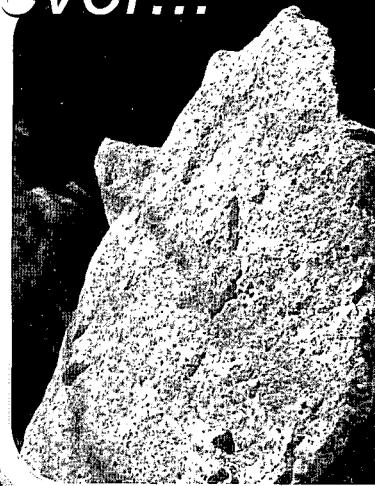
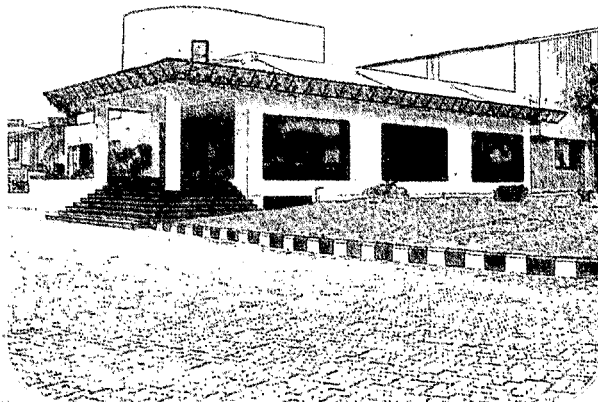
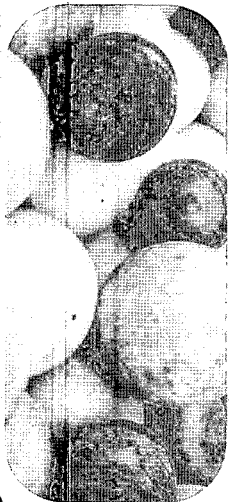
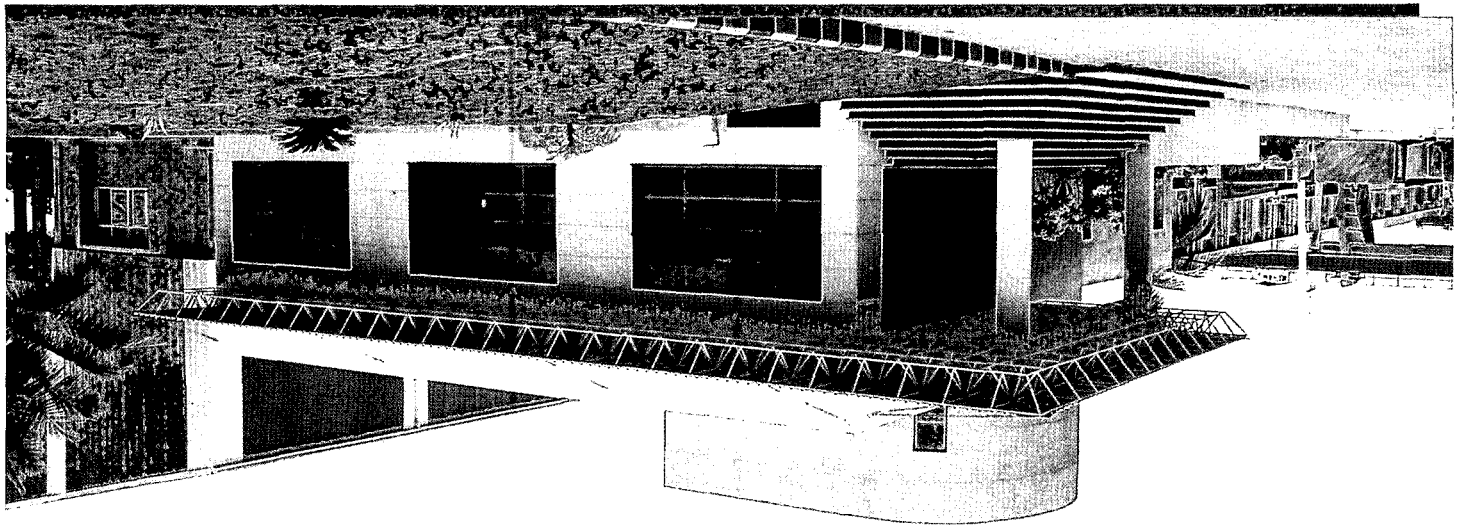


PACIFIC INDUSTRIES LIMITED

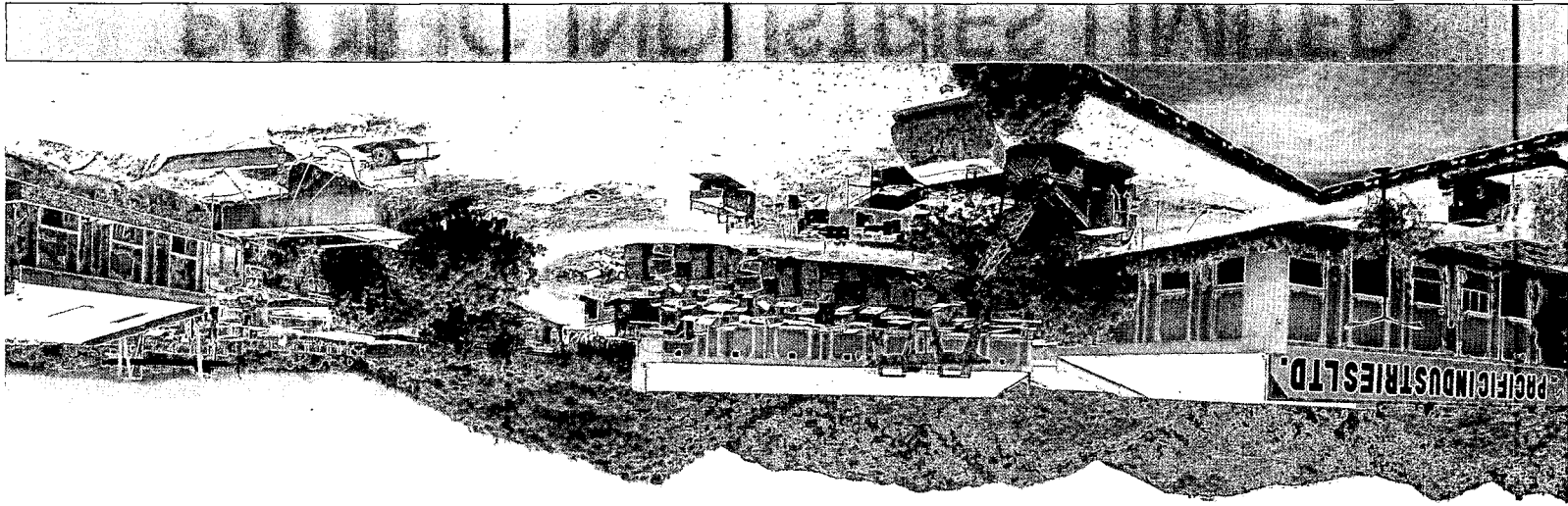
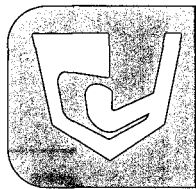
20th ANNUAL REPORT 2008-09

Some wonders are forever...





B A N G A L O R E F A C T O R Y



U D A I P U R F A C T O R Y



PACIFIC INDUSTRIES LIMITED

CORPORATE INFORMATION

Board of Directors

Shri J. P. Agarwal
Shri Kapil Agarwal
Shri Devendra Maliwal
Shri S. M. Agarwal
Shri Jayanti Oza
Shri Sumit Agarwal
Shri Amit Agarwal
Shri Mangilal Dangi

Chairman & Managing Director
Whole Time Director
Executive Director
 Independent/Non-Executive
 Independent/Non-Executive
 Independent/Non-Executive
 Independent/Non-Executive
 Independent/Non-Executive

Board Committees

Audit Committee	Remuneration Committee	Shareholders' / Investors Grievance Committee
Mr. S. M. Agarwal	Mr. S. M. Agarwal	Mr. S. M. Agarwal
Mr. Jayanti Ojha	Mr. Jayanti Ojha	Mr. Jayanti Ojha
Mr. Sumit Agarwal	Mr. Sumit Agarwal	Mr. Sumit Agarwal

Statutory Auditors M/s A. Bafna & Co. Chartered Accountants K-2, Raj Apartment Keshav Path, C-Scheme Jaipur - 302 001 (Rajasthan).	Corporate Law Advisors Manish Sharma & Associates Company Secretaries 1048, Shakti Sadan. Baba Harish Chandra Marg Chandpole Bazar Jaipur - 302 001(Rajasthan).	Registrar & Share Transfer Agent Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai-400078. Tel. :022-25963838 Fax :022-25946969 E-mail : mumbai@linkintime.co.in
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<p align="center">Bankers</p> Bank of Baroda Main Branch, Opposit Town Hall, Udaipur.	<p align="center">Contents</p>	<p align="center">Page No.</p>
<p align="center">Regd. Office</p> Village Bedla, Udaipur - 313 001, Rajasthan. E-mail: pacificind@rediffmail.com URL : www.pacificindustriesltd.com		
<p align="center">Plant Locations</p> <p>Unit I : Village: Bedla, Udaipur - 313001 (Rajasthan) Tel. No. 0294-2440933; Fax No. 0294-2440780.</p> <p>Unit II : Village : Survey No. 13, Kempalingahalli Nelamangala Taluk (Rural) Bangalore - 562123 (Karnataka) Tel. No. 080-7723004.</p>		
	<p>1 Chairman Speech 2</p> <p>2 Notice 3</p> <p>3 Director's Report 8</p> <p>4 Auditors' Report 32</p> <p>5 Balance Sheet 38</p> <p>6 Profit & Loss A/C. 39</p> <p>7 Accounting Polices & Notes on Accounts 49</p> <p>8 Cash FLOW Statament 57</p> <p>9 Balance Sheet Abstract 59</p>	



PACIFIC INDUSTRIES LIMITED

Chairman's Statement

Dear Shareholders,

The performance of your company is reflective of the sustained investment and development efforts we have put in over the last two decades. Your Company enjoyed another year of growth and performance. We are proud to be regarded as one of the biggest quarry owners and processors of Granite of various type in India.

Your Company's brand name '**Pacific**' is highly respected in the markets and in two decades it has build sound reputation in supplying high quality material around the world. We have worked hard to ensure that our brand stands for quality and value and represents collective teamwork of our employees worldwide.

Today, your Company is an industry vanguard, thanks to our decades-rich dedication to the simple principles of providing products and services with utmost efficiency. Our success is demonstrated by satisfied customers globally and this has in turn broadened our mission, made us more responsible and sensitive to customers demand.

Your Company's performance needs to be assessed against the tough economic backdrop still prevalent in the global market. I am pleased to state that your Company managed to combat the downturn credibly. The year under review has been a difficult one but your company has outperformed the industry in growth in production, sales and operating profitability. Your Company achieved an overall growth during the year 2008-09 in which turnover of your Company was Rs. 6020 lakh as compared to Rs. 7234 lakh for the last year 2007-08. This was mainly due to the slackening demand in the global market. The PAT was Rs. 1236.61 lacs as compared to Rs. 889.53 lacs for the last year 2007-08 showing an increase in PAT by 39% approx which reflects the company's strong commitment to excel.

Most of all, your Company is competitively positioned in its key businesses, and this should augur well for the year ahead. It gives me immense pleasure to intimate you that the Bombay Stock Exchange Limited has revoked suspension on trading of Equity Shares of your Company w.e.f. May 25, 2009 and the quotation at BSE is quite high i.e. Rs. 170/- on August 25, 2009.

Your Company is committed to maintain the brand image it has gained over the last two decades and it has posed a great responsibility on the Board. Your Company is also committed to adhere the provisions of Good Corporate Governance and also the Code of Conduct for Directors and Senior Management Personnel.

Finally, we have consciously built up a cadre of talented individuals and I believe we have the intellectual capital to make best use of manufacturing & marketing infrastructures built by the company to surmount the challenges posed in the millennium. Let me express my heartfelt thanks to every stakeholder for standing by your Company in tough times, assuming responsibilities of true partnership. More than in any other year I state my admiration for employees, management and union, for their single-minded commitment to PIL. It reassures me that your Company is in safe hands.

