



ANNUAL REPORT - 2012-2013



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

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.

CONTENTS	Page No.
Notice	4
Directors' Report	5
Management Discussion and Analysis	6
Corporate Governance Report	7
Auditors' Report	10
Balance Sheet	13
Profit & Loss Account	14
Cash Flow Statement	15
Accounting Policies and Notes to the accounts	16



NOTICE

NOTICE is hereby given that the Twenty First 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 Saturday 29th day of June, 2013 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, 2013 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
Kodyat Road,
Village : Sisarma Daud Ali
Distt. : Udaipur Managing Director
Dated : 27-05-2013

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 26.06.2013 to 29.06.2013 (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. Mukesh Kumar Kothari
Age	44 Years
Qualification	M.com.
Experience	Vast experience in Finance and other Tax activities
Director of the Company Since	January, 2010
Other Directorship	Nil
Shareholding	Nil

Registered Office : By Order of the Board of Directors
Kodyat Road,
Village : Sisarma Daud Ali
Distt. : Udaipur Managing Director
Dated : 27-05-2013



DIRECTORS' REPORT

To The Members,

The Directors of your Company have pleasure in presenting their Twenty First Annual Report and the Audited Accounts of the Company for the year ended 31.3.2013

FINANCIAL RESULTS

(Rs. in lacs.)

Particulars	2012-2013	2011-2012
Turnover	2800.22	2451.91
Other Income	37.67	81.66
Profit/Loss(-)before Tax, Interest, Depreciation and extra ordinary items	50.13	49.98
Interest	37.18	43.42
Depreciation	109.45	109.03
Profit/(Loss) before Tax and extra ordinary items	-96.50	-102.47
Provisions for Income Tax	0	0
Extra Ordinary items	308.65	0
Profit/(Loss)after Tax and extra ordinary items	212.15	-102.47
Surplus carried from previous year	-6851.86	-6749.39
Balance carried to Balance Sheet	-6639.71	-6851.86

DIVIDEND

your Directors are unable to recommend any dividend for the year 2012-2013, as the amount is kept for the Company's future operations

OPERATIONS

During the year under review the Company recorded a turnover of Rs.2800.22 lakhs (pr.yr. Rs. 2451.91 lakhs) and incurred a loss of Rs.96.50 lakhs (Pr.Yr. Rs. 102.47 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. The BIFR has circulated a draft revival scheme prepared by the operating agency viz. IDBI for the revival of the Company to the concerning persons for their consent.

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, 2013, 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. The BIFR has circulated a draft revival scheme prepared by the operating agency viz. IDBI for the revival of the Company to the concerning persons for their consent. 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 Sampatiah 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.

Cost Auditors:

The Ministry of Corporate Affairs (MCA) has introduced The Companies (Cost Accounting Records) Rules, 2011 published vide GSR 430(E) dated 03rd June, 2011 which have become applicable to the Company with effect from the financial year 2011-12. Henceforth, the Company is required to maintain and keep cost records of all its units and branches. Further the Company to which these rules apply is required to submit a Compliance Report duly certified by a Cost Accountant, along with the Annexure to the Central Government in prescribed Form. In view of the above, based on the recommendations of Audit Committee, the Board of Directors at its meeting held on 27th May, 2013 has appointed M.S.Mehta & Associates, a Practicing Cost Accountant, as the Cost Auditor to



issue Compliance Certificate for the financial year 2012-2013.

Further, in compliance with the Industry wise specific Cost Audit order no. 52/26/CAB-2010 dated 6th November, 2012, which became applicable to the products manufactured by the company, M.S.Mehta & Associates has been appointed as the cost Auditor to conduct cost audit for the financial year 2013-14 at Board meeting of the company held on 27th May, 2013.

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 : 27-05-2013

DAUD ALI NARENDRA BHANAWAT
Managing Director Executive Director

ANNEXURE "A" TO THE DIRECTORS REPORT MANAGEMENT'S DISCUSSION AND ANALYSIS

The Directors have the pleasure of presenting the Management Discussion and Analysis Report for the year ended 31-03-2013.

A. INDUSTRIAL STRUCTURE AND DEVELOPMENT

Your company is leading producer of plastic moulded furniture and other injection moulded articles and has a major share in the market. Your Company has seven injection moulding machines, out of it four are indigenous and three are imported and has many moulds/dyes to manufacture plastic moulded furnitures.

