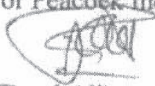
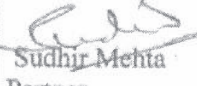
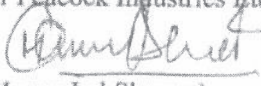


FORM - A
PEACOCK INDUSTRIES LIMITED
ANNUAL AUDIT REPORT

1	Name of Company	Peacock Industries Limited
2	Annual Financial Statements for the year ended	31 st March, 2014
3	Type of Audit qualification	Un-Qualified
4	Frequency of qualification	Nil
5	To be signed	
	Managing Director	For Peacock Industries Ltd.  (Daud Ali) Managing Director 
	CFO	Nil
	Auditor of the Company	For Sampatilal Bohara & Co Chartered Accountants  Sudhir Mehta Partner 
	Audit Committee Chairman	For Peacock Industries Ltd.  (Magan Lal Sharma) Chairman Audit Committee 



ANNUAL REPORT
2013-2014



BOARD OF DIRECTORS

Daud Ali	Managing Director
Narendra Bhanawat	Executive Director
Magan Lal Sharma	Director
Mukesh Kumar Kothari	Director
Mrs. Namrata Babel	Director (w.e.f. 29.5.2014)

COMMITTEE OF THE BOARD

AUDIT COMMITTEE

Magan Lal Sharma - Chairman
Narendra Bhanawat
Mukesh Kumar Kothari
Mrs. Namrata Babel

STAKEHOLDERS RELATIONSHIP COMMITTEE

Magan Lal Sharma - Chairman
Narendra Bhanawat
Mukesh Kumar Kothari
Mrs. Namrata Babel

NOMINATION AND REMUNERATION COMMITTEE

Magan Lal Sharma - Chairman
Narendra Bhanawat
Mukesh Kumar Kothari
Mrs. Namrata Babel

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:-investor@italicafurniture.com

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Accounting Policies and Notes to the accounts	15

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 Twenty Second Annual Report and the Audited Accounts of the Company for the year ended 31.3.2014

FINANCIAL RESULTS

(Rs. in lacs.)

Particulars	2013-2014	2012-2013
Turnover	3469.78	2800.22
Other Income	121.20	37.67
Profit/Loss(-) before Tax, Interest, Depreciation and extra ordinary items	104.24	50.13
Interest	41.61	37.10
Depreciation	87.67	109.45
Profit/(Loss) before Tax and extra ordinary items	-25.04	-96.50
Provisions for Income Tax	0	0
Extra Ordinary items	1506.11	308.65
Profit/(Loss) after Tax and extra ordinary items	1461.07	212.15
Surplus carried from previous year	-6639.71	-6651.06
Balance carried to Balance Sheet	-5156.64	-6639.71

DIVIDEND

In view of the poor performance of the company, your Directors are unable to recommend any dividend for the year 2013-2014.

OPERATIONS

During the year under review the Company recorded a turnover of Rs.3469.78 lakhs (pr.yr. Rs.2800.22 lakhs) registering a growth of 23.91% over the previous year and earned a cash profit of Rs.62.63 lakhs (pr.yr. Rs. 12.95 lakhs).

The Management is taking every possible step to stream line its operations and to put the Company on growth path. Its endeavours are manifesting the results despite non-availability of adequate working capital, competitive environment etc.

Your directors hope with the implementation of the revival scheme as sanctioned by the Board for Industrial and Financial Reconstruction (BIFR), the endeavours of the management will get momentum.

REHABILITATION AND REVIVAL

Your company is viable and can be revived. Acknowledging this the Board for Industrial and Financial Reconstruction (BIFR) sanctioned a scheme for rehabilitation of the Company vide order dated 15.07.2013 on certain terms and conditions. The scheme inter alia includes reduction of the share capital, infusion of the funds by the promoter and relief, concession and waivers etc.

The Scheme is under implementation and in accordance with the sanctioned scheme

- The Company reduced the share capital to the extent of 60% by reducing the paid up value of per share from Rs. 10/- to Rs. 4/- thereby reducing the share capital 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.
- Promoters infused a sum of Rs. 930.00 lakhs by way of capital. Against this Company issued 23250000 equity shares of Rs. 4/- each aggregating to Rs. 930.00 lakhs.

CAPITAL :

Authorised :

During the year the authorised share capital of the company was altered by sub-dividing its equity share of Rs.10/- each into equity share of Rs.4/- each. After sub-division the authorised share capital is Rs. 2500 lakhs divided into 62500000 equity shares of Rs. 4/- each.

ISSUED, SUBSCRIBED AND PAID-UP :

Consequent upon the implementation of the Sanction Scheme as mentioned under para "REHABILITATION AND REVIVAL" above the issued, subscribed and paid up capital of the Company is Rs.1550 lakhs divided into 38750000 equity shares of Rs. 4/- each.

ISSUE OF EQUITY SHARE ON PREFERENTIAL BASIS

To provide the adequate working capital to support the operations subsequent upon the sanction of scheme by the BIFR on long term basis the Company issued 13750000 warrants convertible into equity shares for a consideration of Rs. 4/- each to the promoters and investors in accordance with the chapter VII of the Securities and Exchange Board of India (Issue of share capital and Disclosure Requirements) Regulations, 2009. On 11.01.2014 entitling the holder of each warrant, from time to time to apply for and obtain allotment of one equity share of Rs.4/- (Rupees four only) each fully paid up against such warrant, in one or more tranches not exceeding 18 months from the date of allotment of warrants.

DIRECTORATE :

In terms of the Articles of Association of the Company, Mr. Magan Lal Sharma (DIN:00250883), Mr. Narendra Bhanawat (DIN:00146824) Directors retire at the ensuing Annual General Meeting. Mr. Narendra Bhanawat being eligible has offered himself for re-appointment. The Company has received requisite notice in writing from member proposing Mr. Magan Lal Sharma for appointment as an Independent Director.

Mrs. Namrata Babel (DIN:06910061) was appointed as an additional Director with effect from 29-05-2014 and she ceased to be a director at the commencement of the ensuing annual general meeting. The Company has received a notice in writing under section 160 proposing her for the office of director as an Independent Director alongwith requisite deposit.