Sd/-

(J. P. Agarwal)

Chairman & Managing Director



PACIFIC INDUSTRIES LIMITED

Notice

Notice is hereby given that the TWENTIETH ANNUAL GENERAL MEETING of the members of PACIFIC INDUSTRIES LIMITED will be held on Wednesday, September 30, 2009 at 10.00 A. M. at **Village Bedla, Udaipur – 313 001, Rajasthan** to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31 March 2009 and the Balance Sheet as at that date together with the Cash Flow Statement and the reports of the Directors and the Auditors thereon.
2. To appoint a Director in the place of Mr. S. M. Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Mr. Jayanti Oza, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Board of Directors of the Company to fix their remuneration. M/s. A. Bafna & Company, Chartered Accountants, the retiring Auditors, being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS

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

"RESOLVED THAT subject to relevant provisions of the Companies Act, 1956 {including any Statutory modification(s), and / or re-enactment(s) thereof for the time being in force and as may be enacted hereafter}, Securities Contract (Regulation) Act, 1956 and the rules framed there under, SEBI (Delisting of Securities) Guidelines, 2003 and other Guidelines issued by SEBI from time to time, Listing Agreements and all other applicable laws; rules, regulations and guidelines and subject to such approval(s), permission(s) and sanction(s), as may be necessary and subject to such condition(s) and modification(s) as may be prescribed or imposed by any authority while granting such approval(s), permission(s) and sanction(s), which may be accepted by the Board of Directors of the Company (hereinafter referred to as "the Board" which shall include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) consent of the Company be and is hereby accorded to Voluntary Delist the equity shares of the Company from all or any of The Calcutta Stock Exchange Association Limited, Jaipur Stock Exchange Limited, The Delhi Stock Exchange Association Limited and U. P. Stock Exchange Association Limited.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the



PACIFIC INDUSTRIES LIMITED

Board" which shall include any Committee thereof for the time being exercising the powers conferred by the Board) be and is hereby authorized to seek for Voluntary Delisting of the Equity Shares of the Company, to take all the required steps in this regard and to do all such acts, deeds, matters and things and to execute all such papers, Indemnity Bond(s), documents, deeds and writings as may be required and / or desirable for getting done Voluntary Delisting of the Equity Shares of the Company from all or any of The Calcutta Stock Exchange Association Limited, Jaipur Stock Exchange Limited, The Delhi Stock Exchange Association Limited and U. P. Stock Exchange Association Limited.

RESOLVED FURTHER THAT Mr. J. P. Agarwal, Chairman & Managing Director of the Company be and is hereby authorized to do all the required acts, deeds, matters and things including execution of Indemnity Bond(s), declaration(s), documents, deeds, writings as may be required and / or desirable and the application for delisting and to delegate the authority and duty vested in him to any other director / officer of the Company or any outside professional(s) / agency (ies), to whom Mr. J. P. Agarwal, Chairman & Managing Director considers suitable for doing various acts, deeds, matters and things required to be done for giving effect to this resolution."

Bedla, Udaipur
25th August, 2009
Registered Office
Village Bedla,
Udaipur - 313 001, Rajasthan

By the order of the Board
Sd/-
(J. P. Agarwal)
Chairman & Managing Director

Notes :

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b) Corporate members are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the meeting.
- c) Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
- d) Members are requested to notify immediately, change in their addresses, pin code, e-mail addresses and telephone number(s), if any, to the Company at its Registered Office by quoting their folio numbers. In respect of shares held in electronic mode, the same should be communicated to the respective Depository Participant (DP).
- e) As per the provisions of the Companies Act, 1956, facility for making nominations is available to the shareholders in respect of shares held by them in physical mode. Nomination forms can be obtained from the Registrar & Transfer Agent of the Company.
- f) Those who are holding shares in electronic mode should give relevant details in this matter to their respective Depository Participant (DP).



PACIFIC INDUSTRIES LIMITED

- g) Members of the Company who have multiple accounts in identical names or joint accounts in the same name / order are requested to send all the share certificates to the Registrar & Transfer Agent of the Company, M/s Link Intime India Private Limited, or at the Registered Office of the Company for consolidation of all such shareholdings into one account to facilitate better services.
- h) All requests for transfer of Equity Shares and allied matters along with the relevant transfer deeds and share certificates should preferably be sent directly to the Company's Registrar and Transfer Agent, M/s Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai - 400078.
- i) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 24th September, 2009 to Wednesday 30th September 2009, both days inclusive.
- j) Shareholders desiring any information as regards Audited Annual Accounts are requested to write to the Company at an early date (at least ten days before the date of meeting) so as to enable the Management to keep the information ready at the meeting.
- k) Member who still have their holdings in physical form are requested to convert them into dematerialized form (under ISIN No. INE883C01025) at the earliest.
- l) SEBI vide its circular ref. no MRD/ DoP/Cir-05/2009 dated 20.05.2009 has clarified that for securities market transactions and off-market/ private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish a copy of PAN card to the Company / RTAs for registration of such transfer of shares irrespective of the amount of such transaction.

All the intended transferee(s) are, therefore, requested to furnish a self certified copy of their PAN Card along with the relevant transfer deed for registration of transfer of shares. Please note that the Share(s) lodged for transfer without self certified copy of PAN Card of the transferee(s), shall be returned under objection.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 ITEM NO. 5

The equity shares of the Company are listed on the following Stock Exchanges:

1. Bombay Stock Exchange Limited, Mumbai
2. The Calcutta Stock Exchange Association Limited, Kolkata
3. The U. P. Stock Exchange Association Limited, Kanpur
4. Jaipur Stock Exchange Limited, Jaipur (Regional Stock Exchange)
5. Delhi Stock Exchange Association Limited, Delhi

It is observed that the Stock Exchanges other than BSE has no reach to the investors because they are not engaged in trading of their own. In fact BSE, which has extensive network of trading



PACIFIC INDUSTRIES LIMITED

terminals across the country which provides liquidity to the shareholders of the Companies listed with it. In view of this, it is proposed to voluntarily delist the equity shares of the Company from all or any of the Stock Exchanges at Kolkata, Kanpur, Jaipur and Delhi.

The proposed delisting is sought in view of no trading on these Stock Exchanges and for the purpose of saving cost. Moreover the Equity Shares of the Company continue to be listed on Bombay Stock Exchange Limited, Mumbai to maintain liquidity and to provide nationwide opportunity for trading to the shareholders of the Company. Delisting of Equity Shares of the Company from these Stock Exchanges would not prejudicially affect the interest of the investors residing in the region of these Stock Exchanges. Exact date with which the above stated delisting will take effect will be suitably notified at appropriate time.

Accordingly, it is proposed to obtain consent of Share Holders by way of a Special Resolution, as per the requirement of SEBI (Delisting of Securities) Guidelines, 2003 for Voluntary Delisting.

None of the Directors of the company are interested or concerned in this resolution.

The Board recommends this Resolution for your approval.

Bedla, Udaipur
25th August, 2009
Registered Office
Village Bedla,
Udaipur - 313 001, Rajasthan

By Order of the Board of Directors
Sd/-
J. P. Agarwal
Chairman & Managing Director



PACIFIC INDUSTRIES LIMITED

Annexure to the Notice

Details of the Directors seeking re-appointment / appointment in the Twentieth Annual General Meeting

(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. S. M. Agarwal	Mr. Jayanti Oza
Date of Birth	03.01.1941	25.05.1943
Date of Appointment	13.07.1989	25.08.1991
Special Expertise	Business Management	Business Management
Qualifications	M. B.A.	M. B.A.
Directorships in other Companies	Nil	Nil
Chairman/Member of Committees of other Companies	Nil	Nil



PACIFIC INDUSTRIES LIMITED

DIRECTORS REPORT

To,

All the Shareholders,

Your Directors feel pleasure in presenting the 20th Annual Report of the company together with the Audited financial results for the year ended on 31st March, 2009.

FINANCIAL RESULTS:

PARTICULARS	Period ended 31.03.2009 (Audited)	Year ended 31.03.2008 (Audited)
	[Rs. in Lac]	
Turnover	6020.38	7233.58
Profit/ (Loss) before Tax	1418.37	1023.36
Less: Provision For Taxation		
- Current Tax	170.12	128.21
- Prior period Tax Expense	11.64	5.62
Net Profit (Loss) after Tax	1236.61	889.53
Add: Profit/ (Loss) brought forward from previous year	1226.94	345.19
Less: Prior Period Adjustment	53.34	7.77
Less: Adjusted on account of Reduction of Share Capital	--	--
Profit available for Appropriation	2410.21	1226.95
Net Profit (Loss) carried forward	2410.21	1226.95

1. Business Results

During the year, the Company has scaled new heights and set several new benchmarks in terms of sales and profits. This was a landmark year for the Company as it delivered sound financial and operating performance amidst challenging and volatile market conditions.

Your Company achieved a turnover of Rs. 6020.38 lacs during the period under review which was marginally less than last year 2007-08 i.e., Rs. 7233.58 lacs. This was mainly due to the slackening demand in the global market. The Net Profit after Tax of the Company is Rs. Lacs as against Rs. Lacs in the previous year. The performance of your Company is towards upward direction.

2. Dividend

Your directors do not recommend any dividend for the year and the entire surplus is proposed to be transferred to the reserves to give financial leverage to the Company.

3. Directors' Responsibility Statement:

As required under Section 217(2AA) of the Companies Act, 1956, your Directors confirm having:

- ✓ followed in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if there any;
- ✓ selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of



PACIFIC INDUSTRIES LIMITED

affairs of your Company at the end of the financial year ended on March 31, 2009 and of the profit of your Company for that period;

- ✓ taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- ✓ prepared the annual accounts on a going concern basis.

The above statements were noted by the Audit Committee at its meeting held on August 25, 2009.

4. Statutory Disclosures

None of the Directors are disqualified under the provisions of Section 274(1)(g) of the Companies Act, 1956. The Directors have made the requisite disclosures, as required under the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

5. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The Information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as per Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is appended as Annexure "A" and forms part of the Report.

6. Particulars of Employees

As required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other details have been furnished in Annexure "B" to this Report.

7. Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section titled 'Corporate Governance' has been included in this Annual Report, along with the reports on 'Management Discussion and Analysis' and 'Shareholder Information'. All board members and senior management personnel have affirmed compliance to the Code of Conduct for the FY 2008-09

A Certificate from the Statutory Auditors of the Company regarding compliance of conditions and provisions of the Corporate Governance is enclosed as Annexure 'C' to this report.

8. Finance

The shares of the company were suspended at Bombay Stock Exchange Limited for over a decade but the same has been revoked by Bombay Stock Exchange Limited w.e.f. May 25, 2009. The Price on which the Equity Shares of the Company traded on BSE as at 25th August, 2009 is Rs. 176.00.

9. Fixed Deposits

During the year under review, your Company has not accepted any deposit under Section 58A and 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.



PACIFIC INDUSTRIES LIMITED

10. Investor Services

The investor service facility of your Company strives to cater to the increasing expectations of the investors by keeping its services contemporary backed with the best of the state of the art infrastructure and systems.

The electronic messaging facility enables the investors to directly lodge their complaints to the Compliance Officer of the Company on pacificinvestor@rediffmail.com. Official news releases are also displayed on the Company's website. It is also published in English as well as vernacular newspapers, which enjoy wide circulation in the State where the registered office of the Company is situated.

11. Human Capital

Your Company views its workers as caring and dedicated to the business and the management trusts in them and asks for their input on important decisions. The result, at Pacific Industries, is a trusting culture built assiduously and nurtured over the years. Due to this environment of mutual trust and respect, even in these turbulent times your company managed to keep the morale of the employees high.

The Directors would like to place on record their sincere appreciation to the Labour Union and the employees for their continued co-operation in maintaining harmonious industrial relations, production and productivity.

13. Training

Your Company makes it a point to impart Training and Skills to staff and employees to acquire more competence in their respective areas of operation. This makes them appropriately respond to diverse work situations. Simultaneously PIL also ensures the professional growth of employees enabling them to acquire mastery over their respective jobs.

Your Company had 192 employees on roll as on 31st March, 2009.

14. Corporate Social Responsibility

The philosophy and practice of sustainability and business ethics has been a matter of abiding interest and faith to your Company. Your Company has always seen its interests as inseparable from that of the community.

As a part of our social responsibility we try to promote social welfare through the following educational institutions:

- ✓ Geetanjali Medicity.
- ✓ Geetanjali Institute of Technical Studies
- ✓ Geetanjali College of Pharmaceuticals Studies

15. Directors

Mr. S. M. Agarwal and Mr. Jayanti Oza retire by rotation and being eligible, offer themselves for re-appointment.



PACIFIC INDUSTRIES LIMITED

16. Auditors

The Auditors M/s A. Bafna & Company, Chartered Accountants, Jaipur, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Company has received a Certificate from the Auditors to the effect that their appointment, if made, would be within the limits of Section 224(1B) of the Companies Act, 1956.

17. Note of Appreciation

Your Directors wish to place on record their sincere appreciation for the continued support and co-operation of Financial Institutions, Banks, Government Authorities and other stakeholders. Your Directors also acknowledge the support extended by all employees for their dedicated service.

Your Directors also thank the Government of India and the Governments of various countries, the concerned State Governments, Government Departments and various Agencies for their co-operation. The Directors appreciate and value the contributions made by every member of the PIL family. Propelled by your Company's strong vision and powered by internal vitality, your Directors look forward to the future with confidence.

On Behalf of the Board of Directors

Sd/-

(J. P. Agarwal)

Chairman & Managing Director

PLACE : Bedla, Udaipur

DATED: 25th August, 2009



PACIFIC INDUSTRIES LIMITED

ANNEXURE 'A' TO DIRECTORS REPORT

Statement Containing Particulars Pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and Forming Part of Director's Report.

