

*Where legend and technology mingle*

*Annual Report 2009-2010*





Founder Chairman - late Shri Parasraj G. Shah  
(18.8.1933 - 16.3.1982)

**BOARD OF DIRECTORS**

SHRI PANKAJ P SHAH	MANAGING DIRECTOR
SHRI ABHAY P SHAH	WHOLE TIME DIRECTOR
SHRI VIMAL DHADDA	DIRECTOR
SHRI HEMANT K NEMA	DIRECTOR
SHRI SAHIL P SHAH	DIRECTOR
SHRI UDHAN KUMAR CHORDIA	DIRECTOR

**SENIOR EXECUTIVES**

SHRI R YADAV	EXECUTIVE DIRECTOR (OPERATION)
SHRI M R JAIN	ADDITIONAL DIRECTOR (OPERATION)
SHRI AJAY MALHOTRA	DIRECTOR (MARKETING)

**COMPANY SECRETARY**

SHRI RAMDEV SINGH JETMAL

**AUDITORS**

M/s H M Singhvi & Co.  
Chartered Accountants  
Johari Bazar, Jaipur.

**BANKERS**

IDBI Bank Ltd.  
State Bank of Bikaner & Jaipur

**REGISTERED OFFICE**

6, Neptune Tower, Ashram Road, Ahmedabad-380 009 (Gujarat)

**WORKS & HEAD OFFICE**

PO : Pipalia Kalan 306 307 Dist. Pali Rajasthan  
Tel.: (02937) 287151-56 • Fax : 02937-287150 • Mobile : 93516-00444  
e-mail : pgfoils@pgfoils.in, pgfoils.investor@gmail.com

**SALES OFFICES**

MUMBAI	: Neelam Building, 1st Floor, 80, Marine Lines, Mumbai-400 002 Tel. : (022) 32428026, 32188889 • Fax : (022) 22813502 Mobile : 093231-10405 • e-Mail : anil@pgfoils.in
CHENNAI	: Sri Durga Ashirwad, 25/2 Periyar Nagar, Near Sri Valli Mahal, Moolakadai, Chennai – 600 060 • Mobile : 093830-25913 • e-Mail : skmaloo@gmail.com
AHMEDABAD	: 6, Neptune Tower, Ashram Road, Ahmedabad – 380 009 Tel.: 079-26587606, 32986262 • Fax: 079-26584187 • Mobile: 093282-73642
DELHI	: 3058/3063, D.B.Gupta Road, 1st Floor, Pahar Ganj, Delhi-110 055 Tel.: 011-32537032 • Mobile: 093106-91444, 093111-20685 e-Mail : pgfdelhi@gmail.com
BANGALORE	: No.34, 10th Main Near DAV Public School, Prashanthi Nagar, Bangalore – 560 078 Tele/Fax: 080-26664956 • Mobile:- 093417-61014 • e-Mail : pgfoil_blr@sify.com
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JAIPUR	: Mayur Apartment, Flat No. T-3&4, 40-41, Mahampura, Raj Bhawan Road, Civil Line, Jaipur • Mobile : 093144-34912
KOLKATA	: 228, A.C.R. Avenue, Near Girish Park, Kolkata – 700 006 Tel.: 033-22359293 • Mobile : 093320-06400 • e-Mail : sanjaypg84@yahoo.com



## NOTICE FOR 31st ANNUAL GENERAL MEETING



NOTICE is hereby given that the 31st Annual General Meeting of the Members of P G Foils Limited will be held at the Orient Club, Ellis Bridge, Ahmedabad – 380 006 on Tuesday, the 28th day of September 2010, at 11:00 A.M. to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March 2010 and the Profit & Loss Account for the year ended on 31st March 2010, the report of the Directors and Auditors thereof.
2. To appoint a director in place of Mr. Sahil P Shah, who retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Hemant Nema, who retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

### SPECIAL BUSINESS

5. Keeping of register and index of members and debenture-holders

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

“RESOLVED THAT pursuant to the proviso to Section 163(1) of the Companies Act, 1956 ('the Act') approval be and is hereby accorded to keep the Register and Index of Members and Register and Index of Debenture holders and copies of all annual returns prepared under section 159 together with the copies of the certificates and documents required to be annexed thereto under section 162 of the Act, with the Share Transfer Agent of the Company for the time being, who presently are, Sharepro Services (India) Private Limited, having their office presently at 461-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, Ahmedabad – 380 006 or at such other place where the office of such Share Transfer Agents of the Company may be situated within the local limits of the city of Ahmedabad.”

### REGISTERED OFFICE

6, Neptune Tower,  
Ashram Road,  
AHMEDABAD-380 009

Place : Jaipur  
Date : 23rd August 2010

By order of the Board  
For P G Foils Limited

( PANKAJ P SHAH )  
Managing Director

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. An explanatory statement pursuant to section 173 of the Companies Act, 1956, relating to the special business to be transacted at the Annual General Meeting is attached.
3. The register of members and share transfer books of the company will remain closed from 23rd September, 2010 to 28th September, 2010 (both days inclusive).
4. The information and the details of the directors to be reappointed, to be provided in terms of clause 49 of the Listing Agreement with Stock Exchanges is annexed.
5. Members are requested to notify any changes in their address and mandates, if any, immediately at the Registered Office of the Company in writing.
6. Members are requested to bring their copy of the annual report along with admission slip with them at the Annual General Meeting as no extra copies of annual report or attendance slip will be distributed at the meeting venue.
7. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgment of request for these transactions, is now mandatory.
8. Non-Resident Indian Shareholders are requested to inform the company immediately about:
  - a. The Change in the residential status on return to India for permanent settlement.
  - b. The particulars of NRO Bank Account in India, if not furnished earlier.
9. The Company has appointed **M/s Sharepro Services (India) Pvt. Ltd., 13AB, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Mumbai – 400 072** having its branch office at **461-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, Ahmedabad-380 006** as the common agency to handle electronic connectivity and the shares in physical mode. Therefore, the members are requested to send all their communications to them or at the Share Division Office of the Company at 6, Neptune Tower, Ashram Road, Ahmedabad -380 009.

### REGISTERED OFFICE

6, Neptune Tower,  
Ashram Road,  
AHMEDABAD-380 009

By order of the Board  
For P G Foils Limited

Place : Jaipur  
Date : 23rd August 2010

( PANKAJ P SHAH )  
Managing Director

### Annexure to Notice

#### Details of Directors seeking reappointment at the forthcoming Annual General Meeting

(as required under clause 49 of the Listing Agreement)

#### ITEMS NO. 2

Name of the Director Date of Birth Date of Appointment Experience	Mr. Sahil P Shah 18/03/1985 11/08/2007 Young and energetic entrepreneur having 3 year's experience
Directorship in other Public Limited Companies As on 31st March, 2010	None
Chairmanship/Membership of committees of Other Public Limited Companies as on 31st March 2010	I. Shareholders / Investor Grievance Committee :- A. Chairman:- None B. Member:- None II. Audit committee: A. Chairman:- None B. Member:- None

**ITEMS NO. 3**

Name of the Director Date of Birth Date of Appointment Experience	Mr. Hemant Nema 10/11/1954 31/10/2000 35 Year Vast Business Experience
Directorship in other Public Limited Companies As on 31st March, 2010	None
Chairmanship/Membership of committees of Other Public Limited Companies as on 31st March 2010	I. Shareholders / Investor Grievance Committee :- A. Chairman:- None B. Member:- None II. Audit committee: A. Chairman:- None B. Member:- None

**Explanatory Statement under section 173 (c) of the Companies Act 1956**
**ITEM NO. 5**

Sharepro Services (India) Private Limited have been appointed as the Share Transfer Agents of the Company in place of Pinnacle Shares Registry Private Limited.

Hence this special resolution for approval of the members for keeping the aforesaid registers, indexes, returns and copies of all such certificates and documents with the Company's Share Transfer Agents. At present Sharepro Services (India) Private Limited are the Share Transfer Agents and their office is situated at 461-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, Ahmedabad – 380 009.

The proposed resolution facilitates keeping of such documents with any company or firm who may be the Share Transfer Agents of the Company for the time being and at such office that may be designated by the Share Transfer Agents within the limits of the city of Ahmedabad.

Your directors recommend the special resolution at item no. 5 of the accompanying notice for your approval.

None of the Directors are, in any way, concerned or interested in the aforesaid resolution.

**REGISTERED OFFICE**

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Ashram Road,  
AHMEDABAD-380 009

By order of the Board  
For P G Foils Limited

Place : Jaipur  
Date : 23rd August 2010

( PANKAJ P SHAH )  
Managing Director

Dear Shareholders,

Your Directors have pleasure in presenting the 31st Annual report of your Company together with the audited annual account of the Company for the year ended 31st March, 2010.

**FINANCIAL HIGHLIGHTS**

Rs. In Lacs

	2009-10	2008-09
Net Sales & Other Incomes	14035.54	17149.80
Profit/(Loss) before Depreciation & Tax	741.83	(126.73)
Less: Depreciation	209.24	111.96
Profit/(Loss) Before Taxation	532.59	(238.69)
Less: Provision for Taxation Excluding Deferred Tax	75.80	4.05
Profit After Tax	456.79	(242.74)
Add/less: Prior Period Adjustments (170.61) and Deferred Tax		98.16
Add/Less: Profit Brought Forward	2684.97	2829.55
Profit available for appropriation	2971.15	2684.97
<b>APPROPRIATION:</b>		
Less : Transfer to General Reserve	0.00	0.00
Less : Proposed Dividend	0.00	0.00
Less : Dividend Tax	0.00	0.00
Balance Carried forward	2971.15	2684.97

**DIVIDEND**

Your directors do not recommend any payment of Dividend for the year ended 31st March 2010.

**OPERATIONS**

During the year your company achieved a Gross turnover of Rs. 15263.42 Lacs as against Rs. 18456.77 Lacs in the previous year.

Profit before tax was increased to Rs. 532.59 Lacs from loss of Rs. (238.69) Lacs of previous year. During the year company has paid Rs. 250 Lacs towards premium of employer-employee polices and on life of employees and Rs. 450 Lacs towards renewal premium of Key Men Insurance Policy, which has been debited to profit & loss account.

Exports have increased to Rs. 875.73 Lacs from Rs. 554.07 Lacs.

Windmill installed at Jaisalmer for captive consumption generated 8,60,488 units during 01.04.2009 to 31.03.2010. Company has not received shortfall claim against guaranteed generation.

**CAPITAL EXPENDITURE**

The company has incurred the Rs. 50 Lacs on installing Holland Plant & Machinery and incurred Rs 13.55 Lacs on other plant & machinery items.

**ISO 9001-2000 CERTIFICATION**

The company have been awarded ISO 9001:2000 certificate on 12th April 2005 by BVQI. And it has been renewed for 3 years valid till 11th April 2011.

**PUBLIC DEPOSITS**

The Company has not invited/accepted any deposit from the public within the meaning of the section 58A of the companies Act, 1956 and the rules made there under.

**CHANGE IN SHARE TRANSFER AGENT**

M/s. Sharepro Services (India) Private Limited has been appointed as the Share Transfer Agents of the Company in place of Pinnacle Shares Registry Private Limited. Contact details of Sharepro Services (India) Private Limited have been provided under the Corporate Governance Section of this Annual Report.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Sahil P Shah and Mr. Hemant Nema retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment.

Brief resume of the Directors proposed to be re-appointed, nature of his expertise in specific functional areas and names of companies in which he hold directorship and membership/chairmanship of Board Committees, as stipulated under clause 49 of Listing Agreement with the Stock Exchanges in India, are provided in the annexure of Notice of Annual General Meeting.

**INDUSTRIAL RELATIONS**

The company continues to maintain cordial relation with its Workers, Supervisors & Officers in all divisions to enable it to achieve better performance.

### DEMAT TRADING

As per the directives of The Securities and Exchange Board of India (SEBI), the Company's shares are being compulsorily traded in the dematerialization mode with effect from 2nd of April, 2001. Necessary agreement have been entered by the Company with NSDL, CDSL and with M/s Sharepro Services (India) Private Limited, who is registrar for transfer of shares (Demat and physical) of the company.