The Board has received declaration from the Independent Directors of the Company confirming that Mr. Magan Lal Sharma and Mrs. Namrata Babel meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Your Directors recommend the above appointment /re-appointment.

In terms of the Articles of Association of the Company, Mr. Magan Lal Sharma (DIN : 00250883) and Mr. Narendra Bhanawat (DIN:00146824) Directors retire at the ensuing Annual General Meeting. Mr. Narendra Bhanawat being eligible has offered himself for re-appointment. The Company has received requisite notice in writing from member proposing Mr. Magan Lal Sharma for appointment as Independent Director.

The Company has received declaration from the Independent Director of the Company confirming that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Your Directors recommend the above appointment /re-appointment.

FIXED DEPOSITS :

The Company has not accepted any deposit from public during the year ended 31st March, 2014, under section 58-A of the Companies Act, 1956.

LISTING OF SHARES

The Equity Shares of your Company are listed on the Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and the National Stock Exchange Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra-East, Mumbai 400051. The listing fees for the year 2013-2014, has been paid

The 2,32,50,000 Equity Shares @ Rs.4/- per shares as per revival



scheme have been listed and trading approval have been received from Bombay Stock Exchange Limited and National Stock Exchange Limited.

The Bombay Stock Exchange Limited and National Stock Exchange Limited, Exchange has granted pre-approval of 1,37,50,000 warrants @ Rs.4/- to Promoters and Investors on preferential basis as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

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, if any,
- (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 of the Company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records, 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) The directors had prepared the annual accounts 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 loss 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

The Board of Directors of the Company have on the recommendation of the Audit Committee proposed that M/S Sampatilal Bohara & Co.,

Chartered Accountants, Udaipur be re-appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company. M/s Sampatilal Bohara & Co., Chartered Accountants, Udaipur have forwarded their letter to the Company stating that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Auditors' observations in their report are self explanatory and hence do not call for any further clarification.

Cost Auditors :

Pursuant to the orders issued by the Central Government, the Board of Directors of your Company has appointed M/s Hitesh Jain & Associates as a Cost Auditor for conducting the audit of cost records of the Company for the Financial Year 2014-15.

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.

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under clause 49 of the Listing Agreement with the Stock Exchanges, all Board members and the senior management personnel have confirmed compliance with the Business ethics and code of conduct for the year ended March, 31, 2014.

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

Dated : 29-05-2014

for and on behalf of the Board of Directors

DAUD ALI
Managing Director

NARENDRA BHANAWAT
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 31-03-2014.

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/dies 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 01.04.2013 to 31.03.2014 is 3095.572 m.t. against the production of 2647.600 m.t. in the preceding year registering a growth of 6.70%. 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 manufacturer 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 31.03.2014 is 3095.572 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.3469.78 lakhs during the year 2013-2014 registering a growth of 23.91% over the previous year and earned a cash profit of rs.62.63 lakhs (pr.yr.Rs12.95 lakhs.)

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 42 staffs and 46 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, 2013 TO MARCH 31, 2014**

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 2013 to March 2014, Nine Board meetings were held, with atleast one meeting in every quarter and the maximum time gap between any two meetings was not more than 120 days at the following dates :-

(a) April 17, 2013 (b) May 27, 2013 (c) June 20, 2013 (d) July 18, 2013 (e) July 20, 2013 (f) November 14, 2013 (g) November 30, 2013 (h) January 11, 2014 (i) February 10, 2014.

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	9	Yes
Mr. Narendra Bhanawat	Independent Executive	01	00	9	Yes
Mr. Magan Lal Sharma	Independent Non Executive	01	00	9	Yes
Mr. Mukesh Kumar Kothari	Independent Non Executive	01	00	9	Yes

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

No sitting fee was paid during 2013-2014 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 27th May, 2013, 10th July, 2013, 14th November, 2013 and 10th February, 2014. The necessary quorum was present at all the meetings and all the members attended all the meetings.

D. Nomination and Remuneration committee

(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	888,000	106560	NIL	NIL	NIL	*
Mr. Narendra Bhanawat	54,000	15480	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 2013 to March 2014, Nine 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

- For related party transactions please refer Note No.25 to the accounts.
- 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) Stakeholders and Relationship Committee :

The Stakeholders and Relationship 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 Stakeholders and Relationship 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	15	15	Nil	No. of Shares received for transfer 1900
Through SEBI/ROC	02	02	Nil	No. of Shares transferred 1900
Through Stock Exchange(s)	04	04	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
2010-2011	02.07.11	10.00 a.m.	AGM	Kodiyat Road, Sisarma, Udaipur	00
2011-2012	25.06.12	10.00 a.m.	AGM	Kodiyat Road, Sisarma, Udaipur	02
2012-2013	29.06.13	10.00 a.m.	AGM	Kodiyat Road, Sisarma, Udaipur	00

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.italicafurniture.com

Management Discussion and Analysis Report for the year ended 31st March, 2014 is in this Annual Report.

K. GENERAL SHAREHOLDER INFORMATION :

i. Annual General Meeting :

Day, Date and Time	Thursday, 07-08-2014 at 9.00 A.M.
Venue	Peacock Industries Limited, Kodiyat Road, VII: 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, 2014	May 29, 2014
Board Meeting for consideration of unaudited results for the first three quarters of the current financial year viz. April 01, 2014 to March 31, 2015	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 : 04-08-2013 to 07-08-2014 (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)	PILIND

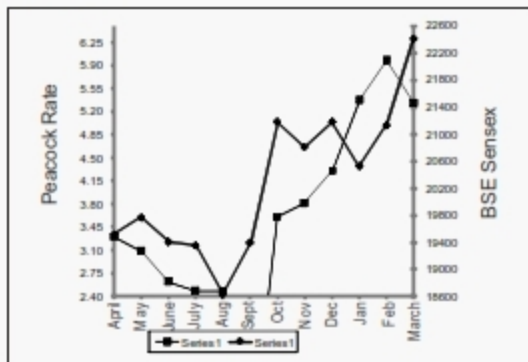
The Listing Fee have been paid except in the case of Jaipur Stock Exchange Ltd, Jaipur, The Calcutta Stock Exchange Association Ltd, Calcutta and Delhi Stock Exchange Association Ltd. Delhi.



vi. Market Price Data : Mumbai Stock Exchange

Month	High	Low	Month	High	Low
April	3.46	2.96	May	3.94	2.74
June	3.07	2.34	July	3.13	2.34
August	2.46	2.31	September	0	0
October	3.06	2.06	November	4.65	3.10
December	4.83	3.71	January	5.39	4.07
February	6.39	5.06	March	6.09	5.20

vii. Performance in comparison to broad based indices as BSE SENSEX.



viii. Registrar & Transfer agent :

All the physical share transfer work is done in-house at the Share Department at the registered office of the Company at Udaipur and for Demat work the Company has appointed a registrar.