1 CONSERVATION OF ENERGY

Your Company has taken various steps wherever possible to conserve energy. Various studies, discussions and analysis being undertaken regularly for further improvements. These include improvement in manufacturing processes, better control over electricity consumption and using more cost effective information as per prescribed in Form "A" is given here under:

A. Power and Fuel Consumption

	Current Year 31.03.2009	Previous Year 31.03.2008
1. Electricity		
(a) Purchased Units (Kwh)	6161790	6591300
Total Amount (Rs.)	29193900	31230410
Rate per unit (Rs.)	4.75	4.75
(b) Own Generation		
Through Diesel Generators		
Units (Kwh)	400188	229660
Units per litre of Diesel Generators	2.79	2.88
Cost per unit (Rs.)	11.81	8.99
2. Coal	N/A	N/A
3. Furnace Oil	N/A	N/A
4. Other Internal Generation	N/A	N/A

B. Consumption per unit of Production

Unit	Polished Granites	
	Slabs/Tiles	Slabs/Tiles
Production	309247	325946
Electricity/Sq. Mtr (Kwh)	21.22	20.93

2 TECHNOLOGY ABSORPTION

Your Company is fully equipped to cater the needs of overseas buyers. Company's technical team has already absorbed the state-of-art technology in manufacture of polished granite slabs/Tiles and has already done a lot of successful work in adopting and improving the technology brought in by Company's collaborators and visiting technical experts. The main thrust areas have been to improve productivity and technical efficiencies through continuously monitored programmes of cost effectiveness and value engineering techniques. This has helped the Company to better the quality of its products and achieve economy in production costs.

3 FOREIGN EXCHANGE EARNINGS & OUTGO

	(Rs. in Lacs)	
	Current Year 2008-2009	Previous Year 2007-2008
F.O.B. Value of Export of Finished Goods	5547.88	6756.04
C.I.F. Value of Imports		
(a) Raw Materials (Consumables)	936.92	1007.19
(b) Capital Goods	529.51	Nil
Expenses in Foreign Currency	1.07	11.30

FOR AND ON BEHALF OF THE BOARD

Sd/-
[D.K.MALIWAL]
Executive Director

Sd/-
[KAPIL AGARWAL]
Executive Director

Sd/-
[J. P. AGARWAL]
Chairman & Managing Director

CAMP: UDAIPUR
DATE: August 25, 2009



PACIFIC INDUSTRIES LIMITED

Annexure "B"

Statement Pursuant to Section 217(2A) of the Companies Act, 1956 and Companies (Particulars of Employees) Rules, 1975

Sr. No	Name	Age (Years)	Designation	Gross Remuneration	Qualification	Total Experience	Date of Commencement of Employment	Last employment held
1.	Mr. J.P. Agarwal	53	CMD	1350000	C.A. (Inter)	20	13.07.1989	-
2.	Mr. Kapil Agarwal	26	Wholetime Director	1746667	M.B.A.	4	23.07.2005	-



PACIFIC INDUSTRIES LIMITED

Annexure "C"

Auditors' Certificate on Compliance of conditions of Corporate Governance

**To
The Members of
Pacific Industries Limited**

We have examined the compliance of conditions of Corporate Governance by **Pacific Industries Limited ("the Company")** for the year ended on 31st March, 2009, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the shareholders / Investors grievance committee.

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 A. Bafna & Company
Chartered Accountants**

Sd/-

**M. K. Gupta
(Partner)**

Membership No: 73515

**Place: Udaipur
Date : 25.08.2009**



PACIFIC INDUSTRIES LIMITED

Corporate Governance Report

(As required under Clause 49 of the Listing Agreement entered into with Stock Exchanges)

Governance Philosophy

A corporate philosophy translates into a habit in the course of execution and experience. Your Company reaffirms its sense of responsibility to the cause and concerns regarding corporate Governance.

Corporate Governance deals with laws, procedures, practices and implicit rules that determine a Company's ability to take informed managerial decisions vis-à-vis its claimants – in particular, its shareholders, creditors, customers, the State and employees. There is a global consensus about the objective of 'good' corporate governance: maximizing long term shareholder value.

At Pacific Industries Limited (PIL), we believe that compliance with Corporate Governance is never possible without the emotional conviction walking the right path. This has formed the foundation of our Corporate Governance.

I. BOARD OF DIRECTORS:

A. BOARD COMPOSITION

The Board of Pacific Industries has appropriate mix of skill and experience. It works together as a team while encouraging diverse and healthy debate in the interest of the Company and its shareholders. It makes sure that the Company has clear goals relating to shareholders value and its growth. The Board reviews its policy from time to time to assess its relevance and suggest appropriate intervention.

The Company has a judicious mix of Executive and Non-Executive Directors. At present, there are eight directors on the Board. The Chairman is an Executive Director and more than half of the Board (approx 63 %) consists of Independent Directors.

COMPOSITION OF THE BOARD OF DIRECTORS AS ON 31st MARCH, 2009

Category	Directors	Designation	No. of Directors	Percentage of total number of Directors
Non Independent / Executive Directors	Mr. J. P. Agarwal	Chairman & Managing Director	3	37.50
	Mr. Devendra Maliwal	Executive Director		
	Mr. Kapil Agarwal	Whole Time Director		
Independent / Non Executive Directors	Mr. S. M. Agarwal	Director	5	62.50
	Mr. Jayanti Oza			
	Mr. Sumit Agarwal			
	Mr. Amit Agarwal			
	Mr. Mangi Lal Dangi			
Total			8	100.00

Notes: -

1. Mr. J. P. Agarwal is the Chairman of the Board of Directors.
2. Mr. S. M. Agarwal is the Chairman of the Audit Committee, Remuneration Committee and Shareholders' Grievance Committee.



PACIFIC INDUSTRIES LIMITED

B. Non Executive Directors' compensation and disclosures

All Fees / compensation, paid to Non- Executive Directors, including Independent Directors, has been fixed by the Board of Directors and approved by shareholders in general meeting.

Provided that the requirement of obtaining prior approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Companies Act, 1956 for payment of sitting fees without approval of the Central Government.

C. Role:

The Board of Directors at Pacific Industries Limited primarily performs the following functions:

- ✓ Reviewing strategic plan for the Company;
- ✓ Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- ✓ Identifying principal risks and establishing a risk management framework to manage these risks;
- ✓ Succession planning, including appointing, training, fixing the compensation of senior management and officers one-level below the Board;
- ✓ Developing and implementing an investor relation programme or shareholders communications policy for the Company; and
- ✓ Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines.

The Company does not have any pecuniary relationship with any non-executive or independent director. No sitting fees is paid for attending the meetings of the board or committees of the board.

During the year 2008-09 the board of directors met eleven times on 30/04/2008, 31/07/2008, 25/08/2008, 31/08/2008, 31/10/2008, 30/11/2008, 15/12/2008, 05/01/2009, 31/01/2009, 25/02/2009 and 02/03/2009. The gap between any two board meeting was not more than four months.

Scheduling and selection of agenda items for Board Meeting

The notice of the meeting specifying the day, date, time and full address of the venue of the meeting was given to all the Directors at the address provided by them or at their usual address in India, maintaining the statutory time norms. The agenda along with the notes, draft resolution of the items to be approved were sent well in advance, so that the Directors come prepared to offer advice and guidance during the meeting. The agenda was finalised after consultation with the Managing Director as well as the Senior Management Team Members.



PACIFIC INDUSTRIES LIMITED

Attendance of each director at the Board meetings and last AGM and Chairmanship and membership of committees in other public company(ies), as on 31st March, 2009

Name of Director	Category	F.Y. 2008-09 Attendance at		No. of Directorships in other public companies		No. of Committee positions held in other public companies.	
		Board Meeting	Last AGM held on 30 th September, 2008	Chairman	Member	Chairman	Member
Mr. J. P. Agarwal	Non-independent, executive	9	YES	-	1	-	-
Mr. Devendra Maliwal	Non-independent, executive	11	YES	-	-	-	-
Mr. Kapil Agarwal	Non-independent, executive	9	YES	-	1	-	-
Mr. S. M. Agarwal	Independent, Non-executive	9	NO	-	-	-	-
Mr. Jayanti Oza	Independent, Non-executive	8	NO	-	-	-	-
Mr. Sumit Agarwal	Independent, Non-executive	9	YES	-	-	-	-
Mr. Amit Agarwal	Independent, Non-executive	9	YES	-	-	-	-
Mr. Mangi Lal Dangi	Independent, Non-executive	11	YES	-	-	-	-

Details of Board Meetings held during the Financial Year 2008-09:

Sl. No	Date of Meeting	Board Strength	No. of Directors present
1	30/04/2008	8	6
2	31/07/2008	8	5
3	25/08/2008	8	6
4	31/08/2008	8	6
5	31/10/2008	8	7
6	30/11/2008	8	6
7	15/12/2008	8	6
8	05/01/2009	8	6
9	31/01/2009	8	6
10	25/02/2009	8	7
11	02/03/2009	8	7



PACIFIC INDUSTRIES LIMITED

Information placed before the Board of Directors during the year includes:

The Board has easy and direct access to any information within the Company and to any employee of the Company. At the meetings of the Board, the managers who can provide useful insight into the items being discussed are invited as and when considered necessary.

The following information is regularly supplied to the Board along with the specific item agenda:

1. Annual operating plans and budgets, capital budgets and any updates;
2. Quarterly audited results of the company and its operating divisions or business segments;
3. Minutes of meetings of Audit, Remuneration and Shareholders'/Investors' Grievance Committee;
4. General notices of interest and updates, if any;
5. Notices under Section 274(1)(g) of the Companies Act, 1956;
6. Status of safety, security & legal compliance.
7. Status of business risk exposures, its management and related action plans presented before the Audit Committee.
8. Information on recruitment and remuneration of senior officers just below the board level including appointment or removal of CFO and Company Secretary;
9. Materially important litigation, show cause, demand, prosecution, and penalty notices;
10. Company's management development processes and succession of senior management;
11. Fatal or serious accidents, dangerous occurrences, any material effluents or pollution problems;
12. Any material default in financial obligations to and by the company or substantial non-payment for goods sold by the company;
13. Any issue, which involves possible public or product liability claims of a substantial nature;
14. Details of any joint ventures or collaboration agreement;
15. Transactions that involve substantial payment, if any, towards brand equity or intellectual property, etc;
16. Significant developments on the human resources front;
17. Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business;
18. Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, if material;
19. Non-compliance of any regulatory, statutory or listing requirements and shareholders' services such as non-payment of dividend, delays in share transfer, repayment of the principal amount of debentures, etc;
20. Related Party Transactions; Social/Community Initiatives.



PACIFIC INDUSTRIES LIMITED

In addition, all important and strategic matters were also placed as and when required in the Board meetings for consideration, review and requisite decision making.

The Board of PIL is routinely presented with all such information applicable and materially significant. These are submitted either as part of agenda papers well in advance of the Board meetings or tabled in the course of Board meeting.

The day to day business is conducted by the officers and the managers of the Company under the supervision of Managing Director / Whole time Director / Executive Director of the Company. The Board generally meets every quarter to review and discuss the performance of the Company, it's future plans, strategies and other pertinent issues relating to the Company. The Board performs the following specific functions in addition to it's other functions:

- Review, monitor and approve major financial and business strategies and corporate actions.
- Assess critical risks facing the Company, review options for their mitigation.
- Provide counsel on the selection, evaluation, development and compensation of senior management.

The Company holds minimum of four Board Meetings in each year. Apart from the four pre-scheduled Board Meetings, additional Board Meetings may be convened by giving appropriate notice at any time to address the specific needs of the Company. The Board may also approve permitted urgent matters by passing resolution by circulation. The meetings are held at the Company's Registered Office and the procedure is as follows:

- (a) The Chairman & Managing Director in consultation with other concerned persons in the Senior management, finalize the agenda papers for the Board Meetings.
- (b) Agenda papers are circulated to the Directors, in advance, in the defined Agenda format. All material information is incorporated in the Agenda Papers for facilitating meaningful, informed and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same are placed on the table at the meeting with specific reference to this effect in the Agenda.
- (c) In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance or at the meeting.
- (d) The Secretarial Staff records the minutes of the proceedings of each Board and Committee Meetings. Draft minutes are circulated to all the members of the Board for their comments. The minutes of proceedings of a meeting are entered in the Minutes Book within 30 days from the conclusion of the meeting.

II. AUDIT COMMITTEE

A. Composition and attendance at Audit Committee Meetings during the year 2008-09:

The Company has complied with the requirements of Clause 49II (A) of the Listing Agreement with regard to composition of the Audit Committee. The composition of the Audit Committee and the details of the meetings of the Committee attended by the Directors are given below:



PACIFIC INDUSTRIES LIMITED

Name of Directors	Number of Meetings held during the tenure	Number of meetings attended
Mr. S. M. Agarwal	4	4
Mr. Jayanti Oza	4	4
Mr. Sumit Agarwal	4	4

B. Meetings of Audit Committee

The Audit Committee comprises of 3 Independent / Non-executive directors, all of whom have relevant Finance, Accounts and audit exposure. During the period under review, four meetings of Audit Committee were held on 30/04/2008, 31/07/2008, 31/10/2008 and 31/01/2009.

C. Powers of Audit Committee

The Audit Committee has the following powers:

- I. To investigate any activity within its terms of reference.
- II. To seek information from any employee.
- III. To obtain outside legal or other professional advice.
- IV. To secure attendance of outsiders with relevant expertise, whenever required.