### DIRECTORS RESPONSIBILITY STATEMENT

According to provision of Section 217(2AA) of the Companies Act, 1956 your Directors would like to inform the members that the audited accounts for the financial year 31st March 2010 are in full conformity with the requirements of the Companies Act, 1956. The financial results are audited by the statutory auditors M/s H M Singhvi & Co. The Directors further confirm that:-

- a) The applicable accounting standards have been followed in the preparation of the Annual Accounts and proper explanations have been furnished, relating to material departures.
- b) Accounting Policies have been selected and applied consistently and reasonably, and prudent judgments have been made so as to give a true and fair view of the state of affairs of the company and the Profit & Loss account for the financial year ended 31st March, 2010.
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and detecting fraud and other irregularities.
- d) The annual account has been prepared on a going concern basis.

### CORPORATE GOVERNANCE

Your Company has been practicing the principals of good corporate governance over the years and lays strong emphasis on transparency, accountability and integrity.

A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement(s) with the Stock Exchange(s) forming part of the Annual Report.

### PARTICULARS OF EMPLOYEES

For the year under review there are no employees

covered as per the requirement of section 217 (2A) of the Companies Act, 1956 read with Companies (particulars of employee) rules 1975 as amended.

### ACCOUNTS

Observations in the Auditor's Report read with relevant notes forming part of the accounts are self-explanatory and give the required information.

### AUDITORS

M/s H M Singhvi & Co. Chartered Accountants, Jaipur the Auditors of the Company will retire at this ensuing Annual General Meeting. The company has received their confirmation that their appointment if made and approved would be within the prescribed limits under section 224 (1-B) of the Companies Act 1956. Accordingly the said Auditors may be re-appointed as Auditors of the Company at this Annual General Meeting.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provision of the section 217 (1) (e) of Companies Act 1956, read with Companies Disclosure of particulars in the report of Board of Directors Rules 1988, regarding conservation of Energy, Technology absorption & Foreign Exchange earning and outgo is given in the Annexure "A" forming part of this report.

### ACKNOWLEDGMENTS

Your Directors wish to gratefully acknowledge the valuable guidance and co-operation extended by the Central and State Government during the year under review. The Directors also express their gratitude to the company's bankers, shareholders, customers and also suppliers who had always supported the company and held in its growth.

Last but not the least, your directors take pleasure in placing on record their deep appreciation of the excellent contribution made by employees at all levels without which the company would not have achieved such good performance.

### REGISTERED OFFICE

6, Neptune Tower,  
Ashram Road,  
AHMEDABAD-380 009

By order of the Board  
For P G Foils Limited

Place :Jaipur  
Date : 23rd August 2010

( PANKAJ P SHAH )  
Managing Director



## ANNEXURE "A" TO DIRECTOR'S REPORT

STATEMENT OF PARTICULARS UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

### (A) CONSERVATION OF ENERGY

#### (1) POWER & FUEL CONSUMPTION

	CURRENT YEAR	PREVIOUS YEAR
<b>(a) ELECTRICITY</b>		
(a) Purchased ( Unit KWH)	7966560	7998762
Total Amount (Rs.)	36644657	36248470
Rate per unit (Rs.)	4.60	4.53
<b>(b) Own generation</b>		
<b>(i) Through Diesel/</b>		
LDO Generator (Units)	46660	48555
Unit per liter of Diesel/LDO	3.45	3.42
Diesel/LDO Cost per liter	30.09	32.36
<b>(ii) Through steam Turbine</b>		
Generator Unit	N.A.	N.A.
<b>(b) COAL</b>		
	N.A.	N.A.
<b>(c) FURNACE OIL</b>		
Quantity(Liters)	N.A.	N.A.
Total amount (Rs. In lacs)	N.A.	N.A.
Average rate (per liter)	N.A.	N.A.

#### (d) OTHER/INTERNAL GENERATION

#### (2) CONSUMPTION PER UNIT OF PRODUCTION

Aluminium Foil including Poly coated Cable wrap & laminated flexible packaging

Electricity	1308 Kwh Per MT	1410 Kwh Per MT
Furnace Oil	N.A.	N.A.

#### (B) TECHNOLOGY ABSORPTION

Efforts made in technology absorption are mentioned in form "B"

#### (C) FOREIGN EXCHANGE EARNING AND OUTGO

The company has made Export worth Rs. 875.73 Lacs during the year. Total foreign exchange utilized Rs. 3108.19 Lacs.

### FORM 'B'

#### FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION RESEARCH & DEVELOPMENT

##### Research and Development (R&D) and benefit derived thereon:

- (1) Specific areas in which R&D carried out by the company.
  - a) Continuous development of new specification in the existing multi laminates.
  - b) Manufacturing of thin & ultra thin gauge (light gauge) aluminium foil of finer thickness from 50 micron (0.05mm) to 6 micron ( 0.06 mm) and in widths up to 1100 mm.
  - c) Better control in process for improving quality of output
  - d) Finding out ways and means for saving energy and cost.
  - e) Development of new product/discovering new method of analysis.
  - f) Establish Quality Management System.
- 2) Benefits derived as result of the above R&D :-
  - a) Maintaining competitive position in domestic market.
  - b) Optimization of resource usage and refinement of process technology.
  - c) Several new specifications produced commercially.
  - d) Cost reduction.
  - e) Control Work process in all areas.
  - f) High Product Quality
- 3) Future plan of Action :-
  - a) To achieve zero defect process.
  - b) Development of ultra light gauge and other foils based on specification of niche Market
  - c) To create unique product range using different specifications.
- (4) Expenditure of R & D.  
Capital Expenditure as well as recurring expenditure incurred from time to time during the year on laboratory items, tolls, spares, handling equipments and salaries of research personnel remain merged with various heads as per established accounting policy and expenditures incurred during the year under review on Research & Development are as follows :
  - a) Capital Expenditure : Rs. 134012/-
  - b) Recurring expenditure : Rs. 5800000/-
  - c) Total R&D expenditure : Rs. 5934012/-
  - d) Total R&D Expenditure as a percentage of total turnover : 0.39%.

#### REGISTERED OFFICE

6, Neptune Tower,  
Ashram Road,  
AHMEDABAD-380 009

By order of the Board  
For P G Foils Limited

Place :Jaipur  
Date : 23rd August 2010

( PANKAJ P SHAH )  
Managing Director

**1. COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE :-**

Your Company is committed to the philosophy of good corporate governance. The affairs of the company are conducted with the highest levels of integrity, accountability and transparency. It constantly endeavors to follow the practices of good corporate governance by conducting the business operation for the benefit of its stakeholders. The compliance report, as prepared and given herewith is in conformity with the requirements of the Listing Agreement with the Stock Exchanges.

**2. CODE OF CONDUCT & ETHICS :-**

Company's Board has laid down a code of conduct for all Board members and senior management of the Company. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

**3. BOARD OF DIRECTORS :-**

The Board comprises of eminent persons with considerable experience in diverse fields.

The Company has a policy of having optimum combination of executive and non executive directors, to ensure the independent functioning of the Board. The Board consists of Six members, three of whom are independent directors. None of the Directors on the Board is a Member of more than ten committees and chairman of more than five committees across all the Companies in which they are directors. All necessary disclosures regarding the directorship have been made by the directors. The members on the Board have adequate experience, expertise and skills necessary for efficiently managing the affairs of the company.

Names and categories of directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting held on 29th September 2009, and also the number of directorship in other committees is as follows:

Name	Category	No. of Board Meeting attended during the year	AGM Attended	No. of Directorship in Other Companies in India	No of Committee positions in other Public companies*	
					Chairman	Member
Shri Pankaj P Shah	Promoter & Managing Director	5	N. A.	1	NIL	NIL
Shri Abhay P Shah	Promoter & Whole Time Director	5	Attended	1	NIL	NIL
Shri Vimal Dhadda	Independent & Non-Executive	5	Attended	NIL	NIL	NIL
Shri Hemant Nema	Independent & Non-Executive	5	Attended	NIL	NIL	NIL
Shri Sahil P Shah	Executive Director	5	Attended	NIL	NIL	NIL
Shri Udhan Kumar Chordia	Independent & Non-Executive	4	Attended	NIL	NIL	NIL

**Note:** \* Audit Committee and Shareholders Grievance Committee.

**Pursuant to good Corporate Governance the Independent Directors on Board:-**

- Apart from receiving Sitting Fees, if any, Directors are do not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its senior management & associates which may affect independence of the Director.
- Are not related to promoters or persons occupying management positions at the board level or at one level below the board.
- Have not been an executive of the company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or an executive during the preceding three years of the:
  - Statutory audit firm or the internal audit firm that is associated with the Company.
  - Legal firm(s) and consulting firm(s) that have a material association with the company.
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

**Information Supplied to the Board**

The Board has complete access to all information with the Company, inter-alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting:

- Quarterly results for the Company.
- Quarterly report on receivables and recovery efforts made.
- Minutes of the meetings of the audit committee and other committees of the Board.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Any significant development in human resources.
- Compliance status of various regulatory, statutory or listing requirements and shareholders service such as payment of dividend, share transfer, etc.

**Meeting of Board:-**

Five Board meeting were held during the year on 30th April 2009, 30th July, 2009, 24th August 2009, 30th October 2009 and 30th January 2010.

The maximum gap between any two Board meetings was less than 4 months.

Shri Abhay P Shah, Shri Vimal Dhadda, Shri Hemant Nema, Shri Sahil P Shah and Shri Udhan Kumar Chordia attended the 30th Annual General Meeting of the company held on 29th September, 2009.

**COMMITTEES OF BOARD**

**4. AUDIT COMMITTEE**

The Audit Committee has been formed with a view to provide assistance to the board in fulfilling the Board's responsibilities.

The Audit Committee functions with the following objectives:

- To provide directions and oversee comprehensively the operations of the internal & external audit functions and financial reporting
- To review the internal control systems with special emphasis on the accounting system, its quality and its effectiveness in terms of follow up.
- To approve the draft of advertisement for publishing in the newspaper in terms of requirement of listing agreements.
- To discuss and approve the budget of the company for all its division along with capital expenditure Budget.

The composition, names of members, chairperson, and particulars of the meetings and attendance of the members during the year are as follows:

S.No.	Name of Member	Capacity	No. of meetings attended
1.	Shri Vimal Dhadda	Chairman	5
2.	Shri Hemant Nema	Member	5
3.	Shri Sahil P Shah	Member	5

The Committee met Five times on 30th April 2009, 30th July, 2009, 24th August 2009, 30th October 2009 and 30th January 2010 during the financial year 2009-10.

## 5. REMUNERATION COMMITTEE

- **Terms of reference :** The committee was formed to review and approve, inter-alia, the recommendation for appointment of Managing Director/Whole Time Director/Senior Management personnel and their compensation package, annual increments, incentives, additional perquisites etc.
- **Composition :** The Committee comprises two Non-executive Directors and a Director. The Committee met twice during the year and the attendance of members at the meeting was as follows:

Name of Member	Status	No of meetings attended
Shri Hemant Nema	Chairman	2
Shri Vimmat Dhadda	Member	2
Shri Sahil P Shah	Member	2

Details of remuneration paid to directors for the year 2009-10		
Name of Director	Salary	Perquisite annual
Shri Pankaj P Shah	75000/- P.M.	Nil
Shri Abhay P Shah	70000/- P.M.	Nil

## 6. SHAREHOLDERS/INVESTORS GREIVANCE COMMITTEE

The committee is consisting of three members :

S.No.	Name of Member	Capacity	No of meetings attended
1.	Shri Vimal Dhadda	Chairman	4
2.	Shri Pankaj P Shah	Member	4
3.	Shri Abhay P Shah	Member	4
4.	Shri Hemant Kumar Nema	Member	4

The committee looks into the matters relating to investor grievances viz, transfer of shares, non-receipt of dividend, non-receipt of Balance Sheet and other matters relating thereto.

The committee met four times during the year 2009-10. Number of shareholders complaint received and resolved during the year was one and no complaint was outstanding as on 31st March, 2010.