Address for Correspondence :

For Demat Shares	For Physical Shares
Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West) MUMBAI - 400 076 E-mail : lsri@linkintime.co.in Tel No. : 022-25963838 Fax No. : 022-25946969	Peacock Industries Limited Kodiyat Road, VIII: Sisarma Udaipur (Rajasthan) 313 031 Investor@italicafurniture.com Tel.No. : 0294-2432271-72 Fax No.:0294-2430411

ix. Share Transfer System :

Presently, the Share transfer which are received in physical form are processed and the share certificates returned within a period of 15-20 days from the date of receipt, subject to the documents being valid and complete in all respect.

Shares held in dematerialized form are electronically traded in the depository and the registrar periodically receive from the depository the beneficiary holdings so as to enable them to update their records for sending all corporate communications and other matters.

Physically shares received for dematerialisation are processed and complete within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad Deliveries are immediately returned to depository participants under advise to the shareholders.

x. Distribution of Shareholding and Shareholding pattern as of 31-03-2014.

(a) Distribution of Shareholding

Shareholding of Shares	No. of Share holders	% of Total	Share Allotted	% of Total
Upto - 500	6065	67	1435099	4
501 - 1000	1420	16	1295514	3
1001 - 2000	751	8	1260517	3
2001 - 3000	264	3	706190	2
3001 - 4000	132	1	479194	1
4001 - 5000	157	2	761516	2
5001 - 10000	195	2	1484958	4
10001 - ABOVE	110	1	31324012	81
TOTAL	9117	100	36750000	100

(b) Shareholding Pattern

Category	No. of Shares	% Share holding
Promoters :		
Indian Promoters	24493350	63.21
NRI Promoters	0	0.00
Indian Public	5624487	22.26
NRI	100606	0.28
Overseas Corporate Bodies	22200	0.06
Bodies Corporate	4789245	12.36
Financial Institutions/Banks	694312	1.79
Mutual Funds	25500	0.06
Total	36750000	100.00

xi. Dematerialisation of Shares and Liquidity :

Trading of the Company's shares is compulsorily in dematerialised form for all investors since August 26, 2000, equity shares representing 99.11% have been dematerialised with the following depositories :

Description	ISIN NO.	Depositories
Equity Shares	INE000A01027	NSDL & CDSL

The liquidity of shares is normal.

xii. LOCATION OF PLANT : Kodiyat Road, Village: Sisarma, Udaipur

xiii. ADDRESS FOR COMMUNICATION

Peacock Industries Limited,

Kodiyat Road, Village : Sisarma, Dist-Udaipur (Raj.) 313 001

Phone No. : 0294-2432271-72 Fax No. : 0294-2430411

E-mail : Investor@italicafurniture.com

xiv. EXCLUSIVE E-MAIL ID FOR REDRESSAL OF INVESTORS COMPLAINTS :-

In terms of Clause 47 (f) of the Listing Agreement, please use the following contacts for redressal of Investors complaints.

E-mail : Investor@italicafurniture.com

xv. Website : www.italicafurniture.com



Auditors Certificate on Compliance of Conditions of Corporate Governance.

To,
The Board of Directors
Peacock Industries Limited,
Kodiyat Road, Sisarma
Udaipur

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by Peacock Industries Limited ('the company'), for the year ended March 31, 2014, as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination, conducted in the manner described in the 'guidance note on certificate of Corporate Governance' issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanation given to us and on the basis of our examination described above, the company has complied with the condition of Corporate Governance as stipulated in clause 49 of the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SAMPATILAL BOHARA & COMPANY
Chartered Accountants
FRN 03324C

SUDHIR MEHTA
Partner

PLACE : UDAIPUR

DATE : 29.05.2014

Membership No. 400920

CODE OF CONDUCT DECLARATION

I, Daud Ali, Managing Director of Peacock Industries Limited to the best of my knowledge and belief hereby declare that all Board members and senior management personnel have affirmed compliance with the Company's code of conduct for the year ended March 31, 2014.

Place : Udaipur
Date : 29-05-2014

DAUD ALI
(Managing Director)

CEO/CFO Certification

A certificate from the Managing Director and the Finance head on the financial statements of the Company was placed before the Board.



Independent Auditor's Report To the Members of PEACOCK INDUSTRIES LIMITED

Report on the Financial Statements :-

We have audited the accompanying financial statements of PEACOCK INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year 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 and cash flows 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 :-

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:

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other legal and Regulatory Requirements :-

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- As required by section 227(3) of the Act, we report that:
 - 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;
 - 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.
 - the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - on the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - 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 SAMPATILAL BOHARA & CO.
CHARTERED ACCOUNTANTS
FRN 003324C

SUDHIR MEHTA
PARTNER
Membership No.400920
Place : Udaipur ,Date : 29.05.2014



The Annexure referred to in paragraph 1 of the Our Report of even date to the members of PEACOCK INDUSTRIES LIMITED on the accounts of the company for the year ended 31.03.2014

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

THE AUDITORS REPORT

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets on the basis of available information.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) Company has not disposed off any substantial part of its fixed assets, which has any effect on its going concern during the year.
- 2) (a) As explained to us that the inventory has been physically verified during the year by management. In our opinion the frequency of verification is reasonable.
- (b) In our opinion, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business;
- (c) In our opinion the company is maintaining proper records of inventory, no material discrepancies were noticed on physical verification of the inventory.
- 3) The Company has not taken/granted loans from / to companies covered in the register maintained under section 301 of the Companies Act, 1956 (1 of 1956).
- 4) In our opinion and according to the information and explanations given to us during the course of the audit, there are adequate internal control procedure commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods.
- 5) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered into Registers maintained under section 301 of the Companies Act, 1956, and exceeding the value of Rs.5.00 lacs in respect any party.
- 6) The Company has not accepted any deposits from public within the meaning of section 58 A and hence the directives issued by Reserve Bank Of India and the provisions of section 58 A, 58 AA or any other relevant provisions of the Act and rules framed there under are not applicable.
- 7) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8) We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (9) (a) The undisputed statutory dues except provident fund, sales tax and income tax have been regularly deposited with appropriate authorities.