Your Company has a total capacity of 9452.000 m.t. per annum. The company is facing severe liquidity crisis and presently capacity utilization is very lower. The capacity utilization of company will increase as soon as funds for working capital will be available. Due to shortage of funds machines and number of moulds remain idle. The company can utilise these only after availability of funds.

Total production during the period from 01.04.2012 to 31.03.2013 is 2847.80 m.t. against the production of 2551.46 m.t. in the preceding year registering a growth of 11.61%. The excess availability as compared to demand has led to severe competition in the market, which has led to the falling price of moulded furnitures.

B. OPPORTUNITIES AND THREATS.

Plastic moulded furniture is replacing wooden and iron furniture day by day due to its low cost hence demand and scope of plastic moulded furniture is also increasing drastically.

The capacity utilization of your company is presently lower due to shortage of working capital, capacity utilization can be increased immediately after availability of funds. Company has to contend with the threat of increased competition from other plastic moulded furniture manufacturers also.

C. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE.

Your Company is manufacturing plastic moulded furnitures and storage bins. Plastic moulded furniture includes chairs, tables, sunlounger, trolleys etc.

The production of chairs, other articles and house hold articles for the period ended on 31.03.2013 is 2847.80 m.t.

D. OUTLOOK

Margin in plastic moulded furniture are expected to go down on account of increase in supply and possible increase in raw material prices. Your Company is trying to increase its production as soon as working capital is available and is also trying to launch new model of chairs and other articles. Your Company will endeavour to maintain, and enhance its position in the furniture market.

E. RISKS AND CONCERNS

Hike in raw material price, reduction in selling prices and power cost are major issues requiring immediate attentions.

The company faces a threat from competitors, which can, with their new low cost machinery, make a dent in the specially market share of the Company.

Higher labour cost and distance from consumption centers put pressure on the Company financials.

F. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY.

There exists a proper and adequate internal control system in the Company for all its activities including safeguarding and protecting its assets against any loss from its unauthorized use or disposition. All transactions are properly documented, authorized, recorded and reported correctly. All the transaction in the Company ensures that all the systems procedures are followed, authorized and recorded properly in the computer media. The system is continuously improved and its effectiveness is enhanced based on feedback from the field.

The above control is further supplemented by exhaustive scope of Internal audit, which is carried out by ISO auditors. The policies, procedures and internal control are further reviewed by management on periodical basis.

G. FINANCIAL PERFORMANCES.

Your company achieved a turnover of Rs.2800.22 lakhs during the year 2012-2013. The net loss after Tax etc. for the year amounted to Rs.96.50 lakhs before extra ordinary items, subject to provision for interest.

H. HUMAN RESOURCES.

The Industrial relation situation was cordial and harmonious and continues to be so at present. The Company has conducted computer training programme primarily to enhance the skill of the workforce. Your Company has the strength of 39 staffs and 47 workers.

Cautionary Statement :

The Statement in the "Management Discussion and Analysis Report" Section describes the Company's objectives, projections, estimates, expectations and predictions which may be "forward looking statements" within the meaning of the applicable securities laws and regulations and actual results might differ materially from those expressed or implied, depending on the economic and climatic conditions, Government policies and other incidental factors.



**CORPORATE GOVERNANCE REPORT FOR THE PERIOD
APRIL 1, 2012 TO MARCH 31, 2013
ANNEXURE "B" TO THE DIRECTORS REPORT**

A. COMPANY'S PHILOSOPHY

Your Company firmly believes in philosophy of **SERVING SOCIETY THROUGH INDUSTRY**, with the PEACOCK culture being 'We live every moment of life in harmony with nature to create value for ourselves, our stakeholders and the society'.

We also believe in adopting the best global practices in the area of corporate governance and follows the principles of full transparency, accountability, responsibility and fairness, thereby protecting the interests of all its stakeholders.

B. BOARD OF DIRECTORS :

(i) Composition of Board

The Board of Directors consists of Four members. Two executive and two are non executive. Out of Four Directors two are Independent which is 50% of the total strength of the board. The Company has no Chairman.