D. Terms of Reference

The terms of reference of PIL's Audit committee are:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with Listing and other legal requirements relating to financial statements.



PACIFIC INDUSTRIES LIMITED

- f) Disclosure of any related party transactions.
- g) Qualification in the draft audit report.
5. Reviewing, with the management the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Reviewing the findings of Internal Control System in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
9. Discussions with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
10. To look in to the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
11. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

E. Review of Information by Audit Committee:

The Audit Committee has reviewed the following information:

1. Management discussion and analysis of financial conditions and results of operations.
2. Statement of significant related party transactions submitted by the management.
3. Management Letters / Letters of internal control weakness issued by the Statutory Auditors.
4. Internal Audit Reports relating to internal control weakness; and
5. The appointment, removal and terms of remuneration of the Internal Auditor.

III. DISCLOSURES -

- i) The Company had no transaction of material nature with its promoters, directors or the management, their subsidiaries or relatives, etc. that may have had potential conflict of interest with the Company at large. The Register of Contracts is placed at the meetings of the Board of Directors as per the requirements of the Companies Act, 1956.
- ii) At present there is not any instance of non-compliance by the Company with any Stock Exchange. There is not any instance of penalties, strictures imposed by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital markets, during the last three years.



PACIFIC INDUSTRIES LIMITED

- iii) The Company has complied with the applicable Accounting Standards.
- iv) Management Discussion and Analysis Report forms a part of the Director's Report.
- v) The relevant disclosures on the remuneration of directors have been included elsewhere in this report.
- vi) The Company has not raised any proceeds from public issue, rights issue, preferential issue, etc. during the year.

IV. CEO/CFO CERTIFICATION

Mr. J. P. Agarwal, Chairman & Managing Director and heading the finance function, certify to the Board that :

- a. they have reviewed Financial Statements and the Cash Flow Statement for the year and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement, have not omitted any material fact and do not contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. to the best of their knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violate of the Company's Code of Conduct.
- c. they accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, the deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. they have indicated to the auditors and the Audit Committee:
 - (i) significant changes in Internal Control if any, over financial reporting during the year,
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

V. REMUNERATION COMMITTEE

The broad terms of reference of the Committee are to recommend to the Board the salary (including annual increments), perquisites and commission/performance linked remuneration to be paid to the managing/whole-time directors of the Company and to finalise the perquisites package within the overall ceiling fixed by the Board.



PACIFIC INDUSTRIES LIMITED

Following are the terms of reference of the Remuneration Committee of the Company:

1. Approving of the annual increment in the remuneration payable to the Managing Director / Whole time Director / Executive Director within the salary scale as sanctioned by the shareholders
2. Varying, altering or widening the terms of remuneration of the Managing Director / Whole time Director / Executive Director within the limits sanctioned by the shareholders
3. Determining commission/performance linked remuneration payable to the Managing Director / Whole time Director / Executive Director and the Non-Executive Directors within the limits specified by shareholders
4. Sanctioning retirement benefits within the limits approved by the shareholders

The recommendations of the Remuneration Committee are considered and approved by the Board subject to shareholders' approval.

The Remuneration Committee comprises of three independent directors.

The composition of the Committee and the details of the meetings attended by the members thereof during the year 2008-09 are as follows:

Name of the Director	Status	Number of Meetings Attended
Mr. S. M. Agarwal	Chairman	2
Mr. Jayanti Oza	Member	2
Mr. Sumit Agarwal	Member	2

During the year 2008-09, the Committee met once on 22/07/2008 and 25/08/2008.

Criteria for making payment to Directors of the Company:

The criteria for making payments to the Managing / Whole time Director / Executive Director is:

- The remuneration committee of the Company recommends the salary payable to Executive Director(s).
- The shareholders of the Company approve the payment of Managerial Remuneration payable to the Managing / Whole time Director / Executives Director.
- The financial position of the Company, appointee's qualification, experience, past performance.
- The remuneration paid to the Managing / Whole time Director / Executive Director are determined keeping in view the industry benchmarks.

The Company has not granted any Stock Option to Executive/Non-Executive Directors during the year.



PACIFIC INDUSTRIES LIMITED

Details of remuneration paid to the Directors during 2008-09 are as follows:

I. Non-Whole time Directors

Name of Directors	Sitting Fees (Rs.)
Mr. S. M. Agarwal	Nil
Mr. Jayanti Oza	Nil
Mr. Sumit Agarwal	Nil
Mr. Amit Agarwal	Nil
Total	Nil

II. Managing Director, Whole Time director & Executive Director

Designation	Consolidated Salary (Rs.)	Perquisites and Other Benefits (Rs.)	Company's Contribution towards Provident Fund, Gratuity & Superannuation Fund (Rs.)	Performance Linked Remuneration for F.Y. 2008-09 to be paid during the F.Y. 2009-10 * (Rs.)	Total (Rs.)
Mr. J.P. Agarwal	1350000	NIL	36000	NIL	1386000
Mr. Kapil Agarwal	1746667	NIL	21240	NIL	1767907
Mr. Devendra Maliwal	231600	NIL	19152	NIL	250752
Period of contract of Managing Director 3 years w.ef. 30.09.2008					
Period of contract of Whole-Time Director 3 years w.ef. 23.07.2008					
Period of contract of Executive Director 3 years w.ef. 23.09.2006					

Shareholding of the Directors in the Company as on 31st March 2009

Sl. No.	Name	No. of Ordinary Shares of Rs.10/- each Held singly and/or jointly
1.	Mr. J. P. Agarwal	41844
2.	Mr. Kapil Agarwal	133455
3.	Mr. Devendra Maliwal	260
4.	Shri S. M. Agarwal	2590



PACIFIC INDUSTRIES LIMITED

VI. SHAREHOLDERS'/INVESTORS GRIEVANCE COMMITTEE

The terms of reference of Shareholder's / Investor's Grievance Committee are to specifically look into the redressal of Investors' complaints like transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividend, etc. The Registrar and Share Transfer Agent, attend and redress the shareholders / investors grievance on a day to day basis and the same is monitored by the Compliance Officer. Further, on a quarterly basis the Board reviews the status of complaints received and redressed and in compliance of Clause 41 of the Listing Agreement, the Company makes due disclosure as to the number of investor complaints pending at the beginning of the quarter, those received and disposed off during the quarter and those remaining unresolved at the end of each quarter.

The composition of the Shareholder's / Investor's Grievance Committee as on 31st March, 2009 is given below:

Name of the Committee Member	Category of Director (Executive/Non-Executive/Independent)
Mr. S. M. Agarwal	Non-Executive Independent (Chairman)
Mr. Jayanti Oza	Non-Executive Independent
Mr. Sumit Agarwal	Non-Executive Independent

During the year 2008-09, the Shareholders / Investors Grievance Committee of PIL met eighteen times on 15/04/2008, 15/05/2008, 30/05/2008, 14/06/2008, 15/07/2008, 30/07/2008, 14/08/2008, 08/09/2008, 23/09/2008, 13/10/2008, 27/10/2008, 17/11/2008, 24/11/2008, 12/01/2009, 27/01/2009, 17/02/2009, 02/03/2009 and 30/03/2009.

Name, address & contact details of
Compliance Officer:

Mr. D.K.Maliwal,
Tel. No. 0294-2440933;
Fax No. 0294-2440780.
Email : pacificinvestor@rediffmail.com.

Shareholder/Investor Complaints

Complaints pending as on 1 st April, 2008	5
Complaints Received during 1 st April 2008 to 31 st March 2009	NIL
Complaints disposed off during the year ended 31 st March 2009	5
Complaints Pending as on 31 st March, 2009	NIL



PACIFIC INDUSTRIES LIMITED

E. DETAILS REGARDING VENUE, DATE AND TIME OF THE LAST THREE AGM

Financial Year	Details of Location	Date and Time when held	Summary and type of Resolutions passed
2005 - 06	Village Bedla, Udaipur -313001, Rajasthan	5 th June 2006 at 10.00 A. M.	Special Resolutions - 2
2006-07		September 29 th , 2007 at 10.00 A. M.	No Special Resolution
2007-08		September 30, 2008 at 10.00 A. M.	Special Resolutions - 3

For the year ended 31st March 2009, the shareholders of the Company did not pass any ordinary or special resolution by postal ballot.

H. MEANS OF COMMUNICATION

Quarterly Results

Published in the newspaper as stipulated and displayed in the Company website.

Newspapers in which quarterly results were published

Financial Express & Pratahkal

Any website, where displayed

www.pacificindustriesltd.com,
www.bseindia.com.

Whether the official News Releases are displayed by the Company

It is also published in one/ two newspapers that enjoy a wide circulation in the State where the registered office of the Company is situated – one is in English and other one in vernacular language of the State.

As required under Clause 49 IV(G)(i), particulars of Directors seeking appointment /reappointment are given in the Explanatory Statement to the Notice of the Annual General Meeting to be held on 30th September, 2009.

Financial Calendar

Financial Year 2009-2010		
1	Year ending	31 March 2010
2	AGM	September 2010
3	Dividend Payment	At the ensuing AGM, if declared thereat.
4	First Quarter Results	July 2009
5	Second Quarter & Half Yearly Results	October 2009
6	Third Quarter Results	January 2010
7	Annual Results	April 2010



PACIFIC INDUSTRIES LIMITED

Listing on Stock Exchanges

Name of Stock Exchange
Bombay Stock Exchange Limited
Jaipur Stock Exchange Limited
Delhi Stock Exchange Association Limited
The Calcutta Stock Exchange Association Limited
U. P. Stock Exchange Association Limited

BSE Stock Code	523483
ISIN No.	INE883C01025
Depository Connectivity	NSDL and CDSL

The Listing Fees for the year 2009-2010 have been paid to all the Stock Exchanges.

Market Information -

The daily high and low quotations of shares traded on The Bombay Stock Exchange Limited and performance in comparison to broad based indices viz. BSE Sensex is not available since the suspension on trading of Equity Shares of the Company has been lifted and the trading has been resumed w.e.f. 25.05.2009. The available Price as on 25th August, 2009 is Rs. 176.00.

Name and address of Registrar & Share Transfer Agent

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (W), Mumbai-400078.
Tel.:022-25963838
Fax: 022-25946969
E-mail: mumbail@linkintime.co.in

Shareholders holding share in the electronic form should address their correspondence, except those relating to dividend, to their respective Depository Participants.

Share Transfer System

a) Physical Form - Shares in the physical form for transfer, should be lodged with the office of the Company's Registrar & Share Transfer Agent, M/s Link Intime India Private Limited or at the registered office of the Company. The transfers are normally processed within 15 days from the date of receipt provided the documents are technically found to be in order and complete in all respect.

SEBI vide its circular no. MRD/DoP/Cir-05/2009 dated May 20, 2009 make it mandatory for the transferee(s) to furnish copy of PAN card to the Company/RTAs for registration of transfer of shares, for securities market transactions and off-market /private transactions involving transfer of shares in physical form.



PACIFIC INDUSTRIES LIMITED

b) Demat Form – The Company had made arrangements to dematerialize its shares through National Securities Depository Ltd. and Central Depository Services (India) Ltd. and Company's ISIN No. is INE883C01025.

As on 31st March, 2009, a total of 729,079 shares of the Company, which forms 53.95% of the total shares, stands dematerialized. The processing activities with respect to the requests received for dematerialisation are completed within 15 days from the date of receipt of request.

Distribution of Shareholding as on 31st March, 2009

No. of ordinary shares held	No. of shareholders	%	No. of shares	%
1 - 500	22083	99.36	536125	39.66
501 - 1000	66	0.30	49814	3.68
1001- 10000	65	0.22	260220	19.27
10001 - and above	10	0.12	505341	37.39
Total	22224	100.00	1351500	100.00

Categories of Shareholding as on 31st March, 2009

No. of ordinary shares held	No. of shares	%
Promoters	548624	40.59
UTI / MFs / Banks	11470	0.85
FIs	10	0.00
Corporate Bodies	29989	2.22
FII's / NRIs / OCBs	12137	0.90
Resident Individuals	749280	55.44
Total	1351500	100.00

Dematerialisation of Shares and Liquidity

The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerialization of shares, the shareholders should open a demat account with the Depository Participant (DP). He / she is required to fill in a Demat Request Form and submit the same along with the share certificates to his / her DP. The DP will allocate a demat request number and shall forward the request both physically and electronically through NSDL / CDSL to R & T Agent of the Company. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialized and an electronic credit of the shares is given in the Demat Account of the shareholder.

Unit I :

Village: Bedla,
Udaipur – 313001 (Rajasthan)
Tel. No. 0294-2440933;
Fax No. 0294-2440780.

Unit II :

Village : Survey No. 13, Kempalingahalli
Nelamangala Taluk (Rural)
Bangalore - 562123 (Karnataka)
Tel. No. 080-7723004.



PACIFIC INDUSTRIES LIMITED

Address for correspondence

Village Bedla, Post Box No. 119, Udaipur – 313 001, Rajasthan.