- (b) We are informed that Rs.42.24 lacs were out standing as at 31 st March, 2014 towards undisputed statutory dues in respect of Income tax, sales tax, wealth tax, custom Duty, excise duty, cess for a period of more than six months from the date they become payable.

- (C) We are informed that the followings were outstanding as at 31 st March 2014 towards disputed statutory dues :-

(Rs. in lacs)		
PARTICULARS	AMOUNT	REMARKS
Excise Duty (net of predeposit)	98.22	Pending at Commissionerate, Jaipur-II Rajasthan
Penalty by Enforcement Directorate	200.00	Pending at Rajasthan High Court, Jaipur
10) In our opinion, the accumulated losses of the company are more than fifty percent of its net worth. The Company has not incurred cash losses during the financial year covered under our audit and during the immediately preceding financial year.		
11) In our opinion and according to the informations and explanation given to us, the company has not defaulted in repayment of dues to a financial institution, bank.		
12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) order, 2003 are not applicable to the company.		
13) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) order, 2003 are not applicable to the company.		
14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) order, 2003 are not applicable to the company.		
15) During the year company has not given any guarantee for loans taken by others from banks or financial institutions.		
16) During the year company has not taken term loans.		
17) During the year neither short term funds were used for long term and nor long term funds for short term.		
18) The Company has made preferential allotment of shares to the parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956, we are of the opinion that the, price at which shares have been issued is not prima-facie prejudicial to the interest of the company.		
19) During the year company has not issued debentures.		
20) During the year the company has not raised money by public issues.		
21) According to information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.		

for SAMPATI LAL BOHRA & CO.
CHARTERED ACCOUNTANTS
FRN : 003324 C

SUDHIR MEHTA
PARTNER
Membership No.400920
Place : Udaipur
Date : 29.05.2014



BALANCE SHEET AS AT 31st MARCH, 2014

Particulars	Note No.	As at 31 March, 2014	As at 31 March, 2013
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	155,000,000	155,000,000
(b) Reserves and surplus	2	(243,495,209)	(607,657,506)
(c) Money received against share warrants	3	15,750,000	-
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	4	19,000,000	29,000,000
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities	5	27,116,484	29,576,664
(d) Long-term provisions		-	-
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	6	12,890,601	34,247,251
(c) Other current liabilities	7	124,223,342	460,635,466
(d) Short-term provisions	8	635,295	607,378
TOTAL		111,122,513	101,211,291
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	33,165,122	40,492,624
(ii) Intangible assets	10	1,372,642	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(v) Fixed assets held for sale		-	-
(b) Non-current investments	11	-	31,000
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	12	2,802,418	2,445,637
(e) Other non-current assets		-	-
2 Current assets			
(a) Current investments		-	-
(b) Inventories	13	45,657,143	39,647,464
(c) Trade receivables	14	16,048,332	9,439,316
(d) Cash and cash equivalents	15	2,296,041	1,556,715
(e) Short-term loans and advances	16	9,560,815	7,596,335
(f) Other current assets		-	-
TOTAL		111,122,513	101,211,291
Significant accounting policies		-	-
Notes on financial statement - note no. 1 to 35		-	-

In terms of our report attached.

For Sampati Lal Bohara & Co.
Chartered Accountants
FRN:003324C

(Sudhir Mehta)
Partner
Membership No.400920

For and on behalf of the Board of Directors

DAUD ALI
MANAGING DIRECTOR

NARENDRA BHANAWAT
DIRECTOR

Place : Udaipur
Date : 29.05.2014



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Note No.	For the year ended 31 March, 2014 (Rs.)	For the year ended 31 March, 2013 (Rs.)
A CONTINUING OPERATIONS			
1 Revenue from operations	17	346,978,110	280,021,931
2 Other Income	18	12,125,905	3,766,636
3 Total revenue (1+2)		359,104,015	283,788,567
4 Expenses			
(a) Cost of materials consumed	19	282,014,915	224,305,509
(b) Purchases of stock-in-trade	20	-	3,025,221
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(8,215,599)	(7,099,356)
(d) Employee benefits expense	22	16,956,149	14,384,964
(e) Finance costs	23	4,160,993	3,717,980
(f) Depreciation and amortisation expense	9,10	8,767,053	10,944,541
(g) Other expenses	24	57,925,073	44,156,686
Total expenses		361,608,584	293,438,545
5 Loss before Tax		(2,504,569)	(9,649,778)
6 Extra Ordinary Items		150,610,644	30,664,956
7 Tax expenses		-	0
8 Profit/Loss After Tax		148,106,075	21,215,178
9 Earning Per Share Basic and diluted - before Extra Ordinary Items		(0.07)	(0.62)
10. Earning Per Share Basic and diluted - after Extra Ordinary Items		4.67	1.37

Notes on financial statement - note no. 1 to 35

In terms of our report attached.