(ii) During the period April 2012 to March 2013, Four Board meetings were held, with atleast one meeting in every quarter and the maximum time gap between any two meetings was not more than four months at the following dates :-

- (a) May 23, 2012 (b) July 28, 2012 (c) October 27, 2012
(d) January 24, 2013.

The composition and other details are as under :-

Name of Director	Category of Director	No. of the other directorship held	Membership in committee of other Comp.-held	No. of Board meetings attended	Attendance in last AGM held Yes/No
Mr. Daud Ali	Promoter	04	00	4	Yes
*Mr. Narendra Bhanawat	Independent Executive	01	00	4	Yes
Mr. Magan Lal Sharma	Independent Non Executive	00	00	4	Yes
Mr. Mukesh Kumar Kothari	Independent Non Executive	00	00	4	Yes

(iii) Details of sitting fees etc. paid to Directors.

No sitting fee was paid during 2012-2013 for attending meetings of the Board and/or committee thereof.

(iv) Pecuniary Relationship

Independent Non Executive Directors do not have any Pecuniary Relationship with the Company.

C. AUDIT COMMITTEE

The details of the composition, category of members etc. of Audit Committee are as under :-

Name	Category	No. of Meetings held	No. of Meetings attended
Mr. Magan Lal Sharma (Chairman)	Independent Non Executive	04	04
Mr. Narendra Bhanawat	Independent Executive	04	04
Mr. Mukesh Kumar Kothari	Independent Non Executive	04	04

Mr. M.L. Sharma, Mr. Narendra Bhanawat, and Mr. Mukesh Kumar Kothari have expert knowledge of finance and accounting. The role,

powers and functions of the Audit Committee are as stated in clause 49 of the Listing Agreement and Section 292 A of the Companies Act, 1956. The committee reviews the financial statements and other important issues before they are recommended to the Board.

Minutes of each Audit Committee are placed before and discussed in the Board.

The Audit Committee meetings were held on 23rd May, 2012, 28th July, 2012, 27th October, 2012 and 24th January, 2013. The necessary quorum was present at all the meetings and all the members attended all the meetings.

D. REMUNERATION OF DIRECTORS :

(i) Remuneration to Non Executive Directors

The remuneration, if any, of non-executive Directors shall be recommended by remuneration committee and decided by the Board of Directors.

(ii) Remuneration of Directors

Name Director	Salary	Benefits	Bonus	Stock option	Performance linked incentives	Service Contract /Notice period/severance fee
Mr. Daud Ali	888,500	106560	Nil	Nil	Nil	*
Mr. Narendra Bhanawat	54,000	18480	Nil	Nil	Nil	*

*N.A. / Notice period 3 months / N.A.

Code of Conduct

The Board of Directors of Peacock Industries Limited has laid code of conduct for all the directors and senior management. All Directors and designated personnel in the senior management cadre of the Company have affirmed compliance with their respective codes for the year under review. The declaration to this effect signed by Mr. Daud Ali, Managing Director is annexed to this report.

E. BOARD PROCEDURE

As per Corporate policy, most of the Statutory and material information is placed before the Board with a view to enable it to discharge its responsibilities efficiently in formulating the strategies and policies for the growth of the Company vis a vis its various stakeholders. The agenda and other relevant papers were circulated well ahead of the scheduled dates of the meeting. All major issues included in the agenda are backed up by comprehensive background information to enable the Board to take informed decisions. The Managing Director briefs the Board at every meeting on the overall performance of the Company. The important matters discussed at the meetings of the Audit Committee and the Share holders'/Investors Grievance Committee are also highlighted. Opinion and advices of the independent non-executive Directors are considered valuable guidance.

During the period April 2012 to March 2013, Four Board meetings were held, The maximum time gap between any two meetings was not more than four months.

There is no Director who is a member in more than ten committees or acts as a Chairman of more than five committees.

F. MANAGEMENT

(i) Management Discussion and Analysis

Management Discussion and Analysis is a part of this Annual report.

(ii) Disclosures

- i) For related party transactions please refer Note No.26 to the accounts.



- ii) There was no non-compliance of any provision of law by the Company, nor any penalty / stricture was imposed on the Company by Stock Exchange (s), SEBI or any other authority on any matter related to capital markets during the last three years.

