

*Where legend and technology mingle*



*Annual Report 2010-2011*



**PG Foils Ltd.**



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

**BOARD OF DIRECTORS**

SHRI PANKAJ P SHAH  
SHRI ABHAY P SHAH  
SHRI SAHIL P SHAH  
SHRI VIMAL DHADDA  
SHRI HEMANT NEMA  
SHRI UDHAN KUMAR CHORDIA

MANAGING DIRECTOR  
WHOLE TIME DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR

**SENIOR EXECUTIVES**

SHRI R M JAIN  
SHRI R YADAV  
SHRI M R JAIN  
SHRI AJOY MALHOTRA

EXECUTIVE DIRECTOR (FINANCE)  
EXECUTIVE DIRECTOR (OPERATION)  
ADDITIONAL DIRECTOR (OPERATION)  
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** : 80, Neelam Building, 1st Floor, E-Road, Marine Lines, Mumbai-400 002  
Tel. : (022) 32428026, 32188889 • Fax : (022) 22813502  
Mobile : 093231-10405 • e-mail : anil@pgfoils.in, mumbaisales@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, shamshad@pgfoils.in, gverma@pgfoils.in

**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

**HYDERABAD** : House No.10-5-3/2/3, Masab Tank, Opp. Gardan Tower, Hyderabad – 500 028  
Tel.: 040-23323576, 32577774 • Mobile:- 093947-59180, 098495-14572  
e-mail : pgflhyd@yahoo.com

**JAIPUR** : Mayur Apartment, Flat No. T-3&4, 40-41, Mahampura, Raj Bhawan Road, Civil Line,  
Jaipur • Mobile : 093144-34912. e-mail : trmehta@pgfoils.in

**KOLKATA** : 228, A.C.R. Avenue, Near Girish Park, Kolkata – 700 006  
Tel. : 033-22359293 • Mobile : 093320-06400 • e-mail : sanjay@pgfoils.in

NOTICE is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Members of P G Foils Limited will be held at Ahmedabad Textile Mills' Association, Ashram Road, Navrangpura, Ahmedabad 380 009 on Friday, the 30<sup>th</sup> day of September 2011, 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 31<sup>st</sup> March 2011 and the Profit & Loss Account for the year ended on 31<sup>st</sup> March 2011, the report of the Directors and Auditors thereof.
2. To declare a dividend for the Financial Year ended 31<sup>st</sup> March, 2011.
3. To appoint a director in place of Mr. Vimal Dhadda, who retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Udhan Kumar Chordia, who retire by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

**SPECIAL BUSINESS**

6. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution:-

RESOLVED THAT pursuant to the provision of Section 198, 269, 309, 310, 311 and all other applicable provisions, if any, of the Companies Act, 1956 approval of the company in general meeting be and is hereby accorded to the reappointment of Shri Abhay P Shah as Whole Time Director of the Company made in conformity with the provisions of Schedule XIII of the act for a further period of five years w.e.f. 30.04.2011 on the basis of remuneration, terms and conditions set out in draft agreement to be entered into by the company with him, which is hereby specifically sanctioned and approved.

7. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution:-

RESOLVED THAT pursuant to the provision of Section 198, 269, 309, 310, 311 and all other applicable provisions, if any, of the Companies Act, 1956 and

pursuant to the provisions of Schedule XIII of the act and the Article of Association of the Company and subject to such approval and permission as may be required, if any, approval of the shareholders be and is hereby accorded to increase the remuneration payable to Shri Pankaj P Shah, as the Managing Director of the Company for residual period of his term of appointment with effect from 1<sup>st</sup> October, 2011, as set out in the explanatory statement of this notice, and within the limits prescribed in the Schedule XIII to the Companies Act, 1956.

FURTHER RESOLVED THAT in the event of absence or inadequacy of net profit in any Financial Year the remuneration payable to Shri Pankaj P Shah shall be governed by provisions of Schedule XIII of the Companies Act, 1956 or any Statutory modification thereof.

**REGISTERED OFFICE**

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

Place : Jaipur  
Date : 25th August 2011

By order of the Board  
For P G Foils Limited

( PANKAJ P SHAH )  
Managing Director

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxies in order to be valid, must be received by the Company at its Registered Office / Principal Office of the Company not less than 48 hours before the commencement of the meeting.
3. Members / Proxies should bring the admission slip sent herewith, duly filled in and signed and hand over the same at the entrance of the hall for attending the meeting. Members are requested to indicate, without fail, their Folio No. or as the case may be DP ID and Client ID numbers in the admission slip.
4. Members are requested to bring their copies of the Annual Report with them.
5. The register of members and share transfer books of the company will remain closed from 24<sup>th</sup> September, 2011 to 30<sup>th</sup> September, 2011 (both days inclusive) for determining the names of Members eligible for dividend on Equity Shares, if any, declared at the meeting.
6. 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.
7. 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.
8. Members are requested to notify any changes in their address and mandates, if any, immediately at the Registered Office of the Company in writing.
9. 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.
10. 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.
11. 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 416-420, 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.
12. In terms of the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs, communication vide General Circular No. 14/2011 dated 21-04-2011 read with General Circular No. 18/2011 dated 29-04-2011, the Annual Reports, notice of meetings and other statutory documents required to be furnished by the Company to the Members can be sent in electronic mode. For this purpose, the Members are requested to register their e-mail addresses with the RTA, for receiving the aforesaid information in electronic mode.