For Sampati Lal Bohara & Co.
Chartered Accountants
FRN:003324C

(Sudhir Mehta)
Partner
Membership No.400920

For and on behalf of the Board of Directors

DAUD ALI
MANAGING DIRECTOR

NARENDRA BHANAWAT
DIRECTOR

Place : Udaipur
Date : 29.05.2014



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

PARTICULARS	For the year ended		For the year ended	
	31.03.2014	31.03.2014	31.03.2013	31.03.2013
A Cash Flow From Operating Activities				
Net Profit / (Loss) before extraordinary items and tax		-2,504,569	-	-9,649,775
Adjustments for:				
Depreciation and amortisation	8,767,053		10,944,541	
Finance costs	4,160,933		3,717,950	
Interest Income	-161,677		-85,953	
		12,766,309		14,576,535
Operating profit / (loss) before working capital changes		10,261,740		4,926,760
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	-6,209,679		-10,155,535	
Trade receivables	-6,609,016		1,773,656	
Short-term loans and advances	-1,962,480		-786,661	
Long-term loans and advances	-356,761		-266,627	
Other current assets	0		0	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	-21,356,650		11,144,649	
Other current liabilities	-336,412,144		-22,232,966	
Other long-term liabilities	-2,460,200		-86,242	
Short-term provisions	27,917		125,292	
Long-term provisions	0	-375,339,033	0	-20,486,604
Cash flow from extraordinary items ##		2,73,866,866		30,664,956
Cash generated from operations		-91,210,425		15,303,112
Net cash flow from / (used in) operating activities (A)		-91,210,425		15,303,112
B. Cash flow from Investing activities				
Capital expenditure on fixed assets		-2,831,993		-633,647
Non Current Investment		31,000		
Net cash flow from / (used in) Investing activities (B)		-2,800,993		-833,847
C. Cash flow from financing activities				
Repayment of long-term borrowings	-10,000,000		-10,000,000	
Finance cost	-4,160,933		-3,717,950	
Interest Income	161,677		85,953	
Money Received against warrants	15,750,000			
Increase in Share Capital	93,000,000			
Net cash flow from / (used in) financing activities (C)		94,750,744		-13,631,997
Net Increase / (decrease) in Cash and cash equivalents (A+B+C)		739,326		837,268
Cash and cash equivalents at the beginning of the year		1,556,715		719,447
Cash and cash equivalents at the end of the year		2,296,041		1,556,715
*Comprises:				
(a) Cash In hand		225,356		166,643
(B) Balances with banks				
(i) In current accounts		2,067,685		1,370,072
		2,296,041		1,556,715

Significant accounting policies

Notes on financial statement - note no. 1 to 35

Extraordinary item comprises waiver of Rs. 2738.67 lacs by creditors as per revival plan sanctioned by hon'ble BIFR.

In terms of our report attached.

For Sampati Lal Bohara & Co.

Chartered Accountants

FRN:003324C

For and on behalf of the Board of Directors

(Sudhir Mehta)
Partner

400920

Place : Udaipur

Date : 29.05.2014

DAUD ALI
MANAGING DIRECTOR

NARENDRA BHANAWAT
DIRECTOR



1. SIGNIFICANT ACCOUNTING POLICIES:

A) Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B) Use of Estimates

The Preparation of Financial Statements require estimates and assumption to be made that affect the reported amount of assets and liabilities on the date to the financial statements and the reported amount of revenues and expense during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

C) Fixed Assets and Depreciation

- a) Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. All cost, including financing costs till commencement of production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations relating to specific borrowings attributable to the fixed assets are capitalised.
- b) Depreciation : The Company is providing depreciation on fixed assets on the fixed straight line method in the manner laid down in schedule XIV of the Companies Act, 1956.

D) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized.

E) Investment

Current investments are carried at lower of cost and quoted / fair value, computed category wise. Long Term investments are stated at cost. Provision for diminution in the value of long-term is made only if such a decline is other than temporary.

F) Excise duty /Service Tax

- a. The excise duty payable on stock of finished goods not cleared from the excise bonded warehouse is included in expenses and in the value of such stocks.
- b. Credit of the 'CENVAT' availed is adjusted towards the cost of raw material and fixed assets.

- c. The Central Excise Duty related to finished goods cleared during the year is deducted from sales value.
- d. Credit of service Tax is adjusted towards the cost of service.

G) Provision for current and deferred Tax :

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from timing difference between taxable and accounting income is accounted for using the tax rates and laws that are enacted or

H) Inventories

- a) The valuation is on the basis of F I F O method.
- b) Raw Materials, Stores and Spare Parts, Colors and Pigments etc. and Stock in transit are valued at cost.
- c) Finished Goods and Work-in-Process are valued at estimated cost or net realizable value whichever is lower.
- d) Scrap is valued at net realizable value.

I) Employee Retirement Benefits

- I. Gratuity is accounted for on actuarial valuation basis.
- II. Company's contribution to Provident Fund etc. during the year are charged to the Profit and Loss Statement.
- III. Benefits in terms of accumulated leaves and gratuity are accounted for on actuarial basis.

J) Foreign Exchange Transaction

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- b) (i) Foreign Currency transactions remaining unsettled at the end of the year are translated at the contracted rates, when covered by foreign exchange contracts and at year end rates in all other cases.
- (ii) Gains and losses on foreign exchange transaction/translation other than those relating to fixed assets are recognized to the respective accounts in the Profit and Loss Statement. Gain or loss on transaction of the long term liabilities incurred to acquire fixed assets is related as an adjustments to the carrying cost of such fixed assets.

K) Sales

Sales are accounted for taking into consideration the basic price as well as Central Excise Duty but excluding Sales Tax/VAT.

L) Expenses

Material known liabilities except interest on borrowings are provided for on the basis of available information's/estimates and liabilities not provided are given in the Balance Sheet by way of note.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March, 2014 (Rs.)	As at 31 March, 2013 (Rs.)
Note 1 Share capital		
(a) Authorised 25000000 (Pr.Yr.25000000) Equity Shares of Rs. 10.00 each	250,000,000	250,000,000
(b) Issued, Subscribed and fully paid up Opening Balance - 15500000 Equity shares @ Rs.10 each	155,000,000	155,000,000
less- reduction @ Rs.6 each as per scheme sanctioned by BIFR transfer to reserve and surplus	93,000,000	-
Add- 23250000 Equity shares @ Rs. 4/ each issued during the year	93,000,000	-
Closing balance- 38750000(Pr. Yr. 15500000) Equity shares of Rs. 4 (Pr. Yr. 10) each with voting rights		
Total	155,000,000	155,000,000
Note No. 1.1 Reconciliation of number of shares		
At the beginning of the year	15,500,000	15,500,000
Add -issued during the period	23,250,000	-
At the end of the year	38,750,000	15,500,000

