Rs. 1000/- p.m.  
Conveyance allowance : Rs. 1000/- p.m.

#### (b) Provident Fund as per rules

In the event of loss or absence or inadequacy of profits in any financial year of the Company, Mr. Narendra Bhanawat, Wholtime Director designated as Executive Director shall be paid the salary and perquisites as specified hereinabove as minimum remuneration.

The draft agreement between the Company and Mr. Narendra Bhanawat is available for inspection by the members of the Company upto the date of meeting at its registered office between 10.30 A.M. and 1.30 P.M. on any working day except Saturdays and holidays.

Mr. Narendra Bhanawat satisfy all the conditions set out in Part I of Schedule XIII to the Act for being eligible for the reappointment. He is not disqualified from being appointed as Director in terms of Section 274 (1) (g) of the Act.

This may be treated as an abstract of the draft agreement between the Company and Mr. Narendra Bhanawat, pursuant to section 302 of the Companies Act, 1956.

The proposed resolution is recommended for passing.

#### Item No. 5 and 6

You are aware that your Company is a Sick Industrial Company and a reference was made to the Board for Industrial and Financial Reconstruction (BIFR) in accordance with provisions of the Sick Industrial Companies (Special Provisions) Act, 1985, for its rehabilitation and other measures. The reference is registered with the BIFR vide no. 218/1998

Pursuant to the directions of BIFR, the Company has submitted a Draft Revival Scheme (DRS) to the Operating Agency viz; Industrial Development bank of India (IDBI). The DRS inter alia includes the reduction of the share capital to the extent of 60% i.e. from Rs. 1550 lakhs to Rs. 620 lakhs, further issue of share capital of Rs. 930 Lakhs to the promoters etc.

To enable the Company to give effect to the provisions of the DRS, as and when the same is sanctioned by the BIFR, the special resolutions as proposed at the item no. 5 and 6 are recommended for your consent.

The DRS and a copy of the Memorandum of Association alongwith the proposed changes are open for inspection during the business hours on any working day from 10 AM to 1.30 PM upto the date of the ensuing annual general meeting.

The paid up share capital and share holding pattern of the Company after proposed reduction of the share capital and further issue of share capital as compared with the existing share capital and shareholding pattern will be as under :

**Shareholding pattern before & after sanction of the scheme will be as follows:**

Existing share holding pattern				Share holding pattern post reduction of share capital and after issue of fresh equity shares			
Category	No. of shares	Amount (RS. In Lacs )	%of share holding	No. of shares	Total no. of Shares	Amount (Rs. In Lacs)	%of share holding
Promoters	1243350	124.33	8.02	1243350			
Fresh issue to promoters				23250000	24493350	979.74	63.21
Indian Public	8933316	893.34	57.64	8933316	8933316	357.33	23.06
NRI	109218	10.92	0.70	109218	109218	4.37	0.28
Overseas Corporate Bodies	34200	3.42	0.22	34200	34200	1.37	0.09
Bodies Corporate	4459304	445.93	28.77	4459304	4459304	178.37	11.50
FI/Banks	694312	69.43	4.48	694312	694312	27.77	1.79
Mutual Funds	26300	2.63	0.17	26300	26300	1.05	0.07
<b>Total</b>	<b>1,55,00,000</b>	<b>1550.00</b>	<b>100.00</b>	<b>38750000</b>	<b>38750000</b>	<b>1550.00</b>	<b>100.00</b>





The proposed Issue of equity shares shall be in locked -in accordance with the provisions of the Securities and Exchange Board of India( Issue of capital and Disclosures Requirements) Regulations, 2009, as amended from time to time.

None of the directors except Mr. Daud Ali is interested or concerned in any way in passing of the resolutions.

Registered Office : By Order of the Board of Directors

Kodiyat Road,

Village : Sisarma

Daud Ali

Distt. : Udaipur

Managing Director

Dated : 23-05-2012

Note :

(1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND 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 MEETING.

(2) The Register of Members and Share Transfer Books of the Company shall remain closed from 21.06.2012 to 28.06.2012 (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.

(4) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participants in securities market, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

#### (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.Magan Lal Sharma	Mr.Narendra Bhanawat
Age	54 Years	45 Years
Qualification	B.com.	B.com.
Experience	Vast experience in manufacturing of plastics processing line and finance activities	Vast experience in manufacturing of plastics processing line and finance activities
Director of the Company Since.	May, 2006	February, 2002
Other Directorship	Nil	01
Shareholding	Nil	Nil

Registered Office :

By Order of the Board of Directors

Kodiyat Road,

Village : Sisarma

Daud Ali

Distt. : Udaipur

Managing Director

Dated : 23-05-2012





## DIRECTORS' REPORT

To The Members,

The Directors of your Company have pleasure in presenting their Twentieth Annual Report and the Audited Accounts of the Company for the year ended 31.3.2012.

### FINANCIAL RESULTS

(Rs. in lacs.)

Particulars	2011-2012	2010-2011
Turnover	2451.91	2090.96
Other Income	81.66	0.64
Profit/(Loss)-before Tax, Interest, Depreciation and extra ordinary items	49.98	8.96
Interest	43.42	0
Depreciation	109.03	109.62
Profit/(Loss) before Tax and extra ordinary items	-102.47	-100.66
Provisions for Income Tax	0	0
Extra Ordinary items	0	2911.67
Profit/(Loss) after Tax and extra ordinary items	0	2811.01
Surplus carried from previous year	-6749.39	-9560.40
Balance carried to Balance Sheet	-6851.86	-6749.39

### DIVIDEND

In view of the poor performance of the Company your Directors are unable to recommend any dividend for the year 2011-2012.

### OPERATIONS

During the year under review the Company recorded a turnover of Rs.2451.91 lakhs (pr.yr. Rs. 2090.96 lakhs) and incurred a loss of Rs.102.47 lakhs (Pr.Yr. Rs. 100.66 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 AAIFR has set aside the orders of BIFR and has remanded back matter to BIFR. BIFR/ IDBI (OA) is in process of formulating Draft revival Scheme.

### DIRECTORS

Mr.Magan Lal Sharma, 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, 2012, 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:

- in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to the material departures;
- 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 Note No.30) of the Company for that period;
- 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;
- 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 at AAIFR, AAIFR has set aside the orders of BIFR and has remanded back matter to BIFR. BIFR/ IDBI (OA) is in process of formulating Draft revival Scheme. 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 separate 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 Sampatila 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.