## 7. GENERAL BODY MEETINGS

Location, date and time of the Annual General Meetings and Extra Ordinary General Meetings held during the preceding 3 years are as under:-

YEAR	AGM/EGM	LOCATION	DATE	TIME
2009	30th AGM	Orient Club, Ellis Bridge, Ahmedabad – 380 006	29th September 2009	11.00 A.M.
2008	29th AGM	Orient Club, Ellis Bridge, Ahmedabad – 380 006	29th September 2008	11.00 A.M.
2007	28th AGM	Gymkhana Club, Netaji Marg, Ellisbridge, Ahmedabad – 380 006	28th September 2007	11.00 A.M.
2007	EGM	Gymkhana Club, Netaji Marg, Ellisbridge, Ahmedabad – 380 006	11th October 2007	11.00 A.M.

## 8. DISCLOSURES

The related party disclosures are provided in notes to account forming part of the Balance Sheet. However in the opinion of the Board these transactions may not have any potential conflict with the interest of the Company at large.

There has been no non-compliance or penalties or strictures imposed on your company by any of the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

The Company has complied with the mandatory requirements of corporate governance as required by the listing agreement.

## 9. MEANS OF COMMUNICATION

Your Company's quarterly/half yearly results are communicated through newspapers in Indian Express, and Financial Express. The said results are sent to Stock Exchanges where the shares of the company are listed.

Management discussion and analysis report forms part of this annual report, which is being posted to all shareholders of the company.

## 10. GENERAL SHAREHOLDER INFORMATION

<b>31st Annual General Meeting:</b>	<b>Date &amp; Time</b>	28th September 2010, 11:00 A.M.
	<b>Venue</b>	Orient Club, Ellis Bridge, Ahmedabad – 380 006

### Financial Calendar (Tentative)

a. Results for the first quarter ending 30th June 2010	By 14th August, 2010
b. Results for the second quarter ending 30th September 2010	By 14th November, 2010
c. Results for the third quarter ending 31st December 2010	By 14th February, 2011
d. Results for the fourth quarter ending 31st March 2011	By 14th May, 2011
e. Audited results for the year ended 31st March 2011	By end of 3rd week of August, 2011
d. Annual General Meeting for the year ending March 2011	By end of September, 2011
<b>Date of Book Closure</b>	From 23rd September, 2010 to 28th September, 2010 (Both days inclusive)
<b>Listing on Stock Exchange</b>	Mumbai & Ahmedabad
<b>Trade Code</b>	526747 of BSE and 44777 of Ahmedabad
<b>Demat ISIN No.</b>	INE 078 D 01012

**Market Price Data:** Bombay Stock Exchange (BSE) B2 Group

Month	HIGH Rs.	LOW (Rs.)
April, 2009	23.50	19.05
May, 2009	33.25	20.50
June, 2009	33.85	24.35
July, 2009	31.00	22.20
August, 2009	34.60	24.50
September, 2009	35.95	30.00
October, 2009	36.50	28.05
November, 2009	38.00	28.70
December, 2009	49.60	32.80
January, 2010	57.80	40.20
February, 2010	48.50	36.00
March, 2010	42.75	36.00

Company's shares are not actively traded and accordingly comparison with broad based indices such as BSE Sensex, CRISIL index etc. is not made.

**Share Transfer System**

The work relating to share transfers is being looked after by the RTA and share division office of company.

**Demat Registrar cum Registrar & Transfer Agent** M/s. Sharepro Services (India) Private Limited,  
461-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, Ahmedabad- 380 009  
Tel. :- 079-26582381 to 84 • Fax :- 079-26582385  
Email :- sharepro.ahmedabad@shareproservices.com, sharepro@shareproservices.com

**Distribution of shareholding as on 31st March 2010**

S.No.	No. of Equity Share held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1	Up to 500	8149	90.41	1086801	13.40
2	501 to 1000	431	4.78	371561	4.58
3	1001 to 2000	198	2.20	315696	3.89
4	2001 to 3000	63	0.70	161694	1.99
5	3001 to 4000	27	0.30	95644	1.18
6	4001 to 5000	32	0.36	153676	1.89
7	5001 to 10000	48	0.53	376577	4.64
8	10000 and above	65	0.72	5548351	68.41
	<b>Total</b>	<b>9013</b>	<b>100.00</b>	<b>8110000</b>	<b>100.00</b>

**Shareholding pattern as on 31st March 2010**

Category	No of Shares held	Percentage to the shareholding
Promoters	3745809	46.19
Mutual Funds & UTI	1300	0.02
Banks, Financial Institutions	0	0.00
Private Bodies Corporate	1009846	12.45
Public	2742884	33.82
NRIs	610161	7.52
<b>Total</b>	<b>8110000</b>	<b>100.00</b>

**Dematerialization of shares:** Over 78.79% of the company's paid up equity share capital has been dematerialized up to 31st March 2010.

**Plant Location :** P/o- Pipalia Kalan, District- Pali, Rajasthan – 306 307

**INFORMATION REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH RESPECT TO DIRECTOR SEEKING REAPPOINTMENT**

Shri Sahil P Shah and Shri Hemant Nema, Directors are seeking reappointment at the forthcoming annual general meeting.

**ADDRESS FOR CORRESPONDENCE**

**The Company Secretary,**

P G Foils Limited  
6, Neptune Tower,  
Ashram Road,  
**Ahmedabad – 380 009**  
Tel.: 079-26587606, 32986262  
Fax : 079-26584187  
Email : pgfoils@pgfoils.in, pgfoils.investor@gmail.com

**General Manager**

M/s. Sharepro Services (India) Private Limited,  
461-420, 4th Floor, Devnandan Mall,  
Opp. Sanyash Ashram, Ellisbridge,  
**Ahmedabad – 380 009**  
Tel.: 079-26582381 to 84  
Fax : 079-26582385  
Email : sharepro@shareproservices.com, sharepro.ahmedabad@shareproservices.com

**Certification under clause 49 (I) (D) of the Listing Agreement**

All the Board Members and Senior Management personnel have affirmed compliance with the Codes of Conduct for P G Foils Limited for the financial year ended 31st March, 2010

Place : Jaipur  
Date : 23rd August, 2010

For **P G Foils Limited,**  
**(Pankaj P Shah)**  
Managing Director

**Auditor's Certificate on Corporate Governance**

**To the Members of PG Foils Limited**

We have examined the compliance of the conditions of Corporate Governance by P G Foils Limited for the year ended 31st March 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and explanations given to us, and based on the representations made by the Directors and the Management, we may certify that the Company has complied

with the conditions of Corporate Governance as stipulated in the clause 49 of the above mentioned listing agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India we have to state that as per the records maintained by the share transfer and investor grievance committee there was no investor grievance remaining unattended / pending for more than 30 days as at 31st March 2010 against the company.

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 **H M Singhvi & Company**  
Chartered Accountants

Place : Jaipur  
Date : 23rd August, 2010

**(H M Singhvi)**  
Proprietor  
Membership No.6962

The management of P G Foils Limited presents the analysis of performance of the company for the year 2009-2010 and its outlook for the future. The outlook is based on assessment of the current business environment. It may vary due to future economic and other developments.

**Industry Scenario**

The year 2009-2010 was a good year for the domestic economy and in particular the manufacturing sector due to start of recovery from the recession the demand has started increasing and the trend is expected to continue. Today the usages of aluminum foil in packaging is growing by leaps and bounds. Where barrier properties and shelf life are required, aluminum based special packaging products are must. The company remains focused on selling end-to end packaging solutions and not just products.

Packaging fulfils the needs of the Pharma Industry and consumers on the three crucial parameters namely presentation, protection and preservation. According to world health organization (WHO), the global pharma sales is expected to grow.

**Operational performance**

For P G Foils Limited 2009-2010 has been a good year. The Company has effectively integrated its Product Mix to maximize the realisation. Turnover & Income established at Rs.15263.42 Lacs & Profit of Rs. 532.59 Lacs. Your company has utilized full installed capacity of its manufacturing. The sale of manufactured product has remained almost same as last year.

**Financial Performance**

Gross turnover for the year is Rs. 15263.42 Lacs against Rs. 18456.77 Lacs in last year.

Profit for the year is Rs. 532.59 Lacs compared to loss of Rs. (238.69) Lacs in last year due to purchase of raw material at low rate.

Company contributed a total Rs 1035.99 Lacs to the National Exchequer as Excise Duty.

**Resources & Liquidity**

Company continues to maintain its conservative financial profile. Company Banked with IDBI Bank Limited for their working capital needs. Company has sufficient working capital limits of Rs. 70 Crores from IDBI Bank Ltd at concessional and extremely competitive interest rate. Cash Flow for less than 2 years is adequate to extinguish its entire debts timely. Company made most of local purchases on cash basis at discounted rates but overseas purchases are on credit basis and partly cover has been taken against outstanding US dollar liability.

**Opportunities and outlook**

The Opportunities have gained momentum due to installation of many Pharma units in Himachal Pradesh near to our existing site as compared to other competitor. In the next few years, there would be a flow of orders by Pharma industries due to release of ban by WTO. To meet the increasing demand, the company must gear-up with higher productivity and better project management expertise to remain as a forerunner in the Industry.

The company has to continue to be a Cost leader to protect its profit margin and market share in this highly competitive industry.

Per capita consumption of Aluminum Foil in our country is low compared to other developing countries. While the average consumption of Aluminum foil in development countries is 23 kg per person it is 2.5 Kg in India. The consumption of Foil is directly related to the population and trends in packaging. Due to shortage of foil in the country the full potential of aluminum foil in packaging material industry has not yet been tapped. Company Marketing team looking to capture the above demand and also will replace import markets and unorganized players in India by increasing capacity, maintaining good

customer relationship and launching new and innovative products with focus research and development.

**Threats**

With the Foil Industry showing signs of growth, number of new entrants already came and will be further coming in this sector resulting surplus capacity by end of March 2011. The Company has to cope-up with these threats through a combination of cost leadership and project management expertise.

**Risks and Concerns**

Your company faces risk with similar to those faced by companies operating in the non ferrous metal sector. The volatility of the primary metal price continues to be a key issue and success or failure is linked on how effectively companies are able to manage their resources to tide over these critical periods. The company is exposing to risk from market fluctuations in foreign exchange. Profitability may be affected on account of competition from existing and prospective manufactures of the same products.

**Export**

The company's contribution to foreign exchange earnings amounted to Rs. 875.73 Lacs during the year under review and the total foreign exchange utilized by the company amounted to Rs. 3108.19 Lacs the details of which are provided in annexure to the director's report. Company is presently exporting App. 360 MT to various countries and further trying to increase export to developed countries

**Human Resources**

It is your company's belief that people are at the heart of corporate & constitute the primary source of sustainable competitive advantage. The trust of your company's human resource development efforts therefore is to create a responsive and market driven organization. Your company continues its focus on strengthening competitiveness in all its business. Your directors look forward to the future with confidence.

The company has followed a conscious policy of providing training to Management Staff through in-house and external programmes, for upgrading personal and technical skills in relevant areas of functional disciplines.

**Internal Control System**

The Company has an adequate system of internal controls implemented by the management towards achieving efficiency in operations, optimum utilization of company's resources and effective monitoring thereof and compliance with applicable laws and regulations.

The Company's internal audit department conducts regular audits to ensure adequacy of internal control systems, adherence to management instructions and compliance with laws and regulations of the country as well as to suggest improvements.

Audit plans, internal/external auditors observations and recommendations, significant risk area assessments and adequacy of internal controls are also periodically reviewed by the Audit Committee of the Board of Directors

**Cautionary Statement**

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, law and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and outside the country and other factors such as litigation and industrial relations.



**TO THE MEMBERS OF PG FOILS LIMITED**

We have audited the attached Balance Sheet of P G FOILS LIMITED as at 31st March 2010 and also the Profit & Loss Account and Cash Flow statement for the period ended on that date annexed thereto. 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 and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting, the amounts and disclosures 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.

- (1) As required by the Companies (Auditors 'Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of the section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of Audit, we enclose in the annexure hereto a statement on the matter specified in paragraph 4 & 5 of the said order.
- (2) Further to our comments in the annexure referred to in paragraph above, we state that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of these books.
  - (c) The Balance Sheet and the Profit & Loss Account & Cash Flow statement dealt with in this report are in agreement with the books of account.