Note No. 1.2 Names of Share Holders holding more than 5 % Shares in the company

PARTICULARS	2013-2014 Number of equity Shares	2013-2014 %	2012-2013 Number of equity Shares	2012-2013 %
Dawood Investments Private Limited	24,414,300	63.00	1,164,300	7.51
Park Continental Limited	3,356,405	8.66	3,018,310	19.05

Particulars	As at 31 March, 2014 (Rs.)	As at 31 March, 2013 (Rs.)
Note 2 Reserves and surplus		
(a) Securities premium account As per last balance sheet	53,600,000	53,600,000
(b) General reserve As per last balance sheet	2,513,123	2,513,123

Note 9 Fixed assets - Tangible Assets

Tangible assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Balance as at 01.04.2013 (Rs.)	Addition During the year (Rs.)	Deduction During the year (Rs.)	TOTAL 31.03.2014	Balance as at 1 April, 2013 (Rs.)	Additions (Rs.)	Deduction Adjustment During the year (Rs.)	TOTAL	Balance as at 31 March 2014 (Rs.)	Balance as at 31 March 2013 (Rs.)
(a) Land Freehold	1,142,737	-	-	1,142,737	-	-	-	0	1,142,737	1,142,737
(b) Buildings	64,693,056	229,357	-	64,922,413	35,570,673	2,160,748	-	37,731,511	27,190,902	29,122,293
(c) Plant and Equipment	661,654,234	924,521	-	662,778,755	673,910,749	8,164,238	-	680,074,987	2,703,766	7,943,485
(d) Furniture and Fixtures	2,193,766	-	-	2,193,766	2,161,300	0,000	-	2,163,355	30,413	32,466
(e) Vehicles	874,546	-	-	874,546	874,546	-	-	874,546	-	-
(f) Office equipment	7,741,269	270,115	-	8,019,384	5,489,426	412,654	-	5,902,082	2,117,302	2,251,841
TOTAL	756,499,612	1,431,993	-	758,931,605	716,006,768	8,739,695	-	726,746,463	33,185,122	40,492,824
Previous Year	757,605,705	833,847	-	758,439,552	707,062,247	10,944,541	-	718,006,788	40,492,824	50,603,516

© Capital Reduction Reserve As per Last Balance sheet	-	-
Add : Reduction in share capital	93,000,000	-
less: Transfer to write off accumulated losses as per BIFR Scheme	93,000,000	-
	56,113,123	56,113,123
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(663,970,631)	(665,165,809)
Add: Profit / (Loss) for the year	146,106,075	21,215,176
Add : transfer from capital reduction reserve	93,000,000	-
Add : Principal waiver as per BIFR Scheme	123,256,224	-
Closing balance	(299,608,332)	(663,970,631)
Total	(243,495,209)	(607,857,508)

Note 3 Money Received against share warrants

Particulars	As at 31 March, 2014 (Rs.)	As at 31 March, 2013 (Rs.)
Money Received against share warrants	15,750,000	-
Total	15,750,000	-

Note 3.1- 1,37,50,000 warrants convertible in to equity shares issued @Rs.4/- each on 11.01.2014 with an option to convert warrant in to equity shares within a period of 18 month from the date of allotment of warrant i.e.11.01.2014 .

Note 4 Long-term borrowings

Particulars	As at 31 March, 2014 (Rs.)	As at 31 March, 2013 (Rs.)
(a) Term Loan From other parties Secured	19,000,000	29,000,000
Total	19,000,000	29,000,000

Note 4.1 Maturity profile, rate of interest and security of term loan from others :- Term loan is from Stressed Assets Stabilisation Fund and rate of interest is 8 % The term loan is repayable in 24 qtrly instalment , 23 instalment of Rs.25.00 lac each and 24th qtrly instalment is of Rs. 15.00 lacs . Last instalment is payable on 01.04.2017. The Company has not defaulted in repayment . The term loan is secured by way of equitable mortgage by deposit of title deeds of immovable property and also guaranteed by directors of company.



Note 10 Fixed assets - Intangible Assets

Tangible assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Balance as at 01.04.2013 (Rs.)	Addition During the year (Rs.)	Deduction During the year (Rs.)	TOTAL 31.03.2014	Balance as at 1 April, 2013 (Rs.)	Additions (Rs.)	Deduction Adjustment During the year (Rs.)	TOTAL	Balance as at 31 March 2014 (Rs.)	Balance as at 31 March 2013 (Rs.)
Computer Softwares	-	1,400,000	-	1,400,000	-	27,358	-	27,358	1,372,642	-
TOTAL	-	1,400,000	-	1,400,000	-	27,358	-	27,358	1,372,642	-
Previous Year	-	-	-	-	-	-	-	-	-	-

Particulars	As at 31 March, 2014 (Rs.)	As at 31 March, 2013 (Rs.)
Note 5 Other long-term liabilities		
Interest accrued but not due on borrowings (Stressed Assets Stabilisation Fund)	10,593,207	7,829,264
Deferred payment liabilities (sales Tax) Unsecured	16,525,277	21,749,420
Total	27,118,484	29,578,684
Note 5.1 Interest accrued but not due on borrowing is repayable in 8 equal qtrly instalment from 01.04.2017 to 31.03.2019.		
5.2 Maturity profile and rate of interest of deferred sales tax liability -		
The deferred sales tax liability is interest free and is repayable in qtrly. instalment. Last instalment is payable on 31.03.2016.		
Note 6 Trade payables		
Trade payables:		
Other than Acceptances	12,890,601	34,247,251
Total	12,890,601	34,247,251

The Company has not received any information from their suppliers regarding their status under the Micro,small and Medium enterprises Act, 2006,hence disclosures if any relating to amount unpaid at the year end together with interest payable as required under the said act could not be disclosed.The Management is of opinion that interest if any on such account will not be material.