E-mail: pacificind@rediffmail.com

URL : www.pacificindustriesltd.com

Code of Conduct for Directors and Senior Management Personnel

The Board of Directors of the Company has adopted the Code of Conduct for Directors and Sr. Management Personnel. The Code is applicable to both Executive and Non-Executive Directors as well as Sr. Management. A declaration signed by the Chairman & Managing Director is given below :

I hereby confirm that:

The Company has obtained affirmation from all the members of the Board and Sr. Management Personnel, that they have complied with the Code of Conduct for Directors and Senior Management Personnel in respect of the financial year 2008-09.

MANAGEMENT DISCUSSION AND ANALYSIS

I. INDUSTRY

A. INDUSTRY STRUCTURE & DEVELOPMENT:

The Indian economy after growing at 9% during the first two quarters of 2008-09 moderated to 6% during the latter half of the fiscal. In this scenario, the granite industry which exports 80% to 90% of the total production of its products was the first to feel the hit of the sub-prime crisis. According to data provided by CAPEXIL, the value of granite export from India was Rs 2,738 crore in 2008-09 as compared to Rs 3,367 crore and 4,086 crore respectively in 2007-08 and 2006-07.

B. OPPORTUNITIES:

By general consensus, India has been blessed by nature for its wide varieties of granite which, are not found anywhere in the world. Also the market demand for granite products is increasing in countries with high annual growth rate, like Spain, China, Hong Kong, East Europe etc. The market potential is abundant and there are excellent prospects for the Indian granite industry to get better share in the world market.

Your Company is predominantly engaged in the manufacturing of High Quality Polished Granite Slabs and Tiles. Your Company's brand name '**Pacific**' has built up a better image over the other brands available in the domestic market. Your Company makes sustainable efforts to provide beautiful and durable varieties of Granite to the whole world and in the process nurtures long-term relations with customers.

All this taken together heralds a bright future for your Company



PACIFIC INDUSTRIES LIMITED

C. THREATS:

Indian Granite industries are being forced to invest not only in (increasingly expensive) modern equipment, but also in extraction for access to the raw materials and moreover, also in expensive commercial investments such as opening their own warehouses. This strategy has its own risks; it places huge demands on management skills in an industry where, presently, all decisions were made by the owners at the top of the hierarchy. In other words, the granite industry is evolving into a highly capital intensive and complicated industry.

The market share of China in the international trade in granite has been steadily increasing in recent years. If that ever happens the threat to the survival of the elaboration of this industry in other countries will be real.

This is the age of technology. Resist it and you are dead. Invest in it and there is still no guarantee of success. Your Company has developed a strong and persistent work culture to operate successfully in diverse business environments by adapting to new technologies and complexities in different spheres of work. Adjustability and adaptability thus have become a part of day-to-day work. Cost effectiveness is directly and ultimately linked up with our Economies of Scale and Total Integration. This is what keeps your Company moving forward with agility and dynamism.

D. OUTLOOK:

India is the world's third largest producer of natural stones and fifth in export of finished products. Even today the Indian share of world market is less than 10%. There is, however, a bright future for increasing the Indian share in the world market with its vast area of granite deposits spreading over more than 15 states and with wide variety of colours and skilled work force. The growth of the granite sector, which provides a lot of employment, particularly for the rural masses, is important for the socio-economic development of the country.

Moreover with the production of Pacific Red Granite, your Company shall command dominance in the global market.

F. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

Your Company has in place proper and adequate system of internal controls to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported correctly and to ensure compliance with policies, statutes, rules and regulations. The internal control system provides for documented procedures covering all financial and operating functions.

H. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Despite the challenges of the environment and the strategic drive to integrate and transform, the organization financial performance was strong. Operating Profit was Rs. 14.04 crore during the year under review compared to Rs. 10.30 crore during the last fiscal year 2007-08 showing approx. 30% growth. Profit After tax for the year under review was Rs. 12.37 crore compared to Rs. 8.90 crore during the last fiscal year 2007-08 showing approx. 39% growth.



PACIFIC INDUSTRIES LIMITED

I. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

Your Company has 192 employees on its rolls as on 31st March, 2009. Your Company value human resource as one of its most important assets, they being vital to the Company's performance and growth. The human resource systems promote co-operation and innovation within the employees and flexibility to adapt with the changing business needs.

With an enlightened workers union, industrial relations in your Company continue to be healthy and cordial.

II. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. The Company can not guarantee that these assumptions and expectations are accurate or will be realized. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand /supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes applicable to the Company and incidental factors.

PLACE : Bedla, Udaipur
DATED: 25.08.2009

For Pacific Industries Limited

Sd/-
(J. P. Agarwal)
Chairman & Managing Director



PACIFIC INDUSTRIES LIMITED

AUDITORS REPORT

To,
The Members,
Pacific Industries Limited

We have audited the attached Balance Sheet of *M/s PACIFIC INDUSTRIES LIMITED* as at 31st March, 2009, and also the annexed Profit & Loss A/c and Cash Flow Statement of the company for the year ending on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the annexure referred to above, we report that :-

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion, proper books of accounts as required by the law have been kept by the company so far as appears from our examination of those books
3. The balance sheet and profit & loss account and cash flow statement dealt with by this report are in agreement with the books of accounts.
4. In our opinion, the balance sheet, profit & loss account and Cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act 1956 except **(a) Accounting Standard 15 : Employee Benefits.** **(b) Accounting standard 11: The effects of changes in foreign exchange rates wrt old balances.**
5. On the basis of written representations received from directors, as on 31.03.2009 and taken on record by the Board of the Directors, we report that none of the director is disqualified as on 31.03.2009 from being appointed as a director in terms of clause 'g' of sub-section (1) of section 274 of the Companies Act, 1956.



PACIFIC INDUSTRIES LIMITED

In our opinion and to the best of our information and according to the explanations given to us the said accounts subject to

- a. *Refer Note No. 2 in notes on accounts regarding confirmation and reconciliation of various Debit and Credit balances appearing under various heads & non provision of exchange fluctuation w.r.t. certain old balances. Final reconciliation / confirmation of the same may affect our disclosure.*
- b. *Note No. 6 in notes on accounts regarding Employee Benefits.*

and read together with other accounting policies & notes on accounts, give the information required by the companies Act, 1956 in manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In the case of Balance Sheet of the state of affairs of the company as at March 31, 2009 and
- b) In case of Profit & Loss accounts of the profit of the Company for the year ended on that date.
- c) In the case of Cash Flow statement of the cash flows for the year ended on that date.

For A.Bafna & Company
(Chartered Accountants)

Sd/-
(CA M.K.Gupta)
Partner
M.No. 73515

Place : UDAIPUR
Date : AUGUST 25, 2009



PACIFIC INDUSTRIES LIMITED

Re: Pacific Industries Limited

Annexure referred to in paragraph 3 of our report of even date,

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, Fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets, no material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off any substantial / major part of the fixed assets.
- (ii) (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is adequate looking the size and affairs of the Company.
- (b) In our opinion and according to the information and explanation given to us, 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 and according to the information and explanation given to us and on the basis of our examination of the records of inventory, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records have been appropriately dealt with in the books of accounts.
- (iii) (a) The company has not granted unsecured loan to parties covered in the register maintained under section 301 of the companies act, 1956. Hence the sub-clause (b),(c),(d) of clause (iii) of the order is inapplicable.
- (e) The company has taken interest free unsecured loans from 9 parties and with interest loan from 3 parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum balance outstanding at a point of time during the year was Rs 181734882/- and the year end balance of loan taken from such parties was Rs. 103395720/- .
- (f) In our opinion, terms & conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the company.



PACIFIC INDUSTRIES LIMITED

- (g) According to the information & explanation the unsecured loans taken are repayable on demand and there is no repayment schedule and the company is regular in making payment of principal amount and interest due on loans taken by it wherever stipulation for its repayment has been made.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls,
- (v) (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanation given to us, such transactions in respect of any party listed in the register maintained under Section 301 of the companies Act, 1956 have been made at prices which are prima facie reasonable having regard to the prevailing market price at the relevant time
- (vi) According to the information and explanation given to us, the company has not accepted any deposits from the public. Therefore the provision of clause (vi) of paragraph 4 of the order are not applicable to the company.
- (vii) In our opinion, the company does not have an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information & explanation given to us the Central Government has not prescribed the maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 in respect of the products manufactured by the company.
- (ix) (a) To the best of our knowledge and information obtained and verifications made, we report that the company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, and other material statutory dues applicable to it, except few delays. There are no undisputed amount payable in respect of such dues which have remained outstanding as at 31st march 2009 for a period exceeding six months from the date they became payable.

(b) According to the information and explanation given to us, there are no pending dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess which are not deposited on account of any dispute.



PACIFIC INDUSTRIES LIMITED

- (x) The company is not having accumulated losses at the end of the year and company has not incurred cash losses during current year and in immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank during the current financial year.
- (xii) In our opinion and according to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Hence, the question of maintenance of records or reporting on deficiencies does not arise.
- (xiii) 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.
- (xiv) In our opinion, during the year under audit, the company did not engage in dealing 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.
- (xv) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from Banks or Financial institutions.
- (xvi) To the best of knowledge and belief and according to the information & explanation given to us, the company has not availed the term loan during the year under review therefore the said clause is not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year and hence the question of whether the price at which shares have been issued is prejudicial to the interest of the company does not arise.
- (xix) According to the information and explanations given to us, the company has not issued any debentures.
- (xx) According to the information and explanation given to us the company has not raised any money



PACIFIC INDUSTRIES LIMITED

from Public Issue during the year hence the question of disclosure and verification of end use of such money does not arise.

- (xxi) According to the 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 A.Bafna & Company
(Chartered Accountants)

Sd/-
(CA M.K.Gupta)
Partner
M.No. 73515

Place : UDAIPUR
Date : AUGUST 25,2009



PACIFIC INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

Particulars	Schedule No.	As at 31-03-2009 (Rs.)	As at 31-03-2008 (Rs.)
I. SOURCES OF FUNDS			
1. Shareholder's Funds			
(a) Share Capital	1	13515000	13515000
(b) Reserves & Surplus	2	241021542	122694910
		<u>254536542</u>	<u>136209910</u>
2. Loan Funds			
(a) Secured Loans	3	14999342	19172250
(b) Unsecured Loans	4	91876681	160682233
		<u>106876023</u>	<u>179854483</u>
TOTAL		<u><u>361412565</u></u>	<u><u>316064393</u></u>
II. APPLICATION OF FUNDS			
1. Fixed Assets			
(a) Gross Block	5	744181146	660444211
(b) Less: Depreciation		542386697	515549466
(c) Net Block		201794449	144894745
(d) Capital Work-in-Progress		692150	18748277
		<u>202486599</u>	<u>163643022</u>
2. Investments			
	6	450300	450300
3. Current Assets, Loans & Advances			
(a) Inventories	7	195343595	196474659
(b) Receivables	8	174503070	179453070
(c) Cash & Bank Balances	9	10303270	7925031
(d) Loans & Advances	10	129735027	101678500
(A)		<u>509884962</u>	<u>485531260</u>
Less: Current Liabilities & Provisions			
(a) Liabilities	11	334397082	320739475
(b) Provisions		17012214	12820714
(B)		<u>351409296</u>	<u>333560189</u>
Net Current Assets (A-B)		<u><u>158475666</u></u>	<u><u>151971071</u></u>
TOTAL		<u><u>361412565</u></u>	<u><u>316064393</u></u>

ACCOUNTING POLICIES & NOTES ON ACCOUNT 17
The Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date attached
For A.Bafna & Co.
Chartered Accountants

For and on behalf of the board

Sd/-
M.K.GUPTA
Partner

Sd/-
D.K.MALIWAL
Executive Director

Sd/-
KAPIL AGARWAL
Executive Director

Sd/-
J. P. AGARWAL
Chairman & Mg. Director

Place: UDAIPUR
Dated: August 25, 2009



PACIFIC INDUSTRIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2009

Particulars	Schedule No.	Year ended on 31-03-2009 (Rs.)	Year ended on 31-03-2008 (Rs.)
INCOME			
Gross Turnover		605906794	728022514
Less-Excise Duty		3868663	4664323
Net Turnover		602038131	723358191
Other Income	12	43173751	2530213
Increase/Decrease in Stock	13	33339364	11958310
TOTAL		678551246	737846714
EXPENDITURE			
Material Cost	14	379039513	448042587
Manufacturing & Other Expenses	15	127572294	150373176
Financial Expenses	16	4663426	5614276
Depreciation	5	26837231	30787609
TOTAL		538112464	634817648
Operating Profit/Loss		140438782	103029066
Add: Profit on Sale of Land		1398929	0
Less: Investment written off		0	693000
Profit/Loss Before Taxation		141837711	102336066
Less: Provision For Income Tax		17012214	12820714
Less: Prior Period Tax Expenses		1164318	561927
Profit/Loss After Taxation		123661179	88953425
Profit Brought Forward		122694910	34518927
Add/Less: Prior Period Adjustment		-5334547	-777442
Available for Appropriation		241021542	122694910
Profit/(Loss) Carried Forward		241021542	122694910
TOTAL		241021542	122694910
Basic and diluted Earnings per Share (EPS)		87.55	65.24
Nominal value of per share Rs. 10)			
Number of shares for computation of EPS		1351500	1351500

ACCOUNTING POLICIES & NOTES ON ACCOUNTS 17

The Schedules referred to above form an integral part of the Profit & Loss Account.