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

Place : Jaipur  
Date: 25th August 2011

By order of the Board  
For P C Foils Limited

(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. 3

Name of the Director Date of Birth Date of Appointment Experience	Mr. Vimal Dhadda 04.04.1954 16.05.1995 36 Years Vast Business Experience
Directorship in other Public Limited Companies As on 31st March, 2011	None
Chairmanship/Membership of committees of Other Public Limited Companies as on 31st March 2011	I. Shareholders / Investor Grievance Committee :- A. Chairman:- None B. Member:- None II. Audit committee: A. Chairman:- None B. Member:- None



**ITEMS NO. 4**

Name of the Director	Mr. Udhan Kumar Chordia
Date of Birth	24.05.1971
Date of Appointment	21.03.2009
Experience	20 Years Vast Business Experience
Directorship in other Public Limited Companies As on 31st March, 2011	None
Chairmanship/Membership of committees of Other Public Limited Companies as on 31st March 2011	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 (2) of the Companies Act 1956**
**ITEM NO. 6**

The Board of Directors of the company was of the view that it was in the interest of the company that Shri Abhay P Shah should be reappointed as Whole Time Director of the company for a further period of five years from 30<sup>th</sup> April 2011. Accordingly the Board at its meeting reappointed Shri Abhay P Shah for a further period of five years from 30<sup>th</sup> April 2011 at a remuneration of Rs. 70, 000/- per month as salary plus Two clubs fee excluding whole time membership fees. But later on after keeping in view of his expertise in handling the marketing, exports and even purchase of the company with utmost ability and alacrity, the Board of Directors at its meeting held on 12<sup>th</sup> August, 2011 has accepted the recommendation of the Remuneration Committee and has approved the increase in the remuneration of the Whole Time Director, subject to approval of the shareholders of the company for the residual period of his term of appointment with effect from 01<sup>st</sup> October, 2011.

The payment of remuneration, perquisites and allowances payable to him, if approved by the shareholders will stand revised as follows:

Salary - Rs. 1,00,000.00 per month  
Two clubs fee excluding wholetime membership fees.

Shri Abhay P Shah shall also be entitled for reimbursement of actual entertainment, traveling, boarding, and lodging expenses etc. incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, be available to other Senior Executive of the Company.

The agreement proposed to be entered into by the company with Shri Abhay P Shah is available for inspection of members at the Registered Office of the company on all its working days prior to the meeting between 11.00 AM to 01.00 PM.

Shri Abhay P Shah being the appointee is interested in the proposed resolution with Shri Pankaj P Shah and Shri Sahil P Shah, directors of the company who are relative to Shri Abhay P Shah, no other directors are concerned or interested in this resolution. The directors recommended this resolution for approval of the shareholders. The explanatory statement together with the accompanying notice is and should be treated as an abstract of the terms of reappointment and increase in remuneration of Shri Abhay P Shah as Whole Time Director under Section 302 of the Companies Act, 1956.

**ITEM NO. 7**

Shri Pankaj P Shah is presently Managing Director of the Company. He has played an integral and very important role in building P G Foils Limited a very reputed and well-known foil manufacturer of the country. His role and responsibility in the organization have increased tremendously considering the growth of the Company in terms of volume of business etc. Keeping in view all these, the Board of Directors at its meeting held on 12<sup>th</sup> August, 2011 has accepted the recommendation of the Remuneration Committee and has approved the increase in the remuneration of the Managing Director, subject to approval of the shareholders of the company for the residual period of his term of appointment w. e. f. from 1st October, 2011.

The payment of remuneration, perquisites and allowances payable to him, if approved by the shareholders will stand revised as follows:

Salary - Rs. 1,05,000.00 per month  
Two clubs fee excluding wholetime membership fees.

Shri Pankaj P Shah shall also be entitled for reimbursement of actual entertainment, traveling, boarding, and lodging expenses etc. incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, be available to other Senior Executive of the Company.

None of the directors of your company except Shri Pankaj P Shah, Shri Abhay P Shah and Shri Sahil P Shah are concerned or interested in this resolution. The Board recommends this resolution for approval of the shareholders.

The explanatory statement together with the accompanying notice is and should be treated as an abstract of the terms of appointment i.e. increase in remuneration of Shri Pankaj P Shah as Managing Director under Section 302 of the Companies Act, 1956.