Note 7 Other current liabilities		
(a) Current maturities of long term debt. refer note no.3	10,000,000	10,000,000
(b) Share Application Money	-	91,470,000
(c) Creditors against expenses	1,835,499	1,224,323
(d) Statutory remittances	22,066,112	9,972,629
(e) Other Payables	90,321,731	347,966,334
Total	124,223,342	460,635,486

Note no. 7.1 Share Application Money - Board For Industrial and financial reconstruction, New Delhi has sanctioned revival scheme vide its order dated 15.07.2013. The Proposed scheme interalia includes induction of share capital to the extent Rs. 930.00 lacs. The promoters has brought in Rs.15.30 lacs (Pr.Yr.914.70 Lacs). The company has allotted equity shares to promoter.

Particulars	As at 31 March, 2014 (Rs.)	As at 31 March, 2013 (Rs.)
Note 8 Short-term provisions		
(a) Provision for employee benefits:		
Provision for leave encashment	635,295.00	607,378.00
Total	635,295.00	607,378.00

Note 11 Non-current investments		
Investment in Government securities (Long term)		
Unquoted National Saving certificate	-	31,000
Total	-	31,000

Particulars	As at 31 March, 2014 (Rs.)	As at 31 March, 2013 (Rs.)
Note 12 Long-term loans and advances		
Security deposits		
Unsecured, considered good	2,802,418	2,445,637
Total	2,802,418	2,445,637
Note 13 Inventories (At lower of cost and net realisable value)		
(a) Raw materials	9,676,894	13,286,197
(b) Work-in-progress	1,217,104	1,694,410
(c) Finished goods	26,083,915	19,391,010
(e) Stores and spares	4,095,463	3,147,609
(f) Packing Material	2,783,767	2,126,036
Total	45,857,143	39,647,464

Note 14 Trade receivables		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	33,757,315	33,757,315
Less: Provision for doubtful trade receivables	33,757,315	33,757,315
Other Trade receivables		
Unsecured, considered good	16,048,332	9,439,316
Total	16,048,332	9,439,316

Note 15 Cash and cash equivalents		
(a) Cash in hand	228,356	186,643
(b) Balances with banks		
(i) In current accounts	2,067,685	1,370,072
Total	2,296,041	1,556,715

Note 16 Short-term loans and advances (Unsecured but considered good)		
(a) Loans and advances to employees	254,276	200,262
(b) Prepaid expenses	559,616	198,712
(c) Balances with government authorities		
(i) CENVAT credit receivable	100,569	493,414
(ii) Service Tax credit receivable	34,872	12,464
(d) Others	8,581,480	6,693,483
Total	9,560,815	7,598,335

Note 17 Revenue from operations		
(a) Sale of products	390,063,895	314,934,823
Less:		
(b) Excise duty	43,085,785	34,912,892
Total	346,978,110	280,021,931



Particulars		For the year ended 31 March, 2014 (Rs.)	For the year ended 31 March, 2013 (Rs.)	
Sale of products comprises Manufactured goods				
(I) PLASTIC MOULDED FURNITURE Traded goods		390,063,695	311,521,905	
(II) RAW MATERIAL		-	3,412,916	
Total - Sale of products		390,063,895	314,934,823	
Total - Other operating revenues		390,063,895	314,934,823	
Note 18 Other Income				
(a) Interest Income		161,677	85,983	
(b) Bad Debts written off recovered		11,964,226	3,660,653	
Total		12,125,905	3,766,836	
Note 19 Cost of material Consumed				
Particulars	For the year ended 31 March, 2014	% of Consumption 2013-2014	For the year ended 31 March, 2013	% of Consumption 2012-2013
Imported	-	-	-	-
Indigenous	282,014,915	100	224,305,509	100
	282,014,915	100	224,305,509	100
Note 19.1 Particulars of material consumed				
Particulars		For the year ended 31 March, 2014 (Rs.)	For the year ended 31 March, 2013 (Rs.)	
(a) PPHP,PPCP and filler PP		271,105,359	215,463,140	
(b) Others		10,909,556	8,642,369	
Total		282,014,915	224,305,509	
Note 20 Purchase of traded goods				
Raw Material		-	3,026,221	
Total		-	3,026,221	
Note 21 Changes in Inventories of finished goods, work-in-progress				
Inventories at the end of the year:				
Finished goods		26,063,915	19,391,010	
Work-in-progress		1,217,104	1,694,410	
		29,301,019	21,085,420	
Inventories at the beginning of the year:				
Finished goods		19,391,010	12,511,084	
Work-in-progress		1,694,410	1,474,980	
		21,085,420	13,986,064	
Net (Increase) / decrease		(5,215,599)	(7,099,356)	
Note 22 Employee benefits expense				
Salaries and wages		15,537,264	13,179,144	
Contributions to provident and other funds		980,034	637,345	
Staff welfare expenses		438,631	366,475	
Total		16,956,149	14,384,964	
Note 22.1 As per accounting standrad 15 "Employee benefits", the disclosure in the accounting Standrad are given below :-				
Defined contribution plan				
Cost of contribution plan, recognised as expenses for the year :-				

Particulars	For the year ended 31 March, 2014 (Rs.)	For the year ended 31 March, 2013 (Rs.)
Employers Contribution to providend fund -	470,046	378,639
Empolyers contribution to pension fund -	509,988	455,706
Total	980,034	837,345
Defined Benefit Plan		
The Company has taken gratuity policy from Life Insurance corporation of India and expenses recognised is as under :-		
Net Cost	569,131	280,416
Note 23 Finance costs		
Interest expense on:		
(i) Borrowings	2,763,943	3,520,437
(ii) Others	1,397,050	197,543
Total	4,160,993	3,717,980
Note 24 Other expenses		
Consumption of stores and spare parts	2,256,259	900,028
Consumption of packing materials	5,131,212	3,995,971
Increase / (decrease) of excise duty on Inventory	999,154	631,096
Power and fuel	17,492,469	16,346,293
Other Manufacturing Expenses	12,971,355	9,126,666
Other Miscellaneous expenses	566,397	356,979
Bank Charges and commission	1,666	8,227
Aderisement and publicity expenses	1,754,391	841,409
Repairs and maintenance - Buildings	87,379	369,546
Repairs and maintenance - Others	144,234	151,095
Insurance	464,846	260,376
Communication	426,576	262,796
Travelling and conveyance	2,394,472	1,867,066
Printing and stationery	127,964	116,030
Freight and forwarding	1,291,500	749,147
Sales Expenses	10,166,204	6,745,575
Commission on sales	256,570	600,298
Legal and professional	1,300,363	767,666
Payments to auditors	40,000	40,000
Total	57,925,073	44,156,686
Note No. 24 a		
VALUE OF STORES AND SPARE PARTS CONSUMED		
(Amount in Rs.)		
	2013-2014 %	2012-2013 %
Imported	-	-
Indigenous	2,258,259 100 %	900,028 100 %
Total	2,258,259 100 %	900,028 100 %
Note No. 24 b VALUE OF IMPORTS ON CIF BASIS -		
NIL		
Note no. 24 c PAYMENT TO AUDITORS		
	2013-2014	2012-2013
Audit Fees	30,000	30,000
Tax Audit	5,000	5,000
Taxation	3,000	3,000
Certification	2,000	2,000
Total	40,000	40,000