- (d) In our opinion the Profit & Loss Account and Balance Sheet and Cash Flow statement dealt with in this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of Companies Act 1956.
- (e) On the basis of the written representations received from the Directors as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956, and
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to the point no. 1 of schedule O and point No.1 (g) 6 and 19 of schedule P of Notes On Accounts, read together with the other notes and significant Accounting Policies give the information as required by the Companies Act, 1956 in the manner as required and present a true and fair view in confirming with the accounting principals generally accepted in India.
  - (1) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010.
  - (2) In the case of the Profit & Loss Account, of the loss for the financial year ended on 31st March 2010.
  - (3) In the case of Cash Flow statement, of the Cash Flows for the year ended on 31st March 2010.

For **H.M.SINGHVI & CO.**  
Chartered Accountants

Place : Jaipur  
Date : 23rd August, 2010

**(H.M.SINGHVI)**  
Proprietor  
Membership No.6962

**1. In respect of its fixed assets.**

- a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) In our opinion, the Company has not disposed off substantial part of fixed assets, which has bearing on the going concern assumption.

**2. In respect of its inventories**

- a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business
  - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. The company has granted loans to parties covered in the register maintained under section 301 of the companies Act, 1956 during the year.
  4. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of stores, raw materials including components, packing materials, plant and machinery, equipment and other assets and with regard to sale of goods. During the course of our audit, no major weakness has been noticed in the internal control procedure.
  5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered  
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintain under section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
  6. According to the information and explanation provided by the management, in our opinion the company has not accepted any deposit and has such question of compliance of sanction 58, 58 AA and other relevant provisions don't apply.
  7. The company has internal audit system, which is not sufficient commensurate with the size of the company.
  8. We have been informed by the management, no cost records have been prescribed under section 209(1) (d) of the companies Act, 1956 in respect of product manufactured by the company.
  9. a) The company is regular in depositing undisputed statutory dues including Provident Fund, Wealth Tax, Income Tax, Sales

Tax, Custom Duty, Excise duty, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, following, disputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2010 for a period of more than six months from the date of becoming payable.

- b) Following dues are not deposited on account of disputes pending at various forums.

Name of the statute	Nature of dues	Amount in Rs.	Period to which it relates	Form which it is pending
Central Sales Tax Act	Declaration	59349963 forms	A.Y. 2007-08	CTO, Pali

10. The Company has not incurred any cash loss in the current year and there was a cash loss in preceding financial year and there are no accumulated losses in the balance sheet as on 31st March, 2010.
11. Based on our audit procedures and on the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks.
12. According to the records of the company, in our opinion according to information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of share, debentures and other securities.
13. As the Company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4(xiii) of the companies (Auditor's Report) order, 2003 is not applicable to the Company.
14. As the Company is not dealing or trading in shares, securities, debentures and other investments, the provision of clause 4(xiv) of the Companies (Auditor's Report) order, 2003 is not applicable to the Company.
15. As per information and expiation provided by the management the company has not given any guarantee
16. According to the records of the company, the company has taken term loan from Bank and has applied for the purpose for which the loan was obtained.
17. According to the information and explanations received, we report that the company has not applied short-term borrowings for long-term investments and vice versa.
18. According to the records of the company and the information and explanations provided by the management, the Company has not made any preferential allotment of shares during the year.
19. According to the records of the company, the Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the period covered by our audit report.
21. As per the information and explanations given to us, no material fraud on or by the Company has been noticed during the year.

For **H.M.SINGHVI & CO.**  
Chartered Accountants

Place : Jaipur  
Date : 23rd August, 2010

( **H.M.SINGHVI** )  
Proprietor  
Membership No.6962

BALANCE SHEET AS AT 31st MARCH 2010



SCHEDULE	AS AT 31.3.2010 (Rs.)	AS AT 31.3.2009 (Rs.)
<b>SOURCES OF FUNDS</b>		
<b>SHARES HOLDERS'S FUNDS</b>		
(a) Capital <b>A</b>	85861025	85861025
(b) Reserves & Surplus <b>B</b>	603446547	575135801
<b>LOAN FUNDS</b>		
(c) Secured Loans <b>C</b>	382650564	450529844
(d) Unsecured Loans <b>D</b>	—	42500000
<b>DEFERRED TAX LIABILITY (Net)</b>	9798083	—
<b>TOTAL</b>	<b>1081756219</b>	<b>1154026670</b>
<b>APPLICATION OF FUNDS</b>		
<b>FIXED ASSETS</b> <b>E</b>		
(a) Gross Block	520829729	377780577
(b) Less : Depreciation	326141929	306397899
(c) Net Block	194687800	71382678
(d) Capital Work in Progress	—	136075006
Total	<b>194687800</b>	<b>207457684</b>
<b>INVESTMENTS</b> <b>F</b>	318872581	266331126
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b> <b>G</b>		
(a) Current Assets		
(i) Inventories	160740492	180067635
(ii) Sundry Debtors	344712750	368497327
(iii) Cash & Bank Balances	69623967	161139616
(iv) Other Current Assets	—	763580
(b) Loans & Advances	87361979	112637843
<b>TOTAL</b>	<b>662439188</b>	<b>823106001</b>
<b>CURRENT LIABILITIES AND PROVISIONS</b> <b>H</b>		
(a) Current Liabilities	93312473	149140695
(b) Provisions	974962	1282699
<b>TOTAL</b>	<b>94287435</b>	<b>150423394</b>
<b>NET CURRENT ASSETS</b>	<b>568151753</b>	<b>672682607</b>
DEFFRRED TAX ASSETS	—	7496473
MISCELLANEOUS EXPENSES (To the extent not written off)	44085	58780
<b>TOTAL</b>	<b>1081756219</b>	<b>1154026670</b>
<b>STATEMENT ON ACCOUNTING POLICIES</b> <b>O</b>		
<b>NOTES ON ACCOUNTS</b> <b>P</b>		

Schedule A to H, O & P form an integral part of the Balance Sheet  
This is the Balance Sheet referred to in our report of even date.

For H M SINGHVI & CO.  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD  
FOR P G FOILS LIMITED

H M SINGHVI  
Proprietor

RAMDEV SINGH JETMAL  
Company Secretary

ABHAY P SHAH  
Whole Time Director

PANKAJ P SHAH  
Managing Director

Place : Jaipur  
Date : 23rd August, 2010



**PROFIT & LOSS ACCOUNT**  
FOR THE YEAR ENDED 31st MARCH 2010



SCHEDULE	Year Ended 31.3.2010 (Rs.)	Year Ended 31.3.2009 (Rs.)
<b>INCOME</b>		
Sales and Job Charges (Manufactured)	1434771631	1486421789
Sales of Traded Items	91569872	359254972
Less : Excise Duty	103599430	167635895
	<b>1422742073</b>	<b>1678040866</b>
Other Income	-19187866	36939550
	<b>1403554207</b>	<b>1714980416</b>
<b>EXPENDITURE</b>		
Consumption of Raw Materials, Stores & Manufacturing Expenses	1155140530	1495313353
Payment to and Provisions for Employees	68319247	34808323
Administrative and other Expenses	15113652	10440972
Selling & Distribution Expenses	13719398	6862246
Financial charges	22625452	42602522
Amortisation of Share Warrant Issue Exp.	14695	14695
Baddebts Written off	10780403	5528618
Exchange Fluctuation (Net)	—	83870955
Hedging Loss	750394	—
Keyman Insurance Premium	45000000	45000000
Provision for Doubtful Debts	-2987643	2273496
Provision for Doubtful Advances	—	61012
Provision for Excise duty	894962	877699
Depreciation	21269670	
Less : Transferred from Revaluation reserve	345296	
Profit/(Loss) during the year	<b>53258743</b>	<b>(23869059)</b>
	<b>1403554207</b>	<b>1714980416</b>
Profit/(Loss) for the year	<b>53258743</b>	<b>(23869059)</b>
Add : Provision of Excise duty Written Back	877699	1533073
Add : Income Related to Previous Year	—	36691
Add : Excess provision of Income Tax/Wealth Tax written back	8450	635514
	<b>54144892</b>	<b>(21663781)</b>
Less : Prior Period Adjustment	651671	576821
Profit/(Loss) Before Tax	<b>53493221</b>	<b>(22240602)</b>
Less : Provision for Taxation	7500000	—
(Add)/Less : Deferred Tax	17294556	8187652
Less : Provision for Wealth Tax	80000	80000
Less : Provision for Fringe Benefit Tax	—	325000
Net Profit/(Loss) After Tax	<b>28618665</b>	<b>(14457950)</b>
Add : Profit B/F from Previous Year	268496865	282954815
Amount Available for Appropriations	<b>297115530</b>	<b>268496865</b>
Surplus Carried Over to Balance Sheet	<b>297115530</b>	<b>268496865</b>
Basic & Diluted Earning Per Share in Rs.	<b>3.53</b>	<b>(1.78)</b>
<b>STATEMENT ON ACCOUNTING POLICIES</b>	<b>O</b>	
<b>NOTES ON ACCOUNTS</b>	<b>P</b>	

Schedule E,I to P form an integral part of the Profit & Loss Account.  
This is the Profit & Loss Account referred to in our report of even date

For H M SINGHVI & CO.  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD  
FOR P G FOILS LIMITED

H M SINGHVI  
Proprietor

RAMDEV SINGH JETMAL  
Company Secretary

ABHAY P SHAH  
Whole Time Director

PANKAJ P SHAH  
Managing Director

Place : Jaipur  
Date : 23rd August, 2010

**SCHEDULES FORMING PART OF THE BALANCE SHEET  
AND PROFIT & LOSS ACCOUNT**



	AS AT 31.3.2010 (Rs.)	AS AT 31.3.2009 (Rs.)
<b>SCHEDULE "A"</b>		
<b>CAPITAL</b>		
<b>AUTHORISED</b>		
1,50,00,000 Equity Share of Rs.10/- each	150000000	150000000
<b>ISSUED &amp; SUBSCRIBED</b>		
8121600 Equity Share of Rs.10/- each (Previous year 8121600 Equity shares of Rs.10/- each)	81216000	81216000
<b>PAID UP</b>		
8110000 Equity share of Rs.10/- each fully paid up (Previous year 8110000 Equity share of Rs.10/- each)	81100000	81100000
Add : Shares forfeited (amount originally paid-up)	61025	61025
Share Warrant Forfeiture A/c	4700000	4700000
	<b>85861025</b>	<b>85861025</b>
<b>SCHEDULE "B"</b>		
<b>RESERVES AND SURPLUS</b>		
1. Capital Reserve	1065666	1065666
Add : Addition during the year	37376	
2. Securities Premium Account	194447475	194447475
3. Revaluation Reserve	3551366	3551366
Less : Transferred to P&L A/C	345296	
4. General Reserve	107249184	107249183
5. Reserve for Doubtful Advances	325246	325246
6. Surplus as per Profit & loss Account	297115530	268496865
	<b>603446547</b>	<b>575135801</b>
Cumulative amount transferred on account of revaluation reserve is Rs.143053353 (Previous year 142708057)		
<b>SCHEDULE "C"</b>		
<b>SECURED LOANS</b>		
A) Term Loan*	57881058	
C) OD Account**	123721505	
D) Short Term Loan **	150000000	
D) Trade Credit Bank Guarantee** (Payable to Foreign Bank \$1136420.34)	51048001	
	382650564	450529844
	<b>382650564</b>	<b>450529844</b>
*Equitable Mortgage of Beawar office **Overdraft of Rs 10290591 against pledge of FDRs of Rs. 18029195/- and OD Rs 113430914/- Secured against mortgage of Factory Land & Building, Wind Mill, Floating Charge on Movable Assets, Investments, Keyman Policies, Employer-Employee Policies, Personal Guarantees of Two Directors and others and Corporates Guarantee		
<b>SCHEDULE "D"</b>		
<b>UNSECURED LOANS</b>		
From Others (Corporates)	—	42500000
	—	<b>42500000</b>