**REGISTERED OFFICE**  
6, Neptune Tower,  
Ashram Road,  
AHMEDABAD-380 009

Place : Jaipur  
Date : 25th August 2011

By order of the Board  
For P G Foils Limited

( PANKAJ P SHAH )  
Managing Director

Dear Shareholders,

Your Directors have pleasure in presenting the 32nd Annual Report of your Company together with the audited annual account of the Company for the year ended 31st March, 2011.

#### FINANCIAL HIGHLIGHTS

Rs. In Lacs

	2010-11	2009-10
Net Sales & Other Incomes	14781.62	14035.54
Profit/(Loss) before Depreciation & Tax	1580.60	741.83
Less: Depreciation	332.27	209.24
Profit/(Loss) Before Taxation	1248.33	532.59
Less: Provision for Taxation excluding Deferred Tax	150.51	75.80
Profit After Tax	1097.82	456.79
Add/less: Prior Period Adjustments and Deferred Tax	160.05	(170.61)
Add/Less: Profit Brought Forward	2971.15	2684.97
Profit available for appropriation	3908.92	2971.15
<b>APPROPRIATION:</b>		
Less : Transfer to General Reserve	200.00	0.00
Less : Proposed Dividend	81.10	0.00
Less : Dividend Tax	13.47	0.00
Balance Carried forward	3614.35	2971.15

#### DIVIDEND

Your directors recommend a 10% dividend i.e. Re. 1/- for every equity shares of Rs. 10/- each fully paid-up, for the year 2010-11, aggregating to Rs. 81.10 Lacs, excluding dividend distribution tax.

#### OPERATIONS

During the year your company achieved a Gross turnover of Rs. 15342.31 Lacs as against Rs. 15263.42 Lacs in the previous year.

Profit before tax was increased to Rs. 1248.33 Lacs from profit of Rs. 532.59 Lacs of previous year mainly due to higher other income and receipt of 250 Lacs Key Man Insurance Maturity Income. During the year company has paid Rs. 250 Lacs towards premium of employer-employee policies on life of employees which has been debited to profit & loss account.

Exports have increased to Rs. 1053.82 Lacs from Rs. 875.73 Lacs.

Windmill installed at Jaisalmer for captive consumption generated 676558 units during 01.04.2010 to 31.03.2011. Company has installed one new 1.50 MW wind mill at Jaisalmer which has generated 713462 net billed units during the year.

#### ISO 9001-2000 CERTIFICATION

The company have been awarded ISO 9001:2000 certificate on 12<sup>th</sup> April 2005 by BVQI, which has been renewed for 3 years valid till 11<sup>th</sup> 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.

#### DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Vimal Dhadda and Mr. Udhan Kumar Chordia 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 2<sup>nd</sup> of April, 2001. Necessary agreements 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 31<sup>st</sup> March 2011 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 31<sup>st</sup> March, 2011.
- 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 earnings and outgo is given in the Annexure "A" forming part of this report.

**ACKNOWLEDGEMENTS**

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

Place : Jaipur  
Date : 25th August 2011

**By order of the Board  
For P G Foils Limited**

**( PANKAJ P SHAH )  
Managing Director**



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)	8292993	7966560
Total Amount (Rs.)	37649229	36644656
Rate per unit (Rs.)	4.54	4.60
<b>(b) Own generation</b>		
<b>(i) Through Diesel/</b>		
LDO Generator (Units)	32142	46660
Unit per liter of Diesel/LDO	3.62	3.45
Diesel/LDO Cost per liter	37.52	30.09
<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>	N.A.	N.A.
<b>(d) OTHER/INTERNAL GENERATION</b>	N.A.	N.A.

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

Aluminium Foil including Poly coated Cable wrap & laminated flexible packaging

Electricity	1492 Kwh Per MT	1308 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. 1053.82 Lacs during the year. Total foreign exchange utilized Rs. 1591.40 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) Development of multi-laminates suitable for packaging of Pan Masala.
  - 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) Maximum orders for laminate foil suitable for packaging of Pan Masala having higher profit margin.
  - c) Cost reduction.
  - d) Reduction in scrap percentage.
  - e) 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 on 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 : NIL
  - (b) Recurring expenditure : Rs. 59,40,000/-
  - (c) Total research & Development expenditure : Rs. 59,40,000/-
  - (d) Total R&D Expenditure as a percentage of total turnover : 0.39%

**REGISTERED OFFICE**

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

Place : Jaipur  
Date : 25th August 2011

**By order of the Board  
For P G Foils Limited**

**( 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 28<sup>th</sup> September 2010, 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	6	Attended.	1	NIL	NIL
Shri Abhay P Shah	Promoter & Whole Time Director	6	Attended	1	NIL	NIL
Shri Sahil P Shah	Non Executive, Non Independent	6	Attended	NIL	NIL	NIL
Shri Vimal Dhadda	Independent & Non-Executive	6	Attended	NIL	NIL	NIL
Shri Hemant Nama	Independent & Non-Executive	6	Attended	NIL	NIL	NIL
Shri Udhan Kumar Chordia	Independent & Non-Executive	6	Attended	NIL	NIL	NIL

\*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:-**

Six Board meeting were held during the year on 30<sup>th</sup> April 2010, 14<sup>th</sup> May 2010, 07<sup>th</sup> August 2010, 23<sup>rd</sup> August 2010, 13<sup>th</sup> November 2010 and 31<sup>st</sup> January 2011.