**Note No. 24 d EXPENDITURE IN FOREIGN CURRENCY-**

NIL

Note No. 25 EARNING PER SHARE -

2013-2014 2012-2013

1. Net Profit After tax as per statement of profit And loss account-before extra ordinary items	-2,504,569	-9,649,778
2. Net Profit After tax as per statement of profit And loss account - after extra ordinary items	148,106,075	21,215,178
3. Weighted average number of equity shares used As denominator for calculating EPS	31,679,452	15,500,000
4. Basic and diluted earning per share (Rs.) Before extra ordinary items	-.07	-.62
5. Basic and diluted earning per share (Rs.) after extra ordinary items	4.67	1.37
6. Face value per equity Share (Rs.)	4	10

Note No. 26 EARNINGS IN FOREIGN EXCHANGE -

NIL

Note no. 27 SEGMENTAL REPORTING -

In view of Accounting Standard 17 segmental reporting issued by the Institute of Chartered Accountants of India, the operation of the company is considered as Single segment hence segment report is considered not applicable.

Note No. 28 RELATED PARTY DISCLOSURE

As per Accounting standard 18 , the disclosures of transactions with related Party are given below:- (Amount in Rs.)

List of Related Parties	Relationship	Nature of Transaction	Transaction During the year	Balance
Dawood Investment private limited	enterprises over which key managerial Personnel are able to exercise Significant influence.	share application money Against issue of warrant	1,330,000 (91,470,000) 13,250,000 (Nil)	0 (91,470,000) 13,250,000 (Nil)
Italica furniture private limited	same	share application money	Nil (18,700,000)	Nil (Nil)
Daud Ali	Key management personnel	remuneration	994,560 (994,560)	Nil (Nil)
Narendra Bhanawat	same	same	72,480 (72,480)	Nil (Nil)

Note - Figures in brackets are relating to previous year .

Note no. 29

As required by Accounting Standrad No.-22 "Accounting for Taxes on Income" Issued Institute of Chartered Accountants Of India, The Company has not recognised deferred tax as the company has heavy unabsorbed depreciation and carry forward of losses under tax law and there is no convincing evidence that sufficient future taxable income will be available against which such deferred tax can be realised.

Note No. 30 CONTINGENT LIABILITIES:-

	(Rs. in lakhs)	
	As at 31st March,2013	As at 31 st March,2012
(a) Guarantee issued by the banks in respect of Import of Capital Goods under EPCG	49.75	49.75
(b) Excise Duty (Net of predeposit)	98.22	103.22
(c) Penalty imposed by the Enforcement Directorate	200.00	200.00
(d) Stressed Assets Stabilisation Fund	3,130.53	3,130.53

Note No. 31

The balances of sundry debtors, sundry creditors, secured loans, unsecured loans, loans and advances are subject to confirmation and reconciliation.

Note No.32

The Stressed Assets Stabilisation Fund assignee of Industrial Development Bank Of India under the negotiated settlement in respect of its dues agreed to accept the payment of Rs.640.00 lacs and interest thereon over a period of 8 years . In case of any default in repayment, the original amount of dues i.e .Rs 3770.53 lacs will restore. In view of this the difference between the original amount and settled amount i.e Rs 3130.53 lacs has been shown as contingent liability.

Note No. 33

The company was declared a Sick industrial company by the Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 21.12.1998 under the provisions of the Sick Industrial companies (Special Provisions) Act,1985. The BIFR has sanctioned revival scheme ,prepared by the operating agency viz IDBI , vide its order dated 15.07.2013 , presently revival scheme is under implementation.

Note No.34

As per revival scheme sanctioned by Board For Industrial and financial Reconstruction a sum of Rs. 1506.10 lacs included under the head Extra Ordinary Items in the Profit and Loss Account , sum of Rs. 1232.56 lacs included under reserves and surplus towards waiver of dues by lenders and Rs. 930.00 lacs included under reserves and surplus towards reduction of equity share capital.

Note No. 35

The figures for the previous year have been regrouped/re-arranged to the extent necessary.

For Sampati Lal Bohara & Co.

Chartered Accountants

For and on behalf of Board of Directors

FRN : 003324 C

(Sudhir Mehta)
Partner

DAUD ALI
Managing Director

NARENDRA BHANAWAT
Director

M.No. 400920

PLACE : UDAIPUR

DATE : 29.05.2014

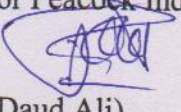
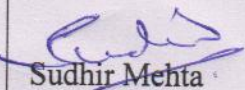
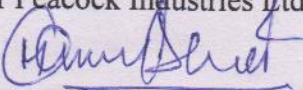


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FORM – B
PEACOCK INDUSTRIES LIMITED
ANNUAL AUDIT REPORT

1	Name of Company	Peacock Industries Limited
2	Annual Financial Statements for the year ended	31 st March, 2014
3	Type of Audit qualification	Un-Qualified
4	Frequency of qualification	Nil
5	To be signed	Managing Director For Peacock Industries Ltd.  (Daud Ali) Managing Director  CFO Nil Auditor of the Company For Sampat Lal Bohara & Co Chartered Accountants  Sudhir Mehta Partner  Audit Committee Chairman For Peacock Industries Ltd.  (Magan Lal Sharma) Chairman Audit Committee 