**SCHEDULE - 'E'**  
**FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	AS AT 01.04.09	ADDITION DURING THE YEAR	DELETION DURING THE YEAR	AS AT 31.03.2010	UP TO 31.03.2009	ADDITION DURING THE YEAR	DELETION DURING THE YEAR	UPTO 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
<b>AGRICULTURE LAND</b>	577767			577767					577767	577767
<b>BUILDING</b>										
A) BUILDING OTHER THAN FACTORY BUILDING	19418794			19418794	6163266	662775		6826041	12592753	13255528
B) FACTORY BUILDING	31641698			31641698	11908350	1973336		13881686	17760012	19733348
<b>PLANT &amp; MACHINERY</b>										
A) UNIT NO.1	209677186	1355622	1362624	209670184	197656701	3282938	756638	200183001	9487183	12020485
B) LOADING MACHINE	2192331			2192331	1652428	156234		1808662	383669	539903
C) UNIT NO.2	53712049			53712049	51833585	522589		52356174	1355875	1878464
D) WIND MILL	30000000			30000000	16807990	1835009		18642999	11357001	13192010
E) UNIT NO. 3		141046641		141046641		10320441		10320441	130726200	
<b>FURNITURE &amp; FIXTURE</b>	7737545	169063		7906608	6396953	239828		6636781	1269827	1340592
<b>VEHICLES</b>	16224787	2401371	1060900	17565258	9854017	1797333	769002	10882348	6682910	6370770
<b>OFFICE &amp; COMPUTER EQUIPMENTS</b>	6598420	499979		7098399	4124609	479187		4603796	2494603	2473811
<b>TOTAL</b>	<b>377780577</b>	<b>145472676</b>	<b>2423524</b>	<b>520829729</b>	<b>306397899</b>	<b>21269669</b>	<b>1525640</b>	<b>326141929</b>	<b>194687800</b>	<b>71382678</b>
Figures for the previous year	365041036	22860378	10120837	377780577	303117362	11616523	8335986	306397899	71382678	61923674
<b>CAPITAL WORK IN PROGRESS</b>	136075006		136075006		NIL	NIL	NIL	NIL		136075006
Figures for the previous year	16466273	136075006	16466273	136075006	NIL	NIL	NIL	NIL	136075006	16466273

NOTE : 100% DEPRECIATION TAKEN ON ITEMS OF LESS THEN Rs.5000/-

		AS AT 31.3.2010 (Rs.)	AS AT 31.3.2009 (Rs.)
<b>SCHEDULE "F"</b>			
<b>INVESTMENTS</b>			
<b>UNQUOTED - AT COST</b>			
1. 7 Years National Savings Certificate (Lodged with Govt. Deptt as security)	NO. OF UNITS	COST	COST
2. Equity Shares of Bikaner Builders Private limited Face Value 10/- each	22500	300 225000	300 225000
		<b>225300</b>	<b>225300</b>
<b>Quoted - At Cost</b>			
<b>MUTUAL FUND &amp; BONDS</b>			
	NO. OF UNITS	COST	COST
BHARTI AXA REGULAR RETURN FUND REGULAR PLAN GROWTH	500000	5000000	5000000
BIRLA SUN LIFE MIDCAP FUND DIVIDEND PAY OUT		—	1500000
BIRLA SUN LIFE MIDCAP FUND GROWTH	43557.801	5000000	5000000
BIRLA SUNLIFE FRONTLINE EQUITY DIVIDEND PAY OUT		—	1000000
BAJAJ ALLIANJ EQUITY GROWTH FUND	845963.9	9591000	6400000
BIRLA SUNLIFE PLATINUM PLUS FUND-II GROWTH	1501754.386	16000000	8000000
DSPBR INDIA TIGER FUND REGULAR GROWTH		—	3500000
DSP BALCK ROCK GOVT. SEC. FUND - PLAN A MONTHLY DIVIDEND	418090.694	29537271	30000000
DSP BLACK ROCK BOND REG. MTY DIVIDEND		—	5000000
DSP BLACK ROCK TOP 100 EQUITY FUND GROWTH	70829.91	5003992	—
DSPBR INDIA TIGER FUND GRWOTH		—	5000000
DSP BLACK ROCK TOP 100 EQUITY FUND GROWTH	35177.371	2485211	—
DSPBR TIGER FUND DIVIDEND	128529.198	3000000	3000000
FIDILITY EQUITY FUND DIVIDEND	101102.012	2000000	2000000
IDFC CLASSIC EQUITY FUND PLAN A GROWTH		—	5000000
IDFC MONEY MANAGER FUND TREASURY PLAN	265194.736	2651947	—
IDFC CLASSIC EQUITY FUND PLAN A GROWTH	91196.754	1298140	2500000
IDFC DYNAMIC BOND FUND PLAN A QTY. DIV.	242637.295	4804170	5181593
IDFC PREMIER EQUITY FUND PLAN A GROWTH	106440.1	2500000	2500000
ING GLOBAL REAL ESTATE FUND RETAIL GROWTH		—	10000000
JM BASIC FUND DIVIDEND		—	5000000
JM BASIC FUND GROWTH		—	2500000
JM BASIC FUND GROWTH		—	2500000
JM CONTRA FUND GROWTH		—	5000000
JM EMERGING LEADERS FUND GROWTH		—	5000000
JM EMERGING LEADERS FUND GROWTH		—	5000000
JM EMERGING LEADERS FUND GROWTH		—	2500000
JM FINANCIAL SERVICE SECTOR FUND GROWTH		—	3500000
JM FINANCIAL SERVICE SECTOR FUND GROWTH		—	2500000
JM FINANCIAL SERVICE SECTOR FUND GROWTH		—	3500000
JM SMALL & MID CAP FUND REGULAR GROWTH		—	5000000
KOTAK BOND (REGULAR) QUATERLY DIVIDEND		—	5073297
KOTAK 30 GROWTH	67489.485	5119955	—
KOTAK GILT (INVESTMENT REGULAR) QTY. FUND DIV.		—	5059420
KOTAK 30 GROWTH	65290.208	4953111	—
KOTAK INDO WORLD INFRASTURE FUND GROWTH		—	10000000
PRU. ICICI INFRASTURE FUND DIVIDEND	10054.588	1011518	2000000
RELAINCE BANKING FUND GROWTH		—	2500000
RELAINCE BANKING FUND DIVIDEND		—	2000000
RELAINCE BANKING FUND GRWOTH	44260.844	3000000	3000000
RELAINCE DIVERSIFIED POWER FUND SECTOR RETAIL GROWTH	19695.219	6028492	10000000
RELAINCE DIVERSIFIED POWER FUND SECTOR RETAIL GROWTH	59485.144	5000000	5000000
RELAINCE GROWTH FUND RETAIL PLAN DIVIDEND	14364.837	4396920	2000000
RELAINCE MEDIA & ENTERTAINMENT FUND GROWTH	3726.799	1140733	2500000
RELAINCE MEDIA & ENTERTAINMENT FUND GROWTH	252322.63	10000000	10000000
RELAINCE MEDIA & ENTERTAINMENT FUND GROWTH	61075.416	2500000	2500000
RELAINCE REGULAR SAVING FUND EQUITY PLAN GROWTH	83044.339	2500000	2500000
RELIGARE AGILE FUND GROWTH		—	5000000
RELIGARE AGILE FUND GROWTH		—	5000000
SBI MSFU CONTRA FUND GROWTH	85660.442	5000000	5000000
SBI MSFU CONTRA FUND DIVIDEND	52029.136	1500000	1500000
SBI MAGNUM INDEX FUND GRWOTH	19630.014	1000000	1000000
SBI MAGNUM COMMA FUND GROWTH	94804.702	2500000	2500000
SBI MAGNUM COMMA FUND GROWTH	90090.09	2500000	2500000
SUNDRAM BNP PARIBAS SELECT FOCUS FUND APPRECIATION	35966.085	3500000	3500000
SUNDRAM BNP PARIBAS SELECT MID CAP FUND APPRECIATION		—	1000000
SUNDRAM BNP PARIBAS SMILE FUND GROWTH	132965.904	4000000	4000000
SUNDRAM BNP PARIBAS SMILE FUND GROWTH		—	2500000
SUNDRAM BNP PARIBAS SELECT FOCUS FUND APPRECIATION	24993.202	2500000	2500000
SUNDRAM BNP PARIBAS SELECT FOCUS FUND GROWTH	140938.765	10000000	—
HDFC TOP 200 FUND DIVIDEND REINVESTED	170879.993	6624821	—
KOTAK 30 GROWTH	113440.421	10000000	—
HDFC EQUITY FUND GROWTH	22222.025	5000000	—
FT INDIA DYNAMIC PE RATIO FUND GROWTH	280136.37	10000000	—
Sundram BNP Select Thematic Funds PSU Opp. Growth	1000000	10000000	—
ICICI PRU.INCOME MULTIPLIER ACCOUNT	3284269.983	60000000	—
PRINCIPAL MIP FUND	2433338.687	50000000	—
<b>Total</b>		<b>318647281</b>	<b>242714310</b>
6.6% Tax Free Uti Bonds		—	23391516
		<b>318872581</b>	<b>266331126</b>
NAV of quoted Mutual fund as on 31.03.2010		339549104	167701307
Details of Movement in investments in the units of various Mutual fund purchased and sold during the year		253802567	252885094

	AS AT 31.3.2010 (Rs.)	AS AT 31.3.2009 (Rs.)
<b>SCHEDULE "G"</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>1. CURRENT ASSETS</b>		
<b>(a) Inventories*</b>		
Goods in Transit (Export Sale)	2123358	—
Aluminium Ingots	—	39647187
Aluminium Wire Rods	1139170	1139170
Consumable Stores & Packing Material	8046127	10279570
Raw materials, Dyes & Chemicals	104587407	95361645
Finished Goods	8688954	10651691
Work in Process	25576474	9712347
Scrap	10579002	10854763
DEPB Licenses in hand	—	2421262
	<b>160740492</b>	<b>180067635</b>
*Refer Note No. 6 of accounting policies		
<b>(b) Sundry Debtors (Unsecured)*</b>		
(I) Outstanding for a period exceeding six months		
Considered Good	9824509	18847895
Considered Doubtful	193539	3121182
(II) Other Debts-Considered Good	334888241	349649432
	<b>344906289</b>	<b>371618509</b>
Less : Provision for Doubtful Debts	193539.00	3121182
	<b>344712750</b>	<b>368497327</b>
* Sundry Debtors include Rs.20980049/- (Previous Year Rs.NIL/- Prem Cables Pvt.Ltd, Company under the same management) Maximum debit balance Rs.176863192 during the year		
<b>C) Cash and Bank balances</b>		
I) Cash in Hand	329623	189422
II) Balance with scheduled Banks		
In Current Account	61071	21688053
In Dividend Account	802999	817395
In Margin Money Account	7000	7000
In Fixed Deposit with schedule bank includes interest accrued**	68423274	138437646
III) Balance with Post office S B Account	—	100
	<b>69623967</b>	<b>161139616</b>
<b>(D) Other Current assets</b>		
Interest accrued on UTI Bond	—	763580
**In lien with Bank kept as security	—	<b>763580</b>
<b>2. LOANS AND ADVANCES</b>		
<b>(Unsecured, Considered Good)</b>		
Advance recoverable in cash or in kind or for value to be received*		
Consider Good**	5905710	
Consider Doubtful	61012	
	<b>5966722</b>	
Less : Provision for Doubtful	61012	
Deposit with Govt. Deptt. & Others	6204292	34600197
Earnest Money With Customers	505712	6098445
Advance Excise duty	2682	530712
Cenvat Recoverable	32573898	1274
Vat Recoverable	1096943	38655873
Advance Income Tax, FBT & TDS	16350940	345555
Income Tax/GBT Refundable	32221802	
Less : Tax Provision as per contra	7500000	
	<b>41072742</b>	<b>32405787</b>
	<b>87361979</b>	<b>112637843</b>
* See note no.10 of notes on accounts		
** Include Rs. 400000/- due from consens in which directors are interested as partners and due from directors Rs180000		