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

Shri Pankaj P Shah, Shri Abhay P Shah, Shri Sahil P Shah, Shri Vimal Dhadda, Shri Hemant Nema and Shri Udhan Kumar Chordia attended the 31<sup>st</sup> Annual General Meeting of the company held on 28<sup>th</sup> September, 2010.

**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 Dhadha	Chairman	5
2.	Shri Hemant Nema	Member	5
3.	Shri Sahil P Shah	Member	5

The Committee met Five times on 14th May 2010, 7th August . 2010, 23rd August 2010, 13th November 2010 and 31st January 2011 during the financial year 2010-11.

#### 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 Vimal Dhadha	Member	2
Shri Sahil P Shah	Member	2

#### Details of remuneration paid to directors for the year 2010-11

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 Dhadha	Chairman	6
2.	Shri Pankaj P Shah	Member	6
3.	Shri Abhay P Shah	Member	6
4.	Shri Hemant Kumar Nema	Member	6

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 six times during the year 2010-11. Number of shareholders complaint received and resolved during the year was nil and no complaint was outstanding as on 31st March, 2011.

#### 7. GENERAL BODY MEETINGS

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

YEAR	AGM/EGM	LOCATION	DATE	TIME
2010	31st AGM	Orient Club, Ellis Bridge, Ahmedabad 380 006	28th September 2010	11.00 A.M.
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.

#### 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

**32nd Annual General Meeting:** **Date & Time:** 30th September 2011, 11:00 A.M. **Venue:** Ahmedabad Textile Mills Association, Ashram Road, Navrangpura, Ahmedabad 380 009

#### Financial Calendar (Tentative)

a. Results for the first quarter ending 30th June 2011	By 14th August, 2011
b. Results for the second quarter ending 30th September 2011	By 14th November, 2011
c. Results for the third quarter ending 31st December 2011	By 14th February, 2012
d. Results for the fourth quarter ending 31st March 2012	By 14th May, 2012
e. Audited results for the year ended 31st March 2012	By end of 3rd week of August, 2012
d. Annual General Meeting for the year ending March 2012	By end of September, 2012
<b>Date of Book Closure</b>	From 24th September, 2011 to 30th September, 2011 (Both days inclusive)
<b>Listing on Stock Exchange</b>	Mumbai & Ahmedabad
<b>Trade Code</b>	526747 of BSE and 44777 of Ahmedabad

**Demat ISIN No.**

INE 078 D 01012

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

Month	HIGH (Rs.)	LOW (Rs.)
April, 2010	47.70	36.75
May, 2010	43.90	31.60
June, 2010	44.50	32.50
July, 2010	53.95	41.40
August, 2010	56.65	46.50
September, 2010	57.00	46.00
October, 2010	79.80	53.15
November, 2010	112.50	66.95
December, 2010	78.00	58.95
January, 2011	79.50	65.60
February, 2011	71.80	62.80
March, 2011	77.95	67.05

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, 416-420, 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 2011**

S.No.	Slab of Shareholding	No. of Shareholders	% of Total Holders	No. of Shares	% of Shareholding
1	Up to 500	8416	92.96	1042771	12.86
2	501 to 1000	342	3.78	290814	3.59
3	1001 to 2000	142	1.57	223708	2.76
4	2001 to 3000	38	0.42	98068	1.21
5	3001 to 4000	18	0.20	65316	0.81
6	4001 to 5000	14	0.15	66550	0.82
7	5001 to 10000	29	0.32	230458	2.84
8	10000 and above	54	0.60	6092315	75.12
	<b>Total</b>	<b>9053</b>	<b>100.00</b>	<b>8110000</b>	<b>100.00</b>

**Shareholding pattern as on 31st March 2011**

Category	No of Shares held	% of holding
Promoters	395800	48.80
Mutual Funds & UTI	0	0.00
Banks, Financial Institutions	0	0.00
Private Bodies Corporate	1390569	17.15
Public	2207203	27.22
NRIs	554228	6.83
<b>Total</b>	<b>8110000</b>	<b>100.00</b>

**Dematerialization of shares:** Over 79.18% of the company's paid up equity share capital has been dematerialized up to 31st March 2011.

**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 Vimal Dhadha and Shri Udhan Kumar Chordia, 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,  
 416-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram, Ellisbridge, Ahmedabad 380009  
 Tel.: 079-26582381 to 84, Fax : 079-26582385  
 Email : sharepro@shareproservices.com, sharepro.ahmedabad@shareproservices.com

**Certification under clause 49 (1) (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, 2011

Place : Jaipur

Date : 25th August 2011

 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 31<sup>st</sup> March 2011, 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 31<sup>st</sup> March 2011 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.