As per our report of even date attached

For A.Bafna & Co.

Chartered Accountants

For and on behalf of the board

Sd/-

M.K.GUPTA
Partner

Sd/-

D.K.MALIWAL
Executive Director

Sd/-

KAPIL AGARWAL
Executive Director

Sd/-

J. P. AGARWAL
Chairman & Mg. Director

Place: UDAIPUR

Dated: August 25, 2009



PACIFIC INDUSTRIES LIMITED

Schedules 1 to 17 Annexed to and forming integral part of the Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the Year ended 31st March, 2009

	As at 31-03-2009 (Rs.)	As at 31-03-2008 (Rs.)
SCHEDULE 1: SHARE CAPITAL		
Authorised		
2,50,00,000 Equity Shares of Rs. 10/- each	<u>250000000</u>	<u>250000000</u>
Issued Subscribed & Paid up		
13,51,500 Equity Shares of Rs. 10/- each (Previous Year 13,51,500 Equity Shares of Rs. 10/- each)	13515000	13515000
TOTAL	<u>13515000</u>	<u>13515000</u>
SCHEDULE 2: RESERVES & SURPLUS		
Revaluation Reserve	0	1443121
Less: Tr. to P & L A/c	<u>0</u>	<u>1443121</u>
Profit & Loss Account	241021542	122694910
TOTAL	<u>241021542</u>	<u>122694910</u>
SCHEDULE 3: SECURED LOANS		
(C) Working Capital Borrowings from Ban	10802011	16360964
Vehicle Loan from ICICI Bank Ltd.	4197331	2811286
TOTAL	<u>14999342</u>	<u>19172250</u>
Working Capital Borrowing from Bank of Baroda is secured by way of hypothecation of inventory i.e. Raw Materials. Stock in process, Finished Goods, Store & Spares and book debts (both present and future) and guaranteed by the Directors of the Company.		
SCHEDULE 4: UNSECURED LOANS		
(a) From Directors	4525000	10576500
(b) From Corporate bodies	72324094	133443344
(c) Security Deposit from Customers	15027587	16662389
TOTAL	<u>91876681</u>	<u>160682233</u>



PACIFIC INDUSTRIES LIMITED

SCHEDULE 5: FIXED ASSETS											
	Gross Block			Depreciation			Net Block				
	Cost as at 01.04.2008	Addition During the year	Deduction/ Adjustment 31-03-2009	Total as at 31-03-2009	As at 01.04.2008	For the year	Sales/ Adjust	As at 31-03-2009	As at 31-03-2008		
1. Land	31143924	0	901672	30242252	0	0	0	30242252	31143924		
2. Building	64297816	17985591	0	82283407	27993079	3480327	0	50810001	36304737		
3. Plant & Machinery	452544759	60119328	0	512664087	385192181	21271041	0	106200865	67352578		
4. Furniture & Fixture	5591611	755469	0	6347080	4531148	319122	0	1496810	1060463		
5. Vehicle	10359733	5778219	0	16137952	6225383	1693367	0	8219203	4134351		
6. Misc. Ass. Mining Equipments	96506368	0	0	96506368	91607675	73374	0	4825319	4898693		
T O T A L	66044211	84638607	901672	744181146	515549466	26837231	0	542386697	201794449	144894745	
Previous year	65490725	5536936	0	66044211	483318736	32230730	0	515549466	144894745	171588539	
Capital Work in Progress	18748277	105978232	124034359	692150	0	0	0	692150	18748277		
GRAND TOTAL	679192488	190616839	124936031	744873296	515549466	26837231	0	542386697	202486599	163643022	



PACIFIC INDUSTRIES LIMITED

SCHEDULE 6: INVESTMENT LONG TERM (NON TRADE) QUOTED (AT COST)

			As at 31-03-2009 (Rs.)	As at 31-03-2008 (Rs.)
100	(100)	Equity Shares of Narmada Chematur Petro Ltd. of Rs. 10/- each Fully Paid-up	2000	2000
6100	(6,100)	Equity shares of Sattelite Engg. Ltd. of Rs. 10/- each Fully Paid-up	122000	122000
500	(500)	Equity Shares of Jaicrop Limited of Rs. 10/- each Fully Paid-up	55000	55000
12200	(12,200)	Equity Shares of Uni Royal Textile India Limited of Rs. 10/- each Fully Paid-up	122000	122000
400	(400)	Equity Shares of Feedral Bank Ltd. of Rs. 10/- each Fully Paid-up	36000	36000
100	(100)	Equity Shares of Liberty Shoes Ltd. of Rs. 10/- each Fully Paid-up	9900	9900
2400	(2,400)	Equity Shares of Bharat Immunosil Limited of Rs. 10/- each Fully Paid-up	24000	24000
120	(120)	Equity Shares of Bajaj Auto Finance Ltd. of Rs. 10/- each Fully Paid-up	39000	39000
		Total Quoted Cost (A)	<u>409900</u>	<u>409900</u>

LONG TERM UNQUOTED (AT COST)

NIL	NIL	National Saving Certificate (Pledge with the Govt.) Face Value	40400	40400
		Total Unquoted Cost (B)	<u>40400</u>	<u>40400</u>
		TOTAL INVESTMENTS (A+B)	<u>450300</u>	<u>450300</u>
		QUOTED COST	409900	409900
		MARKET VALUE	389635	389635
		UNQUOTED COST	<u>40400</u>	<u>40400</u>
			<u>450300</u>	<u>450300</u>



PACIFIC INDUSTRIES LIMITED

	<u>As at 31-03-2009 (Rs.)</u>		<u>As at 31-03-2008 (Rs.)</u>
SCHEDULE 7: INVENTORIES			
AS TAKEN, VALUED AND CERTIFIED BY THE MANAGEMENT			
Raw Material	13081061		45127722
Consumables	20281021		18113077
Stock in Process	37289316		43371807
Finished Goods	<u>115121287</u>	185772685	<u>75712830</u> 182325436
Stock in Trade		0	3929942
Scrap		9570910	9557513
Material in Transit		0	661769
TOTAL		<u>195343595</u>	<u>196474659</u>



PACIFIC INDUSTRIES LIMITED

	As at 31-03-2009 (Rs.)	As at 31-03-2008 (Rs.)
SCHEDULE 8: RECEIVABLES		
(Unsecured but considered good)		
More than six months	47994888	35817601
Others	126508182	143635469
TOTAL	<u>174503070</u>	<u>179453070</u>

SCHEDULE 9: CASH & BANK BALANCES

(a) Cash in Hand	2308245	1742569
(b) Adhesives Stamps	0	3561
(c) Balances with Scheduled Banks		
1. In Bank of Baroda	5249786	3522237
2. Balance with other banks	28752	1460
3. In FDR (including deposited as margin money for BG/LC)	2716487	2655204
TOTAL	<u>10303270</u>	<u>7925031</u>

SCHEDULE 10: LOANS & ADVANCES

(Unsecured but considered good)		
Advance recoverable in cash or kind or for value to be received	122048857	99690968
Security deposit (with government departments)	6784170	1085532
Security deposit (with others)	902000	902000
TOTAL	<u>129735027</u>	<u>101678500</u>



PACIFIC INDUSTRIES LIMITED

SCHEDULE 11: CURRENT LIABILITIES	As at 31-03-2009 (Rs.)	As at 31-03-2008 (Rs.)
Sundry Creditors		
For Materials	130480524	142372843
For Expenses	27794637	29494230
For Others	<u>9245289</u>	<u>19759114</u>
Outstanding Liabilities	167520450	191626187
Income Tax deducted at Source	18954441	19316177
Income Tax deducted at Source	1202223	1017847
Advance from Customers	146719968	108779263
TOTAL	<u>334397082</u>	<u>320739475</u>
 SCHEDULE 12: OTHER INCOME		
C. S. T. Refund	470971	1832244
Dividend	0	3784
Exchange Rate Fluctuation	31736423	0
High Seas Sale- Profit	695177	199443
Interest Received	6866527	191324
Miscellaneous Receipts	3404653	303418
TOTAL	<u>43173751</u>	<u>2530213</u>



PACIFIC INDUSTRIES LIMITED

SCHEDULE 13:	Year ended on 31-03-2009 (Rs.)		Year ended on 31-03-2008 (Rs.)	
INCREASE/ DECREASE IN STOCKS				
Closing Stock				
Stock in Process	37289316		43371807	
Finished Goods	115121287		75712830	
Scrap	<u>9570910</u>	161981513	<u>9557513</u>	128642149
Less: Opening Stock				
Stock in Process	43371807		30424445	
Finished Goods	75712830		78673154	
Scrap	<u>9557513</u>	128642149	<u>7586240</u>	116683839
Increase/(Decrease) in Stocks		<u>33339364</u>		<u>11958310</u>
SCHEDULE 14:				
MATERIAL COST				
Raw Material- Indegenious	137989159		139681555	
Raw Material -Imported	24753579		24107479	
Raw Material -Marble	2679339		87414988	
Raw Material -Natural Stone	<u>2658921</u>	168080998	<u>681580</u>	251885602
Consumables				
Imported				
Steel Blades	24523343		19030542	
Steel Grit	32230082		24611399	
Polishing Stone	<u>7410170</u>	64163595	<u>7293597</u>	50935538
Indegenious				
Polishing Stone- Local	<u>3275898</u>	3275898	<u>2228107</u>	2228107
Stores & Spares				
Imported	11882924		7581355	
Indegenious	<u>48516746</u>	60399670	<u>53373263</u>	60954618
Other Purchases				
Block Dressing	19573		72837	
Finishing & Polishing Exp.	1128936		1923883	
Granite Trading Purchases	76730424		79422857	
Marble Trading Purchase	5240419		519075	
Natural Stone Purchase	<u>0</u>	83119352	<u>100070</u>	82038722
TOTAL		<u>379039513</u>		<u>448042587</u>



PACIFIC INDUSTRIES LIMITED

	Year ended on 31-03-2009 (Rs.)	Year ended on 31-03-2008 (Rs.)
SCHEDULE 15:		
MANUFACTURING AND OTHER EXPENSES		
MANUFACTURING EXPENSES		
Factory Expenses	795657	391927
Power & Fuel	29193900	31230410
Repairs & Maintenance- Plant & Machinery	2403763	1135351
Tractor Hire Charges	2019569	2981194
Brazing exp.	159413	150720
TOTAL	34572302	35889602
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES		
Salaries	8946074	8123272
Wages	10052168	8243726
Bonus & Ex-Gratia	1555823	1675516
Employer's Contribution to ESI	582280	549120
Employer's Contribution to PF	1579755	1291864
Gratuity	1111536	927839
P.L.Encashment	591581	182106
Staff & labour Welfare	1182493	730298
TOTAL	25601710	21723741
ADMINISTRATIVE & SELLING EXPENSES		
Advertisement	12275	23822
Analysis & Testing	43650	23020
Auditor's Remuneration & Expenses	290766	148121
Business Guest Expenses	674788	210816
Charity & Donation	97222	10050
Commision on Sales	286423	237613
Conveyance & Vehicle Running Expenses	2502968	1850360
Cost Recover Chgs.	40974	41917
Crane hiring charges	0	239136
Demat capital reduction charges	843	1027420



PACIFIC INDUSTRIES LIMITED

Director's Remuneration & Expenses	3328267	1245600
Discount on Sales	0	3525415
ECGC Premium	0	76361
EDLI Charges	1596	104390
Exchange Rate Fluctuation	0	12068005
Exhibition Exp.	1252121	3368446
Fees & Subscription	815056	729918
Freight & Forwarding Expenses	34142683	48314855
Compensation /incentive	1091193	709531
Deduction on CST claim.	745964	1422020
Insurance Premium	484943	534119
Legal Expenses	142794	109618
Listing Fees	565612	181224
Miscellaneous Expenditures	258418	396507
Office Expenses	446154	660167
Office Rent	960000	960000
Professional charges	359862	330329
Postage, Telex, Telegram & Telephone, printing.	3470756	2692710
Rates & Taxes	1844477	950208
Repair & Maintenance- Others	590615	629989
Sales Promotion	1854957	865757
Security Service Expenses	671249	626575
Share Transfer Exp.	111503	67587
Travelling Expenses	10134215	8378227
Loss on insurance claim	175938	0
TOTAL	<u>67398282</u>	<u>92759833</u>
GRAND TOTAL	<u>127572294</u>	<u>150373176</u>
SCHEDULE 16:		
FINANCIAL CHARGES		
Bank Commission & Charges	1598676	1670706
Bank Interest	1340154	2302710
Interest others	1724596	1640860
TOTAL	<u>4663426</u>	<u>5614276</u>



PACIFIC INDUSTRIES LIMITED

SCHEDULE 17: ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(A) ACCOUNTING POLICIES:

(1) **General:**

The company follows mercantile basis of accounting and recognizes income and expenses on accrual basis except otherwise mentioned. The accounts are prepared on historical cost basis on the principles of going concern. Accounting policies not specifically referred are consistent and in consonance with generally accepted accounting principles.

(2) **Use of Estimates :**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statement and the reportable amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognised in the year in which the results known/materialised.