	AS AT 31.3.2010 (Rs.)	AS AT 31.3.2009 (Rs.)
<b>SCHEDULE "H"</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
<b>Sundry Creditors for Goods and Expenses</b>		
I) Due to small scale Industrial undertaking*	172687	
Add : Interest Due	120535	
	<u>293222</u>	
II) Due from Others	81273530	
Bill Sent for Collection	—	492414
Sundry Debtors having Credit Balances	878250	11611160
Security Deposit from Customers	7228808	7228808
Liabilities for other Finance	1493104	2818687
Unclaimed Dividend**	802999	817395
Unpaid Dividend***	1133500	1133500
Interest Accured & Not Due	209060	9525665
(Payable to Foreign Bank \$4654.05)		
	<b>93312473</b>	<b>149140695</b>
* Name of small scale industrial undertaking to whom an amount of Rs.1 Lacs or more was outstanding for more than 30 days is M/s Core India		
* See Note No.21 of notes on accounts		
** Rs 351265 /-for year 2004-05 and 451734/- for year 2007-08		
*** Unpaid Dividend is for the F.Y. 1998,2004-05 and 2007-08 out of which Rs.383500/- due for the year 1998 is outstanding as on 31st March 2010 to be credited to Investor Education & Protection fund		
*** See Note No. 25 of notes to accounts		
<b>PROVISIONS</b>		
For Income Tax & Fringe Benefit Tax	7500000	
Less : Deducted from Advance Tax as per contra	7500000	
For Wealth Tax	80000	80000
For Excise duty	894962	877699
For Freinge Benefit tax	—	325000
	<b>974962</b>	<b>1282699</b>
<b>SCHEDULE "I"</b>		
<b>OTHER INCOME</b>		
Interest (Including Rs1719811/- being interest on Bank Deposit. Previous Year Rs.1813453/-)	4778562	7609577
Miscellaneous Income	974869	1556988
Profit on sale of Investment	-58236336	(26607)
Cash Discount Received	64674	2346402
Discount received on purchase of DEPB*	1931462	3345331
Profit on sale of Fixed Assets	759740	574175
Bad Debts Recovered back	834592	1095249
Foreign Exchange Fluctuation (Net)	21598376	—
Export Entitlement**	2925435	3225613
Excess Provison for Exp. written back	59500	131800
Dividend Received	1749171	954294
Income from Investment Account	—	11030000
Gain on energy Units Generated from Wind Mill	3372089	3486060
Tax Free Interest Income on UTI Bonds	—	1610668
	<b>-19187866</b>	<b>36939550</b>
*See note no.8 of accounting policies		
**See note no.8 of accounting policies & note no.11 of notes on accounts		

		Year Ended 31.3.2010 (Rs.)	Year Ended 31.3.2009 (Rs.)
<b>SCHEDULE "J"</b>			
<b>CONSUMPTION OF RAW MATERIALS, STORES &amp; MANUFACTURING EXPENSES</b>			
Consumption of Raw Materials including Conversion charges*			
Opening Stock	95351645		
Add : Purchase	878022136		
Less: Closing Stock	<u>104587407</u>	868786374	1006762839
Consumption of consumable stores & Spares		80695785	62254529
<b>Increase/Decrease in Stock</b>			
<b>OPENING STOCK :-</b>	<b>Year Ended 31.03.2010</b>	<b>Year Ended 31.03.2009</b>	
Finished Goods	10651691	17070567	
Work in Process	9712347	23504026	
Scrap	10854763	12341037	
Aluminium Wire Rod	1139170	33631445	
Aluminium Ingots	39647187	—	
	<u>72005158</u>	<u>86547075</u>	
<b>CLOSING STOCK :-</b>			
Finished Goods	10812312	10651691	
Work in Process	25576474	9712347	
Scrap	10579002	10854763	
Aluminium Wire Rod	1139170	1139170	
Aluminium Ingots	—	39647187	
	<u>48106958</u>	<u>72005158</u>	
Purchase of Aluminium wire rod		38288969	310395088
Purchase of Aluminium Ingots		—	39647187
Purchase of Traded Goods (Cost)		51042913	—
Power & Fuel**		36644656	36248470
Repairs & Maintenance (Plant & Machinery)		33431691	10097071
Other Manufacturing Expenses		22351942	15366252
		<b>1155140530</b>	<b>1495313353</b>
*See note no.22 of notes on accounts			
**See note no.14 of notes on accounts			
<b>SCHEDULE "K"</b>			
<b>PAYMENT TO AND PROVISIONS FOR EMPLOYEES</b>			
Salary, Wages, Bonus and Allowances (Including Directors remuneration of Rs.17,40,000/- , Previous year Rs.19,20,000/-)*		36748456	28953897
Employee Welfare Expenses		2108398	822254
Service Award Expenses		934325	1024448
Contribution to Provident Fund		2464716	2100547
Gratuity payment to LIC group gratuity Fund		1063352	1907177
Employer Employee Insurance Exp**		25000000	—
		<b>68319247</b>	<b>34808323</b>
*See note no. 9 of notes on accounts			
** See note no.5 of notes on accounts			

	Year Ended 31.3.2010 (Rs.)	Year Ended 31.3.2009 (Rs.)
<b>SCHEDULE "L"</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rate & Taxes	47269	65629
Travelling & Conveyance (Including travelling expenses of Directors Rs.162854/-, previous year Rs.118660/-)	1309928	1266891
Vehicles Running & Maintenance Expenses	1487542	1297416
Postage, Telephone & Fax Expenses	1033882	1014789
Legal, Professional & Other Expenses	435099	451659
<b>Payment to Auditors</b>		
Audit fees	90000	
Tax Audit fees	30000	
Reimbursement of Expenses	45256	
Certificate fees	36100	
Electricity & Water Expenses	290576	117612
Printing & Stationery	618694	532913
Miscellaneous Expenses	900400	893997
Repairs & Maintenance Expenses (Including Factory Building Repairs Rs.4073610/-, Previous year Rs.1797362/-)	7195737	2780678
Rent	940725	863269
Fines & Penalty	21000	140232
Sales Tax Payments & Demands	184877	13724
Donation	10000	—
Wind Power Generation Expenses	153154	462936
Security Transaction Tax	119670	—
Plantation Expenses	22738	2955
Sitting fees	—	2000
Vat Audit Fees	7500	7500
ISO 9001:2000 Fee & Expenses	56355	100607
Software Exp	6750	—
Debt Recovery Expenses	70400	224660
	<b>15113652</b>	<b>10440972</b>
<b>SCHEDULE "M"</b>		
<b>SELLING AND DISTRIBUTION EXPENSES</b>		
Packing & Forwarding (Net)	10023321	4573962
Export Exp.	809084	836577
Commission on sales	904305	1021191
Sample Expenses	32552	9466
Business & Sales Promotion Expenses	1778990	199704
Advertisement Expenses	171146	213507
Commission on purchase of DEPB	0	7839
	<b>13719398</b>	<b>6862246</b>
<b>SCHEDULE "N"</b>		
<b>FINANCIAL CHARGES</b>		
Bank Charges	2534315	13751685
Foreign Bank Charges	624262	346723
Cash Discount Paid	155905	730085
Bank Interest	18926919	27303317
Interest to SSI units	120535	169869
Other Interest	263516	300843
	<b>22625452</b>	<b>42602522</b>



**SCHEDULE 'O'**
**STATEMENT OF ACCOUNTING POLICIES**
**1. Basis of Accounting: -**

The accounts of the company are prepared under historical cost convention and in accordance with the applicable Accounting Standards and provisions of the Companies Act, 1956 as adopted consistently by the company except where otherwise stated. Mercantile system of accounting is followed except insurance, Interest on debtors and other claims receivable, exports benefits and expenditure on account of fuel escalation charges of the Jodhpur Vidyut Vitran Nigam Limited, which are accounted for on receipt/payment basis.

**2. Use of Estimates: -**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognized in the period in which the results are known / materialized.

**3. Fixed assets: -**

- (i) (a) Fixed assets are stated at cost of acquisition or construction less depreciation. All cost relating to the acquisition & installation of fixed assets are capitalized.
- (b) Addition in Fixed assets is stated at cost net of VAT & Cenvat credit, Custom duty (where applicable). All cost relating to acquisition and installation of fixed asset are capitalized.
- (c) Agricultural land is shown at cost price.
- (ii) Revalued assets are recorded at revalued amount less depreciation on revalued amount.

**4. Purchases: -**

Purchase of all Raw materials, packing material, production & mechanical stores, Polythene & polyester film & paper are accounted for on basic price & CST. Cenvat and VAT on purchase of these items is shown as Cenvat recoverable & VAT recoverable which are adjusted against the Excise/Sales Tax liabilities.

**5. Investment: -**

Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Dividends reinvested are added to the cost of investments.

**6. Current Assets: -**

Inventories as certified by the management are valued as under

- (a) Raw materials, dyes & Chemicals & packing material : At cost excluding cenvat credit and VAT.
- (b) Production consumable store & spares : At cost excluding cenvat credit & VAT
- (c) Oil & lubricants : At cost excluding excise duty except HSD.
- (d) Work in process : At estimated cost (valued as certified by the management.)
- (e) Aluminium wire rods : At cost or market price whichever is lower.
- (f) Scrap & rejected goods : At net realizable value determined by management.
- (g) Finished goods : 1. Received after conversion Valued at cost or market Price, whichever is lower inclusive of Excise duty.  
2. Manufactured goods: Valuation of finished goods Manufactured but not cleared from excise bonded warehouse up to the end of the year is at cost or market price, whichever is lower inclusive of Excise Duty. (Cost price estimated by deducting approx 19% from the selling price).
- (h) Stock at port & in transit : At Selling price
- (i) Stock in transit/ware house (Purchase) : At cost
- (j) DEPB licences Purchased : At cost.

Note: The cost of raw materials, dyes, chemicals, packing material, oil & lubricant and consumable stores are arrived at on first in first out method and in the case of basic raw material, freight inward expenses have also been considered.

**7. Expenditure:-**

- (a) Benefit to employees:
  - (i) Contribution to statutory funds is accounted for on accrual basis.
  - (ii) Provision of Leave encashment has been made on accrual basis on leave un-availed balance available as on 31.03.2010.
  - (iii) Service Awards have been adjusted / accounted on the basis of completed months.
  - (iv) Gratuity payable to employees is provided for on the basis of premium paid under group gratuity Scheme with Life Insurance Corporation of India
- (b) (i) Depreciation on fixed assets is provided on written down value basis at the rates and in the manner prescribed in Schedule XIV of Companies Act, 1956. Depreciation in respect of revalued amount, the additional depreciation attributable to revaluation is withdrawn from revaluation reserve. Depreciation on addition in fixed assets has been adjusted after deducting the amount of excise duty & VAT availed as Cenvat & VAT set off.
- (ii) Depreciation on assets added / disposed off during the year has been provided on prorata basis with reference to date of addition / disposed except for items on which 100% depreciation rate are applicable.
- (c) Lease rent in respect of leasehold land for factory building and township are accounted for on accrual basis. The unexpired periods of said leasehold land are 55 and 56 years respectively.
- (d) All other expenses are accounted for on accrual basis and consumption of stores has been taken on actual consumption.
- (e) Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.
- (g) Power unit generated from wind power plant which has been wheeled for captive consumption after adjusting wheeling charges @ 10% of the energy fed into grid to RVPNL Discom(s) is accounted on effective tariff rate in power bill and simultaneously such figure was also reflected in other income.



## 8. Income: -

Turnover:

- (a) Sales are inclusive of Cenvat but are net of Sales returns, Shortages and other discounts & rebates but excluding value of recoveries made for insurance, freight and packing forwarding expenses, which have been shown in the invoice value and are adjusted in the respective heads.
- (b) Export sales are accounted for on the basis of exchange rate on date of transactions and recognized only when export goods leaves the territory of India.
- (c) Discount and rebates on sales is accounted for as and when settled.
- (d) Revenue from investment is accounted on sale/disposal of such investments.
- (e) Export Incentive: Revenue from DEPB Licences is recognised when the licences are sold / utilized and are shown as other incomes.
- (f) Units generated on wind power plant have been accounted on the basis of effective tariff rate in respective month.
- (g) Interest receivable from debtor is considered on receipt system.
- (h) The Company has purchased DEPB Licenses from market at discounts and the same has been shown as Discounts received on purchase of DEPB in other income.

## 9. Transaction in Foreign Currencies:- (Other than for fixed assets)

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Gain/Loss arising out of fluctuation in between transaction date and realization date are recognized in profit & loss account & gain/loss arises on account of fluctuation in between transaction date and realization date on sales settled in same year has been accounted for in the same head. Current assets are restated at the exchange rate prevailing at the end and the overall net gain/loss has been adjusted in the profit & loss account.