G. SHAREHOLDERS

(i) Shareholders/Investors Grievance Committee :

The Shareholders/Investors Grievance Committee specifically looks into various issues relating to shareholders/ investor grievances relating inter alia to non-receipt of annual report, non delivery of shares after transfer/delay in transfer/demat of shares etc.

The Company has also adopted a code of conduct for Prevention of Insider Trading in the Share of the Company, pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation 1992. The Board has designated Mr. P.C. Talesra, as a Compliance officer and authorised the committee to monitor the compliance as required under the aforesaid regulations.

The Shareholders/Investors Grievance Committee has following members, meetings and attendance of members during the financial year :-

Name	Category	No. of Meetings held	No. of Meetings attended
Mr. Magan Lal Sharma (Chairman)	Independent Non Executive	04	04
Mr. Narendra Bhanawat	Independent Executive	04	04
Mr. Mukesh Kumar Kothari	Independent Non Executive	04	04

The Board has designated Mr. P.C. Talesra as a compliance Officer.

(ii) Share Transfer Committee :

The Company's shares are traded in the dematerialised form on stock exchanges. To expedite the transfer in physical segment, the Company has constituted a Share Transfer Committee in February, 1993. The Committee approves share transfer and transmission, issue of duplicate certificates and reviews all other matters connected with securities.

The committee presently comprises of the following persons.

Mr. Magan Lal Sharma (Chairman)	Independent Non Executive
Mr. Narendra Bhanawat	Independent Executive
Mr. Mukesh Kumar Kothari	Independent Non Executive

Share Transfer and Complaints received and redressed during the year:-

Complaints				Share Transfer	
Received from	Received & cleared	Pending		Particulars	No of shares
Direct to the Company	09	09	Nil	No. of Shares received for transfer	12800
Through SEBI/ROC	01	01	Nil	No. of Shares transferred	12800
Through Stock Exchange(s)	02	02	Nil	No. of Shares Pending	Nil
Investors Association	Nil	Nil	Nil	No. of Shares returned due to objection	Nil

H. General Body Meetings :

(i) Location, date and time when General Body Meetings were held in the last three years :

Year	Date	Time	Type of Meeting	Location	No. of Special Resolution passed
2009-2010	21-07-10	10.00 a.m.	AGM	Kodiyat Road, Sisarma, Udaipur	00
2010-2011	02.07.11	10.00 a.m.	AGM	Kodiyat Road, Sisarma, Udaipur	00
2011-2012	28.06.12	10.00 a.m.	AGM	Kodiyat Road, Sisarma, Udaipur	02 -

I. POSTAL BALLOT SYSTEM

No special resolution was put through postal ballot last year and nor is any proposed for this year.

J. MEANS OF COMMUNICATION

The quarterly/Half yearly/Annually / un-audited/Audited financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors and displayed on company's website :- www.peacockindustries.com

Management Discussion and Analysis Report for the year ended 31st March, 2013 is in this Annual Report.

K. GENERAL SHAREHOLDER INFORMATION :

i. Annual General Meeting :

Day, Date and Time	Saturday, 29-06-2013 at 10.00 A.M.
Venue	Peacock Industries Limited, Kodiyat Road, Vill: Sisarma, Udaipur (Raj) - 313 001

ii. Financial Calendar : Financial Reporting for

Financial year	April 1 to March 31
Board Meeting for consideration of accounts for the year ended March 31, 2013	May 27, 2013
Board Meeting for consideration of unaudited results for the first three quarters of the current financial year viz. April 01, 2013 to March 31, 2014	Within 45 days from the end of the relevant quarter as stipulated under the listing agreement with the Stock Exchanges.
Audited results, if any, for the current year ending March 31, 2014	Within 60 days from the end financial of the last quarter as stipulated under the Listing Agreement with Stock Exchanges.

iii. Date of Book Closure : 28-06-2013 to 29-06-2013 (both days inclusive)

iv. Dividend payment data : Not Applicable

v. Listing on Stock Exchanges :

Name of Stock Exchange	Stock Code No.
The Stock Exchange, Mumbai (BSE)	500327
National Stock Exchange of India Ltd. (NSE)	PEACOCKIND

The Listing Fee have been paid except in the case of Jaipur Stock Exchange Ltd, Jaipur, The Calcutta Stock Exchange Association Ltd, Calcutta and Delhi Stock Exchange Association Ltd. Delhi.