 Place : Jaipur  
 Date : 25th August 2011

 For H M Singhvi & Company  
 Chartered Accountants  
 (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 2010-11 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 2010-11 was another good year for the domestic economy attaining sustained growth of 8.5%, one of the highest among the world and in particular to foil industry due to 15.3% growth of Indian pharmaceutical market and new demand of Cutka foil after ban of Supreme Court on use of polyester packing. Company expect to continue the more demand of foil in future. 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 Pharmaceutical Industry and consumers on the three crucial parameters namely presentation, protection and preservation. According to Mckinsey report the pharmaceutical market in India looks poised to grow to USD \$ 55 Billion by 2020.

#### Operational performance

For P G Foils Limited 2010-11 has been a good year. The Company has effectively integrated its Product Mix to maximize the realisation. Turnover & Income established at Rs. 15342.31 Lacs & Profit of Rs. 1248.33 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. 15342.31 Lacs against Rs. 15263.42 Lacs in last year.

Profit for the year is Rs. 1248.33 Lacs compared to profit of Rs. 532.59 Lacs in last year due to other income.

Company contributed a total Rs 1308.59 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 two 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 hedge outstanding liability in US Dollar.

#### Opportunities and outlook

The Opportunities of growth have gained momentum in last quarter of year due to ban on use of polyester in Cutka packaging by Supreme Court. Most of the Cutka manufacturer opted aluminium coated paper foil as suitable alternate resulting huge demand of paper laminated foil and opportunity for improvement in margin. To meet the increasing demand, the company 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 in demand, number of new entrants will be further coming in this sector and also cheap import from the China after withdrawal of anti dumping duty resulting surplus availability by end of March 2012. The Company has to cope-up with these threats through a combination of cost leadership and project and sales 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 Raw Material price on account of fluctuation in \$ and LME continues to be a key issue and success or failure is linked on how effectively companies are able to manage their purchase to tide over these in critical periods. The company is exposing to risk from fluctuations in foreign exchange also on exports. Profitability may also be affected on account of competition from existing and prospective manufactures of the same products and cheap import from China.

#### Export

The company's contribution to foreign exchange earnings amounted to Rs. 1053.82 Lacs during the year under review and the total foreign exchange utilized by the company amounted to Rs. 1591.40 Lacs the details of which are provided in annexure to the director's report. Company is presently exporting 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 auditor 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.

The Audit Committee of the Board of Directors also periodically reviews audit plans, internal/external auditor observations and recommendations, significant risk area assessments and adequacy of internal controls.

#### 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 2011 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) The basis of the written representations received from the Directors as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2011 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) and 18 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 31<sup>st</sup> March, 2011.
- (2) In the case of the Profit & Loss Account, of the profit for the financial year ended on 31st March 2011.
- (3) In the case of Cash Flow statement, of the Cash Flows for the year ended on 31st March 2011.

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

Place : Jaipur

Date : 25th August, 2011

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 not 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.
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

2011 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 forms	59529679	A.Y. 2006-07 to 2010-11	CTO, Pali

10. The Company has not incurred any cash loss in the current year and there are no accumulated losses in the balance sheet as on 31<sup>st</sup> March, 2011.
11. Based on our audit procedures and on the information and explanations 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 explanation provided by the management the company has not given any guarantee for others.
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 : 25th August, 2011

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

SCHEDULE		AS AT 31.3.2011 (Rs.)	AS AT 31.3.2010 (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>SHARES HOLDERS'S FUNDS</b>			
(a) Capital	A	85861025	85861025
(b) Reserves & Surplus	B	687152562	603446547
<b>LOAN FUNDS</b>			
(c) Secured Loans	C	560373057	382650564
(d) Unsecured Loans	D	0	0
<b>DEFERRED TAX LIABILITY (Net)</b>		5375715	9798083
<b>TOTAL</b>		<b>1338762359</b>	<b>1081756219</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
(a) Gross Block	E	608929834	520829729
(b) Less : Depreciation		359080796	326141929
(c) Net Block		249849038	194687800
(d) Capital Work in Progress		10066098	0
<b>Total</b>		<b>259915136</b>	<b>194687800</b>
<b>INVESTMENTS</b>			
	F	227477021	318872581
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
(a) Current Assets	G		
(i) Inventories		285072359	160740492
(ii) Sundry Debtors		307964991	344712750
(iii) Cash & Bank Balances		374512960	69623967
(iv) Other Current Assets		0	0
(b) Loans & Advances		120048035	87361979
<b>TOTAL</b>		<b>1087598345</b>	<b>662439188</b>
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
(a) Current Liabilities	H		
(b) Provisions		216293515	93312473
<b>TOTAL</b>		<b>19964018</b>	<b>974962</b>
<b>NET CURRENT ASSETS</b>			
		<b>236257533</b>	<b>94287435</b>
<b>MISCELLANEOUS EXPENSES (To the extent not written off)</b>			
		<b>851340812</b>	<b>568151753</b>
<b>TOTAL</b>		<b>29390</b>	<b>44085</b>
		<b>1338762359</b>	<b>1081756219</b>
<b>STATEMENT ON ACCOUNTING POLICIES</b>			
<b>NOTES ON ACCOUNTS</b>			
	O		
	P		