Monetary items denominated in foreign currencies at the year-end and not covered by foreign exchange contracts are translated at year-end rates.

The difference between the foreign exchange contract rate and the exchange rate on the date of transaction is recognized as income or expenditure over the life of the contract.

Foreign Exchange Gain/Loss of buyer's credit taken from foreign bank has been recognized at the date of transaction and recognized in profit & loss account.

## 10. Impairment of Assets:-

All assets other than inventory, investment or deferred tax assets are reviewed for impairment where event or changes in circumstances indicate that the carrying amount may not be recoverable. Assets whose carrying amount exceeds their recoverable amount will be written down to recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

## 11. Cenvat & VAT:-

The value of Cenvat benefits eligible on raw materials, other eligible inputs, production stores and capital goods is considered for the clearances of finished goods

## 12. Accounting of Taxes of Income:-

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

## 13. Contingent Liabilities:-

The company is not providing for contingent liabilities in the account since the ultimate outcome thereof cannot be determined on the date of balance sheet. However, notes on every contingent liabilities exist on the date of balance sheet are given in notes on account. Contingent assets are neither recognized nor disclosed in the balance sheet.

## SCHEDULE 'P'

### NOTES ON ACCOUNTS

#### ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010.

1. Contingent liabilities not provided for and liabilities not acknowledge as debts in respect of followings.
  - (a) Guarantees given by bank in favour of buyer/Suppliers, Hindalco & Central Excise for Rs. 117.71 lacs (Previous year Rs.224.35 Lacs) against which the bank has got a lien on securities/ term deposit receipt of Rs. 117.71 lacs (Previous year 224.35 lacs).
  - (b) Letter of credit of Rs. NIL (Previous year Rs. 2001.10 lacs) opened in favour of Raw Material suppliers; against this, the bank has got a lien on securities of Rs. NIL lacs (Previous year Rs.2001.10 lacs).
  - (c) Estimated amount of contracts remaining to be executed on capital account & not provided for Rs NIL (Previous year Rs 75.00 lacs) against which advances given Rs Nil (Previous year Rs. 3.56 lacs).
  - (d) The Following companies has given Guarantee/Securities against O/D facilities sanctioned by the IDBI Bank Ltd.
    1. Pipalia Cables & Wires Pvt. Ltd.
    2. Foils India Laminates Pvt. Ltd.
    3. Miracle Foils Pvt. Ltd.
    4. Prem Cables Pvt. Ltd.
    5. Tirumala Irons Pvt. Ltd.
 And personal guarantee by the Managing Director, Whole Time Director and wives of these directors.
  - (e) Uncompleted/reopened assessments of Income Tax & Sales Tax.
  - (f) Suit filed by NELCO for sum of Rs. 2,27,085/- against which a sum of 25,000/- has been deposited in the Civil Court Ahmedabad.
 

\*Matter pending since more than 10 Years and company does not expect any liability.
  - (g) Under CST Act Sales Tax Liability for the F.Y. 2007-08 amounting to Rs 5,93,49,963/- (Due to none receipt of declaration form and higher rate of tax ) No Provision has been made since rectification application and extension of time for filling declarations has been applied. After rectification and submissions of declaration forms the company will be entitled for the refund for F.Y 2006-07 and 2007-08.
2. The Lease Deed regarding land at Jaisalmer where windmill is installed has not been executed.
3. As per AS4, the Company is entitled to refund of amount of Rs. 2120466/- as principal and Rs. 1502083/- as interest as per the judgment of the Delhi High Court dated 19-4-2010 which was deposited previously as per the judgment of Debt Recovery Tribunal Delhi and interest was charged to revenue.
4. The balances of sundry debtors, sundry creditors and loans & advances as on 31.3.2010 are subject to reconciliation & confirmation by the parties.
5. Income Tax & Sales Tax assessments have been completed up to the assessment year 2008-2009 and 2007-08 respectively.
  - i) During the year the company has paid a sum of Rs. 3,54,042/- to LIC of India towards premium of key man insurance policy.

The amount of Rs. 2,34,330/- has been debited under the head Employees Welfare expenses account and Rs. 1,19,712/- has been shown under the head Loans & advances being premium of Shri Ashok P Shah. Regarding this the company has taken the undertaking from Shri Pankaj P Shah, Shri Ashok P Shah (Ex-director) and Shri Abhay P Shah, the directors who are covered-up under this policy, for non-claiming of end benefits of the policy on maturity.

- ii) The company has paid Rs. 450.00 Lacs as renewal premium to Bajaj Allianz Life Insurance Company Limited towards Key Man Insurance Policies taken for its directors Shri Pankaj P Shah & Shri Abhay P Shah and the insurance premium has been debited to profit & loss account as expenditure. Regarding this, the company has taken the under taking from both the insured directors who are covered up under this policy for non-claiming of end benefits of the policy on maturity.
- iii) The Company has taken Employer-Employee policy in the name of company and paid premium of Rs 250 Lacs to cover life of some of employees which have not been given to Employees and same have been kept as security with IDBI Bank against the OD facility. As per the conditions given by the company to the Insurance Co., the company will undertake from the employees for not claiming the amount of insured amount.
6. There is a Profit of Rs. 2,06,76,523/- on account of Increase in NAV of units of Mutual Fund as on 31.03.2010. NAV was taken on the basis of daily NAV statement
7. A sum of Rs. 10,96,943/- & Rs. NIL/- being the amount of VAT recoverable and VAT recoverable (Above One Lac) as on 31.03.2010 has been shown under the head loan & advances.
8. The gross depreciation of the current year includes Rs. 3,45,296/- (Previous year Rs. 4,20,939/-) being the difference between the depreciation calculated on revalued book value & the original book value. The company has transferred the said additional amount of depreciation on revalued assets from the Revaluation Reserve to the Profit & Loss account.
9. Directors Remuneration  
Salaries 17,40,000
10. Maximum debit balance of Officers and Directors during the year Rs NIL/- (previous year Rs. 7,882/-)
11. a) The company has purchased DEPB Licenses face value of Rs.45850579 which were purchased for Rs.43919117. The difference between face value and purchase price has been treated as discount.
- b) The company has received DEPB Licenses worth Rs.3734209 as Export incentive & Previous year untutilised licenses worth Rs. 1909607 out of which utilized the DEPB licenses valuing Rs.2925435/- by debiting to respective import purchase account and by credit to exports incentives. The balance DEPB licenses Rs. 2718381 are in hand not considered as income.
12. A sum of Rs. 6,00,000/- was deposited by the company as pre-deposit of penalty as per direction given by the Customs Excise & Gold (Control) Appellate Tribunal New Delhi by order dated

03.02.2003 against total amount of penalty of Rs. 25 Lacs to be deposited by Shri Pankaj P. Shah Managing Director and Shri Ashok P Shah (ex director) of the company, the appeal has been dismissed by the tribunal .The Company has filled appeal before the High Court.

13. Since no commission is payable to Directors hence the computation of net profit in accordance with section 198 read with section 309(5) of the companies act of 1956 has not been given.
14. Company has installed One Wind Mill of 0.6 MW capacities at Soda Bandan Distt. Jaisalmer in agreement with Rajasthan Rajya Vidhuyt Vitran Nigam Limited, and Discoms for wheeling of Energy for captive consumption in the year Company has adjusted of Rs. 33,72,089/- (860488Units) in power bill.
15. Cenvat recoverable on the date of balance sheet.
- |                  |                  |
|------------------|------------------|
| On Raw Material  | Rs.1,92,00,890/- |
| On Capital Goods | Rs. 76,19,585/-  |
- This amount was shown under the head loans & advances
16. The Figures of the previous years has been regrouped and rearranged wherever necessary to make them comparative with previous year figures.
17. Income & expenses related to Previous Year Comprise of: –
- |                              |                      |
|------------------------------|----------------------|
| <b>1) Income</b>             | NIL                  |
| <b>2) Expenses</b>           |                      |
| Banglore Telephone Exp.      | 320                  |
| Banglore Water Charges       | 6000                 |
| Conversion Charges           | 9328                 |
| Discount & Rebate            | 503213               |
| Employee Welfare Exp.        | 1100                 |
| Insurance Exp.               | 14062                |
| Mumbai Flat Rent             | 10900                |
| Octroi Exp                   | 21735                |
| Office Exp                   | 73740                |
| Sample Expenses              | 4476                 |
| Secretarial Exp.             | 74                   |
| Traveling Exp.               | 5599                 |
| Vehicle Repair & Maintenance | 1124                 |
| <b>Grand Total</b>           | <b><u>651671</u></b> |
18. The Company has agreed to take on lease the property for 99 years at Mumbai on 01.06.2005.As per the terms of the agreement the company has not got the registered lease deed executed so far. The Company has taken the possession and amount paid has been shown in fixed assets and depreciation on it has been charged.
19. The amount of interest receivable from debtors has not been ascertained.
20. Consequent to the accounting standard for Deferred Tax the company has created total Deferred Tax Assets /(Liability) of Rs.9798083 /- for the year ended 31st March 2010.

**Deferred Tax Assets/(Liabilities)**

	As on 31.03.09	Change for the Period	As on 31.03.10
Difference between WDV as per Books and as per IT Act.	4093534	1424421	10150887
Tax impact of expenses charged off in financial statement but allowance under tax law deferred	3402939	(3050135)	352804
<b>TOTAL</b>	<b>(7496473)</b>	<b>17294556</b>	<b>9798083</b>

21. The information in regards to SSI Units has been compiled in respect of parties to the extent to which they could be identified as SSI Units on the basis of information available with the company.
22. The company has made sales of Alu. Foil Stock/Wire Rod/Ingots & Grannual, The sales amount has been shown as consumption of traded goods & profit made on sale of these items has not been shown separately. The figure of consumption has been separately stated.
23. Bank balances are subject to bank reconciliations.
24. The Company has not received TDS Certificate of Rs 33080/- from various parties.
25. Unpaid dividend of Rs.11,33,500/- has not been deposited with the Scheduled Bank in Unpaid Dividend Account as per sec 205 (A) (1) of companies act 1956, since the matter is pending before the high court.
26. There is no agriculture produce from the Agriculture land.
27. Since the Company dose not have any subsidiary therefore AS21, 23 and 27 are not applicable.
28. Plant & Machinery Unit III ( Holland Plant) has been installed and commenced on 21.09.2009 as per the certificate provided by the Chartered Engineer.
29. The Company has sold plant & Machinery of Rs1400000 above the original cost of assets of Rs 1362624/-, Excess amount i.e Rs 37376/- has been credit to capital reserve account.
30. Foreign Exchange gain of Rs 2,15,98,376/- includes foreign exchange gain/loss in respect of ' purchase, Sales and buyer' Credit.

**31. EARNINGS PER SHARE**

PARTICULARS	AS AT 31st MARCH 2010	AS AT 31st MARCH, 2009
Profit after taxation (Rs. In)	28618665	(14457950)
Number of share outstanding	8110000	8110000
Total number of shares outstanding at the beginning of the year	8110000	8110000
Number of shares outstanding during the year	8110000	8110000
Basic and Diluted Earnings per share in Rupees (Face Value per Share Rs.10/-)	3.53	(1.78)

**32. SEGMENT REPORTING**

Based on the guiding principles given in the Accounting Standard on Segmental Reporting (AS-17) issued by the Institute of Chartered Accountants of India the Company is single segment company engaged in the business of manufacture and sale of Aluminium foil in its various form, as the company operates in a single primary segment, disclosure requirement it not applicable.

Financial information about the primary segment Aluminium business is presented in the table given below:

Particulars	As at 31st March 2010 (Rs. in LACS)
<b>REVENUE</b>	
Segment Sales (Indigenous)	13351.69
Others (Exports)	875.73
Total Revenue	14227.42
<b>RESULTS</b>	
Segment/Operating Results	2676.02
Unallocable Income	(191.88)
Interest Expenses	226.26
Provision for Doubtful debts/advances	(29.87)
Provision for Tax (including Deferred Tax)	247.95
Net Profit/(Loss)	286.19

Note : During the year the Company's export turnover of Rs. 875.73 Lacs (FOB) is included in Primary sales

**33. RELATED PARTY DISCLOSURE AS PER ACCOUNTING STANDARD 18.**
**A. LIST OF RELATED PARTIES :**
**a. Key Managerial Personals**

01. Shri Pankaj P Shah Managing Director
02. Shri Abhay P Shah Whole Time Director
03. Shri Sahil P Shah Director

**b. Related Parties with whom transactions have been taken place.**

1. Prem Cables Private Limited
2. Miracle Carriers & Trading Company
3. Prem Nagar Industrial Estates Pvt. Ltd.
4. Pipalia Engineering Works Pvt. Ltd.
5. Pipalia Cables & Wires Pvt. Ltd
6. Miracle Foils Pvt. Ltd.