(3) **Revenue Recognition:**

(i) Revenue in respect of sales of goods is recognized at the point of dispatch/ passage of title of goods to the customer. Sales are net of excise duty and sales tax.

(ii) Insurance and other claims being unascertained are accounted on receipt basis.

(4) **Fixed Assets:**

Fixed Assets are stated at cost of acquisition or construction or at revalued amounts wherever such assets have been revalued less accumulated depreciation.

(5) **Depreciation :**

Depreciation on Fixed assets has been provided on written down value as per the rates prescribed in schedule XIV of the companies Act, 1956.

Depreciation on additions, has been provided on pro-rata basis from the date on which asset is capitalized/ put to use, wherever applicable.

Fixed assets costing Rs. 5,000/- or less are being fully depreciated in the year of acquisition.

(6) **Impairment of Assets :**

The carrying amounts of tangible fixed assets are reviewed for impairment, if events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Whenever the carrying value of an asset exceeds its recoverable amount, impairment is charged to profit and loss account.

Recoverable amounts are estimated for individual assets where feasible, otherwise to the relevant cash generating unit.

(7) **Investment:**

Investments are classified into current and long term investment.

Long term investments are carried at cost. Provision for diminution is made in the value of investment to recognize a decline if any, other than temporary.

Current investments are stated at lower of cost and net realizable value.

(8) **Export Incentive:**

Export incentives on trading export such as import entitlement, advance license are accounted for on the realization/ sale thereof.



PACIFIC INDUSTRIES LIMITED

(9) Employee Benefits:

- (i) Gratuity and leave encashment payable to employees, who are eligible are accounted for on accrual basis as it will become due for payment on last day of accounting year.
- (ii) Provident fund paid/ payable during the year is charged to Profit & Loss Account.

(10) Inventories:

- (i) Raw materials, stores & spares, consumables are valued at actual cost on FIFO basis.
- (ii) Stock-in-process is valued at weighted average cost which includes cost of raw material, stores & spares and other consumable consumed and manufacturing expenses, production overheads and depreciation.
- (iii) Finished goods are valued at cost or at estimated realizable value whichever is lower. Cost for this purpose includes raw materials, wages, manufacturing expenses, production overheads and depreciation.
- (iv) Scrap is valued at estimated realizable value.
- (v) Crazy/ wastage arising out of production is valued at net realizable value.

(11) Foreign Currency Transactions:

- (i) Foreign Currency transactions are accounted for at the exchange rate prevailing on the date of such transaction, where such transactions are not covered by forward contracts. Gains/ Losses arising out of the fluctuation in the exchange rate are accounted for on realization.
- (ii) Current assets & liabilities are translated at year-end rate. Exchange fluctuation, if any, are adjusted in profit and loss account (except related to fixed assets) during the year and the related current assets and liabilities accordingly restated in the balance sheet.
- (iii) In respect of foreign currency taken for acquisition of fixed assets, any fluctuation arising due to such transactions are adjusted in the cost of the respective fixed assets.

(12) Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

(B) NOTES ON ACCOUNTS:

- (1) Contingent liability are not provided for in the matter of :
 - (a) Guarantees issued by bank on behalf of the Company Rs. 6,00,000/- (Previous year Rs.6,00,000/-).
 - (b) Letter of credit issued by bank on behalf of the Company Rs 44,98,074/- (Previous year Rs. 33,25,339/-).
 - (c) Show cause notice recd from excise authorities of Rs 1.02 crore in respect of excise duty imposed on ground of availing wrong benefit of exemption notification on imported marble blocks, however no demand has been recd from the excise authorities against the same and based on the legal opinion obtained, the company does not expect any liability on this account
 - (d) Show Cause notice recd from excise authorities of Rs 4.94 crore in respect of custom duty under the provision of Custom Act 1962 imposed on ground of availing wrong benefit of



PACIFIC INDUSTRIES LIMITED

exemption notification on imported marble blocks. However no demand has been recd from the Custom authorities against the same Based on the legal opinion obtained, the company does not expect any liability on this account.

- (e) Demand of Rs 8.92 lacs against which the company has deposited Rs 8.92 lacs under Central Excise act against which the company has filed an appeal.
 - (f) Service Tax refund claim rejection of Rs 3.40 lacs against which the company is perusing the matter with concerned department.
- (2) Debit and Credit balances appearing under sundry debtors, advance recoverable in cash or in kind, unsecured loans, sundry creditors are subject to confirmation and reconciliation. Adjustment, if any, in these accounts will be made as and when finally reconciled and confirmed.
 - (3) Receivables have been taken at their book value, after making necessary adjustment on account of foreign exchange fluctuation.
 - (4) Consumption of raw material and consumables and stores & spares have been arrived at by adding purchases to opening stock and deducting closing stock there from.
 - (5) Net realizable value in respect of valuation of crazy/ waste arising out of production have been taken by the management on the basis of quotation received from various parties.
 - (6) The company has provided Gratuity provision on accrual method as it will become payable on accounting year's end. This provisioning method is not according to Accounting standard – 15 Employee benefits issued by the Institute of Chartered Accountants of India. The impact of difference between provisions made and required to be made as suggested in AS– 15 is unascertainable.
 - (7) During the year the Company has earned exchange gain of Rs. 3,17,36,423/- on account of Foreign exchange fluctuations (previous year loss of Rs. 1,20,68,005/-)
 - (8) In line with the notification dated 31st March, 2009 issued by The Ministry of Corporate Affairs, amending Accounting Standard AS11 – 'Effects of Changes in Foreign Exchange Rates', the Company has chosen to exercise the option under paragraph 46 inserted in the standard by the notification. Accordingly, the company has adjusted the foreign currency exchange differences on amounts outstanding for acquisition of fixed assets, to the carrying cost of fixed assets.
 - (9) FDR's includes FDR's, which are pledged against margin money Rs. 16,04,772/-, (Previous year Rs.24,95,332/-).
 - (10) Provision for income tax (MAT) is determined in accordance with the provisions of the Income tax Act, 1961. MAT credit is not recognized as a measure of prudence.
 - (11) Deferred tax asset has not been created in respect of the unabsorbed losses and depreciation brought forward from previous year and on the timing differences during the current year, since there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.
 - (12) Previous years figures have been rearranged/ regrouped wherever necessary.
 - (13) Remuneration to Chairman & Managing Director comprises Rs. 13,50,000/- as salary, (Previous year Rs. 3,00,000/-) and house rent allowance as Rs. NIL (Previous year Rs. 24,000/-).
 - (14) The basic earnings per share are computed by dividing the net profit after tax for the period by the weighted average number of Equity Shares outstanding during the period.



PACIFIC INDUSTRIES LIMITED

Particulars	2008-2009	2007-2008
No. of Equity Shares (weighted average)	1351500	1351500
Profit After Tax	118326382-	8,81,75,983/-
Earning per share (Basic & Dilutive)	87.55	65.24

(15) Related parties information are as under – AS 18 :

(a) Key Management Personnel	Shri J. P. Agarwal (Chairman & Managing Director) Shri Kapil Agarwal (Director) Shri Amit Agarwal (Director)					
(b) Relatives	Shri Bholu Ram Agarwal Smt. Leela Devi Agarwal Smt. Geeta Devi Agarwal Ashish Agarwal Rahul Agarwal Ankit Agarwal Preeti Agarwal					
(c) Entities in which key management personnel and their relatives are interested.	Rameshwar Agencies Ruchita Exports Kapil Exports Geetanjali Education Society Geetanjali Foundation Geetanjali Marble Dhawal Marbles & Granites P. Ltd. Ojaswi Marbles & Granites P. Ltd. Rahul Marbles P. Ltd Amit Granites Pearl Exports Pacific Leasing & Research Ltd. Shruti Synthetics Ltd. J P Marble Pacific Education Society					
Particulars	Referred in (a) Above (Rs. in Lacs)		Referred in (b) Above (Rs. in Lacs)		Referred in (c) Above (Rs. in Lacs)	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Purchases:	0.00	0.00	0.00	0.00	1.87	12.25
Sales:	0.00	0.00	0.00	0.00	22.55	0.34
Salary	30.97	6.06	5.40	0.00	0.00	0.00
Expenses	0.00	14.38	4.81	0.23	0.00	5.43
Payables/Advance Received	21.23	0.00	0.00	43.38	632.87	299.74
Loan Taken	0.00	0.00	0.00	0.00	402.96	261.00
Loan Repaid	0.00	0.00	58.20	35.00	1074.91	462.04
Loan Outstanding as on 31 March 2009 (Liabilities)	7.25	7.25	4.89	0.00	790.21	1366.43
Loan Outstanding as on 31 March 2009 (Assets)	0.00	0.00	0.00	0.00	704.58	516.68



PACIFIC INDUSTRIES LIMITED

(16) Figures are rounded off to the nearest rupees.

(17) Payment to Auditors during the year is as under:

PARTICULARS	2008-09 (In Rs.)	2007- 08 (In Rs.)
Audit fees / Limited Review Fees / Tax audit fees	185,000.00	1,25,000.00
Service Tax	19,055.00	15,450.00
Total	2,04,055.00	1,40,450.00

(18) The Company is operating in only one segment i.e. export of Granite & Marble, hence there are no reportable segment.

(19) The Government of India has promulgated "The Micro, Small & Medium Enterprises Development Act" 2006 which came into force w.e.f. October 2, 2006. The Company is required to identify the Micro & Small Enterprises & pay them interest on overdue beyond the specified period irrespective of the terms agreed with the enterprises. The Company has initiated the process of identification of such suppliers. In view of no. of suppliers & no receipt of critical inputs & response from several such potential parties, the liability of interest cannot be reliable estimated nor can required disclosure be made. Accounting in this regard will be carried out after process is complete and reliable estimate can be made in this regard. Since the Company is regular in making payments to all suppliers, the management does not anticipate any significant interest liability.

20. Additional Information pursuant to the provision of paragraphs 3 and 4 of part- II of the schedule VI of the Companies Act, 1956.

(a) Capacity of Polished Granite Slabs/ Tiles

Particulars	Current Year 2008-09	Previous Year 2007-08
Licenced Capacity (P.A.)	420000 SQM	420000 SQM
Installed Capacity: Slabs	360000 SQM	300000 SQM
Installed Capacity: Tiles	180000 SQM	180000 SQM

(Certified by the Management being a technical matter P.A.)

(b) Capacity of Marble Slabs/ Tiles

Particulars	Current Year 2008-09	Previous Year 2007-08
Licenced Capacity (P.A.)	100000 SQM	100000 SQM
Installed Capacity: Slabs	100000 SQM	100000 SQM

(c) PARTICULARS OF GOODS MANUFACTURED/ PURCHASED AND SALES

S.No.	Particulars	Unit	Opening Stock		Production/Purchase		Sales/Transfer		Closing Stock	
			Qty	Amount Rs.	Qty	Amount Rs.	Qty	Amount Rs.	Qty	Amount Rs.
1	Polished Granite Slabs (Previous Year)	Sq.Mt.	64604 (60485)	63631973 (60365131)	309247 (325946)	----	274133 (318593)	429908970 (470433450)	96483 (64604)	107879322 (63631973)
2	Cut-to- size Polished Granite Tiles (Previous Year)	Sq.Mt.	3071 (3396)	3258557 (3742082)	10420 (2410)	----	9111 (2735)	13323731 (4112154)	4380 (3071)	4806851 (3258557)
3	Polished Marble Slabs (Previous Year)	Sq.Mt.	7471 (12492)	8067483 (14050236)	19919 (100914)	----	25882 (80567)	14673823 (94187765)	(23859) (7471)	1100081 (8067483)
4	Cut-to- size Polished Marble Tiles (Previous Year)	Sq.Mt.	40 0	57398 0	4869 (19171)	----	4372 (19131)	2506409 (27076067)	538 (40)	455422 (57398)
5	Polished Natural Stone (Previous Year)	Sq.Mt.	1101 (940)	697417 (515705)	16769 (1955)	----	16579 (1794)	22903045 (2079279)	1291 (1101)	879611 (697417)
6	Traded Granite Tiles & Slabs (Previous Year)	Sq.Mt.	2818 0	3653848 0	62138 (88651)	0 (83004922)	0 (85833)	102272030 (115827149)	----	----
7	Traded Marble (Previous Year)	Sq.Mt.	850 ----	276094 ----	6359 (2408)	0 (795169)	----	9021342 (1043169)	----	----
8	Traded Natural stone (Previous Year)	Sq.Mt.	----	----	0 0	0 0	0 0	0 0	---	---
9	Others(High Seas Sale) Block (Previous Year)	M.T.	----	----	0 (603)	0 (6917512)	0 (603)	7428780 (7116955)	---	---