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 : 25th August, 2011

SCHEDULE		Year Ended 31.3.2011 (Rs.)	Year Ended 31.3.2010 (Rs.)
<b>INCOME</b>			
Sales and Job Charges (Manufactured) including excise duty		1382554245	1434771631
Sales of Traded Items including excise duty		151676970	91569872
Less : Excise Duty paid/adjusted		130858517	103599430
		<b>1403372698</b>	<b>1422742073</b>
Other Income		74789066	-19187866
		<b>1478161764</b>	<b>1403554207</b>
<b>EXPENDITURE</b>			
Consumption of Raw Materials, Stores & Manufacturing Expenses		1181594484	1155140530
Payment to and Provisions for Employees		73298432	68319247
Administrative and other Expenses		13611907	15113652
Selling & Distribution Expenses		12690040	13719398
Financial charges		30181097	22625452
Amortisation of Share Warrant Issue Expenses		14695	14695
Bad Debts Written off		6505610	10780403
Hedging Loss		0	750394
Keyman Insurance Premium		235892	45000000
Provision for Doubtful Debts		60000	-2987643
Loss on sales of Fixed Assets		42277	0
Provision for Excise duty		1866904	894962
Depreciation		33516091	20924374
Less: Transferred from Revaluation reserve		288602	
<b>Profit/(Loss) during the year</b>		<b>124832937</b>	<b>53258743</b>
		<b>1478161764</b>	<b>1403554207</b>
Profit/(Loss) for the year		124832937	53258743
Add : Provision of Excise duty Written Back		894962	877699
Add : Income Related to Previous Year		333885	0
Add : Excess provision of Income Tax/Wealth Tax written back		0	8450
Add : Reserve for doubtful advances written back		325246	0
		<b>126387030</b>	<b>54144892</b>
Less : Income Tax Payment		21524054	-
Less : Prior Period Adjustment		457466	651671
<b>Profit/(Loss) Before Tax</b>		<b>104405510</b>	<b>53493221</b>
Less : Provision for Taxation		15000000	7500000
(Add)/Less : Deferred Tax		(4422368)	17294556
Less : Provision for Wealth Tax		51000	80000
<b>Net Profit/(Loss) After Tax</b>		<b>93776878</b>	<b>28618665</b>
Add : Profit B/F from Previous Year		297115530	268496865
Amount Available for Appropriations		<b>390892408</b>	<b>297115530</b>
<b>Appropriations</b>			
Less : Transfer to General Reserve		20000000	0
Less : Proposed Dividend		8110000	0
Less : Tax on proposed Dividend		1347015	0
Surplus Carried Over to Balance Sheet		<b>361435393</b>	<b>297115530</b>
Basic & Diluted Earning Per Share		11.56	3.53
STATEMENT ON ACCOUNTING POLICIES		O	
NOTES ON ACCOUNTS		P	

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 : 25th August, 2011



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

	AS AT 31.3.2011 (Rs.)	AS AT 31.3.2010 (Rs.)
<b>SCHEDULE 'A'</b>		
<b>CAPITAL</b>		
<b>AUTHORISED</b>		
1,50,00,000 Equity Share of Rs.10/- each		
<b>ISSUED &amp; SUBSCRIBED</b>	<b>150000000</b>	<b>150000000</b>
8121600 Equity Share of Rs.10/- each (Previous year 8121600 Equity shares of Rs.10/- each)	<b>81216000</b>	<b>81216000</b>
<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 Account	4700000	4700000
	<b>85861025</b>	<b>85861025</b>
<b>SCHEDULE 'B'</b>		
<b>RESERVES AND SURPLUS</b>		
1. Capital Reserve	1103042	1103042
2. Securities Premium Account	194447475	194447475
3. Revaluation Reserve		
Less : Transferred to P&L A/C	3206070	3206070
	288602	
4. General Reserve	2917468	3206070
5. Reserve for Doubtful Advances	127249184	107249184
6. Surplus as per Profit & loss Account	0	325246
	361435393	297115530
	<b>687152562</b>	<b>603446547</b>
Cumulative amount transferred on account of revaluation reserve is Rs.1433341955 (Previous year 143053353)		
<b>SCHEDULE 'C'</b>		
<b>SECURED LOANS</b>		
A) Term Loan*	98585058	
B) OD Account**	368240722	
C) Trade Credit Bank Guarantee**	93547277	
(Payable to Foreign Bank \$2095123.78)		
	<b>560373057</b>	<b>382650564</b>
	<b>560373057</b>	<b>382650564</b>
*First exclusive charges on land, building and plant & machinery on Suzlon Wind Mill Installed at Jaisalmer and Aluminium Foil Plant imported from Holland with collateral security on equitable mortgage on the property at Beawar registered in the name of Shri Pankaj P Shah, Ashok P Shah, Abhay P Shah and Smt. Neela Devi and extending of lien on the existing pledged securities.		
**Overdraft of Rs 10291700/- against pledge of FDRs of Rs. 18029195/- and working capital overdraft of Rs 451496299/- Secured against mortgage on entire land and building, Structure and Plant and Machinery present and future on first charge basis and hypothecation on entire current and movable assets and personal guarantees of Two Directors, family members of Directors and Associates concerns.		
<b>SCHEDULE 'D'</b>		
<b>UNSECURED LOANS</b>		
	<b>0</b>	<b>0</b>
<b>SCHEDULE - 'E'</b>		
<b>FIXED ASSETS</b>		

PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	AS AT 01.04.10	ADDITION DURING THE YEAR	DELETION DURING THE YEAR	AS AT 31.03.2011	UP TO 31.03.2010	ADDITION DURING THE YEAR	DELETION DURING THE YEAR	UPTO 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
AGRICULTURE LAND	577767			577767					577767	577767
BUILDING										
A) BUILDING OTHER THAN										
FACTORY BUILDING	19418794			19418794	6826041	629637		7455678	11963116	12592753
B) FACTORY BUILDING	31641698			31641698	13881686	1776001		15657687	15984011	17760012
PLANT & MACHINERY										
A) UNIT NO.1	209670184			209670184	200183001	2639762		202822763	6847421	9487183
B) LOADING MACHINE	2192331			2192331	1808662	110960		1919622	272709	383669
C) UNIT NO.2	53712049			53712049	52356174	377205		52733379	978670	1355875
D) WIND MILL	30000000	87918133		117918133	18642999	7878743		26521742	91396391	11357001
E) UNIT NO. 3	141046641			141046641	10320441	18184014		28504455	112542186	130726200
FURNITURE & FIXTURE	7906608			7906608	6636781	210027		6846808	1059800	1269827
VEHICLES	17565258	473797	733500	17305555	10882348	1152061	482330	11352079	5753476	6682910
OFFICE & COMPUTER	7098399	589675	148000	7540074	4603796	557680	94893	5066583	2473491	2494603
EQUIPMENTS										
<b>TOTAL</b>	<b>520829729</b>	<b>88981605</b>	<b>881500</b>	<b>608929834</b>	<b>326141929</b>	<b>33516090</b>	<b>577223</b>	<b>359080796</b>	<b>249849038</b>	<b>194687800</b>
Figures for the previous year	377780577	145472676	2423524	520829729	306397899	21269669	1525640	326141929	194687800	71382678
<b>CAPITAL WORK IN PROGRESS</b>	<b>0</b>	<b>100660098</b>	<b>0</b>	<b>100660098</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>10066098</b>	<b>0</b>
Figures for the previous year	136075006	0	136075006	0	NIL	NIL	NIL	NIL	0	136075006