**B. The following transactions were carried out with the Related Parties in the ordinary course of Business**

S.No.	Transactions	Related parties	Key Personals	Relatives
1	Sales/Purchase and Conversion Charges Paid/Received	134213123	—	—
2	Freight and Car Hire Charges	23016649	—	—
3	Remuneration	—	1740000	—
4	Rent Paid	252000	—	—
5	Lease Rent	7500	—	—
6	Debit Balance	1643689	—	—
7	Credit Balance	2509526	95285	—

\* See Note No. 9 of Note on accounts.

**34. Information pursuant to the provisions of paragraphs 3(I)(a), 3(ii)(a), 4(c) and (d) of Part II of schedule VI of the companies Act.1956.**
**(A) SALES & STOCK**

Sales by class of goods and Opening & Closing Stock of Goods.

	QUANTITY ( IN TONNES)		VALUE (Rs. In Lacs)	
	2009-2010	2008-2009	2009-2010	2008-2009
<b>SALES</b>				
Aluminium Foil	5110.488	4824.006	13650.76	13791.68
Scrap	493.246	650.365	329.36	664.15
Glassine & Poster Paper	216.581	154.269	265.48	203.17
Casserole	3.211	5.713	6.83	11.74
Job Charges	167.849	59.958	67.95	21.01
Sale of Ingots/Wire Rod	829.250	2778.654	768.65	3592.55
VMCH Sale	—	10.977	—	34.96
Grannual	191.000	191.500	144.02	136.69
Foil Stock/HR Coil Sale	10.198	—	13.55	—
Sale of Polythene	.660	—	14.20	.83
Sale of Chemicals	3.000	—	2.62	—

**OPENING STOCK**

Aluminium Foil	48.615	41.580	102.43	100.91
Glassine & Poster Paper	3.397	4.221	4.09	4.39
Scrap	141.056	106.619	108.55	123.41
Casserole	—	.336	—	.58

Quantity and value also includes material lying at outside Go-down and Jobbers Go-down

**CLOSING STOCK**

Aluminium Foils	42.247	48.615	83.21	102.43
Glassine & Poster Paper	3.587	3.397	3.68	4.09
Scrap	150.576	141.056	111.28	108.55
Casserole	—	—	—	—

Quantity and value also includes material lying at outside go down and Jobbers go down

**(B) DETAILS OF RAW MATERIALS CONSUMED (ISSUED)**

Aluminium Foil Stock & Alu.Foil	7002.325	6551.055	6847.96	7706.14
Paper	692.441	714.409	401.62	386.21
Polythene & Grannual	1256.443	1188.539	1104.84	1039.18
Polyester & Holographic Film	38.981	52.512	34.24	49.72
Other (Chemical & Dyes)	—	—	809.63	886.38
Aluminium Wire Rod/Ingots	829.250	2778.654	779.36	3428.87

**(C) VALUE OF MATERIALS CONSUMED AND PERCENTAGE THEREOF**

PARTICULARS	TOTAL VALUE OF CONSUMPTION		IMPORTED		INDIGENEOUS	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
<b>Raw Material</b>						
Value	9198.29	10067.63	2644.84	5966.45	6553.45	4101.18
Percentage	100	100	28.75	59.26	71.25	40.74
<b>Stores, Spares &amp; Packing Material</b>						
Value	806.96	622.55	438.76	190.86	368.20	431.69
Percentage	100	100	54.37	30.66	45.63	69.34

**(D) FOREIGN EXCHANGE EARNINGS & EXPENDITURE**

a) Earning in foreign exchange on account of export of goods on F.O.B. basis	Rs. In Lacs	875.73
b) C&F value of imported raw material		2644.84
c) C&F value of imported stores		438.76
d) Expenditure in foreign currency		13.58
e) Value of Capital Goods imported		11.01

**(E) LICENSED CAPACITY, INSTALLED CAPACITY AS CERTIFIED BY THE MANAGEMENT & ACTUAL PRODUCTION.**

PARTICULARS	Licensed Capacity (M.T.)		Installed Capacity (M.T.)		Production (M.T.)	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
Aluminium Foil	N.A.	N.A.	5000	5000	5874.055*	5520.009
Flexible Packaging	N.A.	N.A.	N.A.	N.A.	216.771	153.445

\*Including 167.848 MT (Previous Year 57.033 MT) productions for the conversion of materials.

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**
**(Amount in thousand)**
**(i) REGISTRATION DETAILS**

Registration Number	8050	State Code	4
Balance Sheet Date	31.03.2010		

**(ii) CAPITAL RAISED DURING THE YEAR**

Public issue	Nil	Right issue	Nil
Bonus issue	Nil	Private Placement	Nil

**(iii) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS**

Total Liabilities	1081756.20	Total Assets	1081756.20
-------------------	------------	--------------	------------

**SOURCE OF FUNDS**

Paid up Capital	85861.03	Reserve & Surplus	603446.55
Secured Loans	382650.55	Unsecured Loan	0.00
Deferred tax Liability	9798.07		

**APPLICATION OF FUNDS**

Net Fixed Assets	194687.80	Investment	318872.57
Deferred Assets	0.00	Net current Assets	568151.75
Accumulated Losses	44.08		

**(IV) PERFORMANCE OF COMPANY**

Turn over	1403554.21	Total expenditure	1350295.46
Profit before tax	53258.74	Profit after tax	28618.67
Earning per share	3.53		
Dividend rate	NIL		

**(V) GENERIC NAME OF PRINCIPAL**
**PRODUCTS OF COMPANY**

Item code No.	76.07		
Product Description	Aluminium Foil & its laminates		
Item code No.	39.20		
Product Description	Laminated Flexible Packaging with Plastic		
Item code No.	48.71		
Product Description	Laminated Flexible Packaging with Papers		

Signature Schedule A to Q forming an integral part of the Balance Sheet and Profit & Loss Account.

for H M SINGHVI & CO.  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

H M SINGHVI  
Proprietor

RAMDEV SINGH JETMAL  
Company Secretary

ABHAY P SHAH  
Whole Time Director

PANKAJ P SHAH  
Managing Director

Place : Jaipur  
Date : 23rd August, 2010

## CASH FLOW STATEMENT

Particulars	2009-10		2008-09	
	Amount	Amount	Amount	Amount
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax and extraordinary items	54145		-21664	
Adjustment for:				
Interest paid	19055		27774	
Interest received	-4779		-9220	
Investment Income	—		-11030	
Profit/Loss on sale of Investment	58236		27	
Foreign exchange loss	-21598		83871	
Dividend Income	-1749		-954	
Depreciation	20924		11196	
Loss/Profit on sale of fixed assets	-760		-574	
Amortisation of Shares warrant exp.	15		14	
Excess Provision Excise/IT	-8		-2301	
Excess Provision Written back	-60		—	
Provision for Excise Duty	895		878	
Provision for Excise Duty Written Back	-878		—	
Reserve for doubtful debts/revaluation reserve	-2988		746	
<b>Operating profit before working capital changes</b>	<b>120450</b>		<b>78763</b>	
Adjustment for:				
Trade & other receivables	43564		83669	
Inventories	19327		95707	
Trade Payable	-55828		-18460	
Cash Flow from Operating Activities		127513		239679
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>127513</b>		<b>239679</b>
<b>B CASH FLOW FROM INVESTMENT ACTIVITIES</b>				
Interest Received	4779		9220	
Dividend Income	1749		954	
Purchases of fixed assets	-9398		-142470	
Sale of Fixed Assets	1695		2359	
Purchase of investments	-250605		-66678	
Sale of Investments	139827	-111953	7411	-189204
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>				
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Profit on Sale of fixed assets	760		574	
Interest Paid	-19055		-27774	
Foreign Exchange Gain/Loss	21598		-83871	
Net Proceeds of Short Term Borrowings	-110379		154340	
Investment Income	—		-11030	
Prior period Income/Exp.	—		-578	
Profit/Loss on sale of Investment	—		—	
<b>NET CASH FLOW (USED) IN FINANCIAL ACTIVITIES</b>		-107076		53721
<b>D NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>-91516</b>		<b>104196</b>
<b>E CASH AND CASH EQUIVALENTS AS AT 1st APRIL 2009</b>				
Opening Balance: Cash in hand and balance with Bank.		161140		56944
<b>F CASH &amp; CASH EQUIVALENTS AS AT 31st MARCH 2010</b>				
Closing balance: Cash in hand and balance with Bank.		<b>69624</b>		<b>161140</b>

For and behalf of the board  
For PG FOILS LTD

(PANKAJ P SHAH)  
Managing Director

Place : Jaipur  
Date : 23rd August, 2010

The Board of Directors,  
PG Foils Ltd.,

### AUDITOR'S CERTIFICATE

We have examined the above Cash Flow statement of P G Foils Ltd. for the year ended 31.3.2010. The statement has been prepared by the company in accordance with the requirements of clause 32 of listing agreement with the stock exchanges and is based on and in agreement with the corresponding Profit & Loss account and Balance Sheet of the Company covered by our report of date to the members of the company..

For H.M.SINGHVI & CO.,  
Chartered Accountants

Place : Jaipur  
Date : 23rd August, 2010

(H.M. SINGHVI)  
Proprietor  
Membership No. 6962





Regd. Office : 6, Neptune Towers,  
Ashram Road, Ahmedabad - 380 009

Member's Signature (s)

1.
2.
3.

31st Annual General Meeting  
28th September, 2010  
at 11.00 a.m.

Orient Club,  
Ellis Bridge,  
Ahmedabad-380006

Admission Slip	
Please hand over this admission slip at the entrance of meeting hall.	
Folio	Holding

<input type="checkbox"/>	Member	<input type="checkbox"/>	Proxy

I hereby register my presence at the meeting

Signature of Member/Proxy



Regd. Office : 6, Neptune Towers,  
Ashram Road, Ahmedabad - 380 009

**PROXY**

I/We .....  
of .....  
in thei district of ..... being a

FOLIO	HOLDING

member/members of the PG FOILS LIMITED appoint ..... of .....  
or failing him ..... of ..... as  
my/our proxy to vote for me/us on my/our behalf at the 31st annual General Meeting of the Company to be held on Tuesday  
the 28th September, 2010 at 11.00 a.m. and at any adjournment thereof.

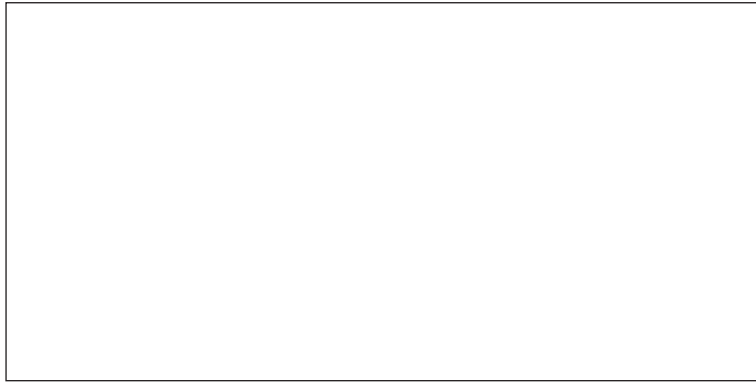
Signed this ..... day of ..... 2010

Affix  
Re 1/-  
Revenue  
Stamp

Proxy form must reach company's registered Office not later than 48 hours before the commencement of the meeting	
For Office use only	
Proxy No.	Date of Receipt

Signature

BOOK-POST



If undelivered, Please return to :



**PG Foils Ltd.**

Pipalia Kalan - 306 307

Dstt. Pali, Rajasthan