PACIFIC INDUSTRIES LIMITED

(d) VALUE OF RAW MATERIAL, CONSUMABLES, STORES & SPARES PARTS CONSUMED

	<u>2008-2009</u>			<u>2007-2008</u>		
	<u>Qty.</u>	<u>Value (Rs.)</u>	<u>% age</u>	<u>Qty.</u>	<u>Value (Rs.)</u>	<u>% age</u>
(i) RAW MATERIAL (ROUGH GRANITE BLOCKS IN CUBIC MTRS.)						
- Indegenious	7544.00	137989159	82.10	8549.66	139681555	55.48
- Imported	1966.18	24753579	14.73	529.83	23962495	9.52
- Marble	3971.31	5338260	3.18	10563.70	88121938	35.00
	<u>13481.49</u>	<u>168080998</u>	<u>100.00</u>	<u>19643.19</u>	<u>251765988</u>	<u>100.00</u>
(ii) CONSUMABLES, STORES & SPARE PARTS						
- Indegenious		<u>53595362</u>	-----		<u>57895324</u>	-----
	(i)	<u>53595362</u>	<u>41.92</u>	(i)	<u>57895324</u>	<u>50.73</u>
- Imported						
Steel Blade	431298 Kgs.	24523343		452763 Kgs.	19030542	
Steel Grit	692775 Kgs.	32230082		780700 Kgs.	22585499	
Polishing Stone	136533 Nos.	7410170		193063 Nos.	7293597	
Store & Spares	-----	<u>10080206</u>		-----	<u>7313302</u>	
	(ii)	<u>74243801</u>	<u>58.08</u>	(ii)	<u>56222940</u>	<u>49.27</u>
TOTAL		<u>127839163</u>	<u>100.00</u>		<u>114118264</u>	<u>100.00</u>



PACIFIC INDUSTRIES LIMITED

(e) Value of Imports Calculated on CIF Basis

Particular	2008-2009 (Rs.)	2007-2008 (Rs.)
(i) Raw Material	19720199	40833129
(ii) Consumables		
Steel Blades	24383425	20930607
Steel Grit	33270490	24293405
Polishing Stone	7891686	7553803
Imported Stores & Spares	10958687	7108454
TOTAL	96224487	100719398
(iii) Capital Goods	52951112	0

(f) Expenses in Foreign Currency :

(i) Foreign Travelling & Export Development	107445	1129624
(ii) Advertisement	Nil	Nil
(iii) Foreign Technicians	Nil	Nil

(g) Earnings in Foreign Exchange:

FOB Value of Exports	554788174	675604070
----------------------	-----------	-----------

(h) Details of expenditure incurred on employees, who were in receipt of remuneration in the aggregate of not less than Rs.24,00,000/- per annum, if employed throughout the year or 2,00,000/- per month, if employed for a part of the year (previous year NIL), is as per Annexure-B of Director's Report.

SIGNATURES TO SCHEDULE 1 TO 17

AS PER OUR REPORT OF EVEN DATE ATTACHED

For A.Bafna & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Sd/-
[CA M.K.GUPTA]
Partner

Sd/-
[D. K. MALIWAL]
Executive Director

Sd/-
[KAPIL AGARWAL]
Executive Director

Sd/-
[J. P. AGARWAL]
Chairman & Managing Director

Place : UDAIPUR
Dated: AUGUST 25,2009



PACIFIC INDUSTRIES LIMITED

PARTICULARS	As on 31.03.2009	As on 31.03.2008
A. Cash Flow from Operating Activities:	Rs. in Lacs	Rs. in Lacs
Net Profit before Tax and Extraordinary Items	1406.73	1017.74
Depreciation & Amortisation	268.37	307.88
Other Income not relating to operations	(431.74)	(25.30)
Bad Debts Provision Revert Back	0.00	0.00
Profit on Sale of Assets	(13.99)	0.00
Decrease (Increase) in Investments	0.00	6.93
Other Financial Exp.	15.99	33.12
Interest (Net)	30.65	23.03
Total	1276.01	1363.40
Decrease (Increase) in Trade & Other Receivables	49.50	(223.39)
Decrease (Increase) in Investments		
Decrease (Increase) in Inventories	11.31	325.84
Increase (Decrease) in Current Liabilities	136.58	(245.75)
Decrease (Increase) in Loans & Advances	(280.57)	(503.86)
Interest Paid (Net)	0.00	0.00
Total	(83.18)	(647.16)
Cash Flow before Extraordinary Items	1192.83	716.24
Taxes Paid	(128.21)	(60.15)
Extra-ordinary Items	(53.35)	(7.77)
Net Cash from Operations	1011.28	648.31
B. Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(846.39)	(15.25)
Sale of land	23.01	0.00
Decrease (Increase) in Capital Work in Progress	180.56	(180.47)
Other Income	431.74	25.30
Net Cash From Investing	(211.08)	(170.42)
C. Cash Flow From Financing Activities:		
Repayment of Long Term Borrowings	(729.78)	(466.54)
Increase (Decrease) in Reserves & Surplus	0.00	0.00
Issue of Shares	0.00	0.00
Other Financial Exp.	(15.99)	(33.12)
Interest (Net)	(30.65)	(23.03)
Net Cash From Financing Activities	(776.42)	(522.69)
Total Increase (Decrease) in Cash & Cash Equivalents	23.79	(44.79)
Cash & Cash Equivalents at the beginning of the year	79.25	124.04
Cash & Cash Equivalents at the end of the year	103.03	79.25

As per our report of even date attached
For A.Bafna & Co.
Chartered Accountants

For and on behalf of the board

Sd/-
CA M.K.GUPTA
Partner

Sd/-
D.K.MALIWAL
Executive Director

Sd/-
KAPIL AGARWAL
Executive Director

Sd/-
J. P. AGARWAL
Chairman & Mg. Director

Place: UDAIPUR
Dated: AUGUST 25,2009



PACIFIC INDUSTRIES LIMITED

1. REGISTRATION DETAILS

Registration No.	5051
State Code	17
Balance Sheet Date	31.03.2009

2. CAPITAL RAISED DURING THE YEAR (Amount in Rs.Thousands)

Public	Nil
Right Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS(Amount in Rs.Thousands):

Total Liabilities (Sources of Funds)	Amount (Rs.)	Total Assets (Rs.) (Application of Funds)	Amount (Rs.)
Paid-up Capital	13515.00	Net Fixed Assets	201794.44
Reserves & Surplus	241021.54	Capital Work in Progress	692.15
Secured Loans	14999.34	Investments	450.30
Unsecured Loans	91876.68	Net Current Assets	158475.67
Total	<u>361412.56</u>	Total	<u>361412.56</u>

4. PERFORMANCE OF COMPANY(Amount in Rs.Thousands):

Turnover and Other Income	645211.88
Total Expenditure	503374.17
Profit (Loss) Before Tax	141837.71
Profit (Loss) After Tax	123661.17
Earning per Share (Rs.)	87.55
Dividend Rate (%)

5. GENERIC NAME OF PRINCIPAL:

Product of the Company (as per monetary terms)	Polished Granite Slabs/ Tiles
---	-------------------------------

Item Code No. (ITC Code)	68022301
Product Description	

FOR AND ON BEHALF OF THE BOARD

Sd/-
[D.K.MALIWAL]
Executive Director

Sd/-
[KAPIL AGARWAL]
Executive Director

Sd/-
[J. P. AGARWAL]
Chairman & Managing Director

Place: UDAIPUR

Dated: AUGUST 25,2009

ATTENDANCE SLIP

Pacific Industries Limited

Registered Office: Village Bedla, Udaipur – 313 001, Rajasthan.

(Please fill this attendance slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the 20th Annual General Meeting of the Company to be held at **Village Bedla, Post Box No. 119, Udaipur – 313 001, Rajasthan** on Wednesday the 30th September, 2009 at 10.00 A. M.

Folio No. # _____

DP ID* _____

No. of shares held _____

CLIENT ID* _____

Member's / Proxy's name (in Block Letters)

Signature

Applicable for shares held in physical form.

* Applicable for shares held in dematerialized form.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

PROXY FORM

Pacific Industries Limited

Registered Office: Village Bedla, Udaipur – 313 001, Rajasthan.

I/We _____ of _____ in the district of _____ being member(s) of **Pacific Industries Limited** hereby appoint Mr. / Mrs. _____ of _____ in the district of _____ or failing him/her Mr./ Mrs. of _____ in the district of _____ as my/our proxy to attend and vote for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held at **Village Bedla, Post Box No. 119, Udaipur – 313 001, Rajasthan** on Wednesday the 30th September, 2009 at 10.00 A.M. and at any adjournment thereof.

Folio No. # _____

DP ID* _____

No. of shares held _____

CLIENT ID* _____

Signed this _____ day of _____, 2009

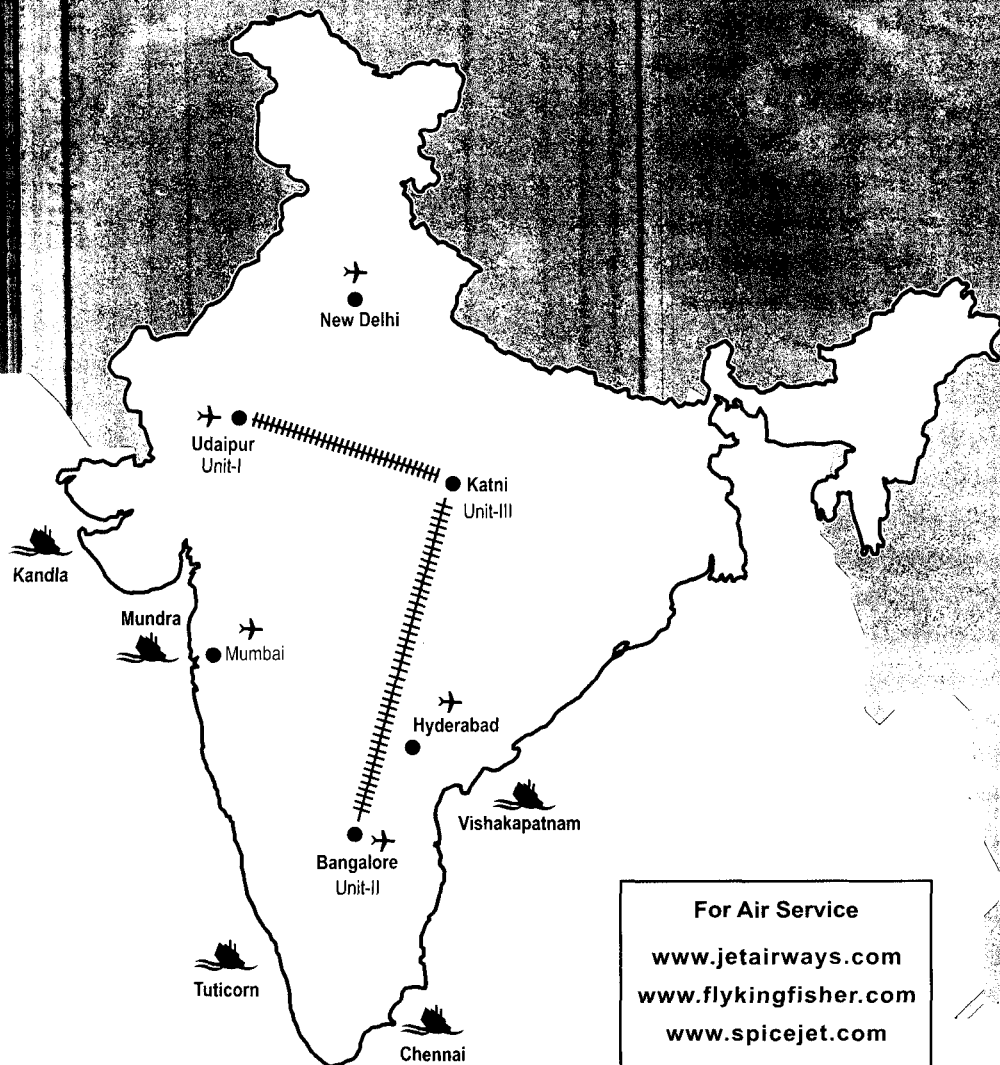
Signature

Affix Rs. One
Revenue Stamp

Applicable for shares held in physical form.

* Applicable for shares held in dematerialized form.

Note: This form in order to be effective should be duly stamped, completed, signed and must be deposited at the registered office of the company not less than 48 hrs. before the time for holding the meeting.



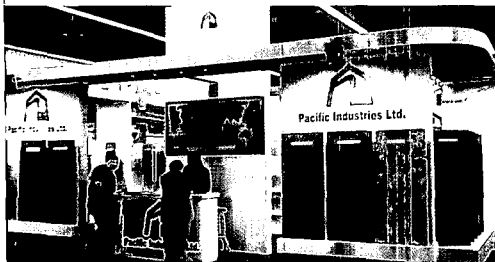
For Air Service
www.jetairways.com
www.flykingfisher.com
www.spicejet.com

For Train Service
www.indianrail.gov

Nurnberg 2009, Germany

Marmomacc 2008, Verona

Stona 2008, Bangalore



Global Presence

BOOK-POST

GRANITE

MARBLE

SAND STONE

SLATE STONE

LIME STONE

PRINTED MATTER

To,

If undelivered please return to :



PACIFIC

INDUSTRIES LTD. INDIA

Village : Bedla, Distt. Udaipur
Rajasthan - 313001

CORPORATE OFFICE & FACTORY

Village Bedla, Udaipur - 313004

Rajasthan, INDIA

Tel.: +91-294-2440933/34

Fax : +91-294-2440780

E-mail : pilnorth@pacificgranites.com

www.pacificindustriesltd.com

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◆ pacindltd@gmail.com