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



		AS AT 31.3.2011 (Rs.)	AS AT 31.3.2010 (Rs.)
<b>SCHEDULE "F"</b>			
<b>INVESTMENTS</b>			
<b>UNQUOTED - AT COST</b>		<b>COST</b>	<b>COST</b>
1. 7 Years National Savings Certificate (Lodged with Govt. Deptt as security)		300	300
2. Equity Shares of Bikaner Builders Private limited Face Value 10/- each	22500	225000	225000
<b>Total (A)</b>		<b>225300</b>	<b>225300</b>
<b>QUOTED - AT COST</b>			
<b>MUTUAL FUND &amp; BONDS</b>		<b>COST</b>	<b>COST</b>
BHARTI AXA REGULAR RETURN FUND REGULAR PLAN GROWTH			5000000
BIRLA SUN LIFE MIDCAP FUND GROWTH	43557.801	5000000	5000000
BAJAJ ALLIANJ EQUITY GROWTH FUND			9591000
BIRLA SUNLIFE PLATINUM PLUS FUND-II GROWTH	1501754.386	24000000	16000000
DSP BALCK ROCK GOVT. SEC. FUND - PLAN A MONTHLY DIVIDEND			29537271
DSP BLACK ROCK TOP 100 EQUITY FUND GROWTH			5003992
DSP BLACK ROCK TOP 100 EQUITY FUND GROWTH			2485211
DSP BLACK ROCK TIGER FUND DIVIDEND	128529.198	3000000	3000000
FIDILITY EQUITY FUND DIVIDEND			2000000
IDFC CLASSIC EQUITY FUND PLAN A GROWTH	106440.100	2500000	
IDFC MONEY MANAGER FUND TREASURY PLAN			2651947
IDFC CLASSIC EQUITY FUND PLAN A GROWTH			1298140
IDFC DYNAMIC BOND FUND PLAN A CUMULATIVE DIVIDEND			4804170
IDFC PREMIER EQUITY FUND PLAN A GROWTH	242637.295	4804170	2500000
KOTAK 50 GROWTH FUND	113440.421	10000000	5119955
KOTAK 30 GROWTH FUND			4953111
PRU. ICICI INFRASTRUCTURE FUND DIVIDEND			1011518
RELIANCE BANKING FUND GROWTH	14364.837	4396920	
RELIANCE BANKING FUND DIVIDEND	23422.018	7169224	
RELIANCE BANKING FUND GROWTH	44260.844	3000000	3000000
RELIANCE DIVERSIFIED POWER FUND SECTOR RETAIL GROWTH	59485.144	5000000	6028492
RELIANCE DIVERSIFIED POWER FUND SECTOR RETAIL GROWTH			5000000
RELIANCE GROWTH FUND RETAIL PLAN DIVIDEND			4396920
RELIANCE MEDIA & ENTERNTAINMENT FUND GROWTH	61075.416	2500000	1140733
RELIANCE MEDIA & ENTERNTAINMENT FUND GROWTH	252322.63	10000000	10000000
RELIANCE MEDIA & ENTERNTAINMENT FUND GROWTH			2500000
RELIANCE REGULAR SAVING FUND EQUITY PLAN GROWTH	83044.339	2500000	2500000
SBI MAGNUM SECTOR FUND UMBRELLA CONTRA GROWTH			5000000
SBI MAGNUM SECTOR FUND UMBRELLA CONTRA GROWTH			1500000
SBI MAGNUM INDEX FUND GROWTH			1000000
SBI MAGNUM COMMA FUND GROWTH			2500000
SBI MAGNUM COMMA FUND GROWTH			2500000
SUNDRAM BNP PARIBAS SELECT FOCUS FUND APPRECIATION			3500000
SUNDRAM BNP PARIBAS SMILE FUND GROWTH			4000000
SUNDRAM BNP PARIBAS SELECT FOCUS FUND APPRECIATION			2500000
SUNDRAM BNP PARIBAS SELECT FOCUS FUND GROWTH			10000000
SUNDRAM BNP PARIBAS SELECT THEMATIC FUNDS PSU OPPORTUNITY GROWTH			10000000
HDFC TOP 200 FUND DIVIDEND REINVESTMENT			6624821
KOTAK 50 GROWTH FUND	170879.993	7308341	10000000
HDFC EQUITY FUND GROWTH	132779.693	10073066	5000000
FT INDIA DYNAMIC PE RATIO FUND GROWTH	22222.025	5000000	10000000
ICICI PRU. INCOME MULTIPLIER FUND			60000000
PRINCIPAL MIP FUND GROWTH			50000000
BIRLA SUNLIFE MID CAP FUND GROWTH	46689.700	5000000	
ICICI PRU. INFRASTRUCTURE FUND GROWTH	170940.171	5000000	
IDBI NIFTY INDEX FUND GROWTH	100000.00	1000000	
TATA EQUITY P/E GROWTH FUND	227908.800	10000000	
L&T MONTHLY INCOME PLAN	2198594.658	25000000	
L&T MONTHLY INCOME PLAN	2188279.575	25000000	
ICICI PRU. INCOME MULTIPLIER REGULAR GROWTH	1280009.830	25000000	
ICICI PRU. INCOME MULTIPLIER REGULAR GROWTH	1276259.030	25000000	
<b>Total (B)</b>		<b>227251721</b>	<b>318647281</b>
<b>Total (A+B)</b>		<b>227477021</b>	<b>318872581</b>
NAV of quoted Mutual fund as on 31.03.2011		<b>246183158</b>	<b>339549104</b>
Details of Movement in investments in the units of various Mutual fund purchased and sold during the year		<b>0</b>	<b>253802567</b>

	AS AT 31.3.2011 (Rs.)	AS AT 31.3.2010 (Rs.)
<b>SCHEDULE "G"</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>1. CURRENT ASSETS</b>		
<b>(a) Inventories*</b>		
Goods in Transit	70743674	2123358
Aluminium Wire Rods	1139170	1139170
Consumable Stores & Packing Material	22131448	8046127
Raw materials, Dyes & Chemicals	115574722	104587407
Finished Goods	19992191	8688954
Work in Process	22141785	25576474
Scrap	21997302	10579002
DEPB Licenses in hand	9421286	0
Stock with consignment Agent	1930781	0
	<b>285072359</b>	<b>160740492</b>
<b>*Refer Note No. 6 of accounting policies</b>		
<b>(b) Sundry Debtors (Unsecured)*</b>		
(i) Outstanding for a period exceeding six months		
Considered Good	4612922	9824509
Considered Doubtful	193539	193539
(ii) Other Debts-Considered Good	303352069	334888241
	<b>308158530</b>	<b>344906289</b>
Less : Provision for Doubtful Debts	193539	193539
	<b>307964991</b>	<b>344712750</b>
<b>* Sundry Debtors include Rs. 58715807/- (Previous Year Rs. 20980049/- from M/s Prem Cables Pvt. Ltd. Company under the same management Maximum debit balance Rs. 218423102/- during the year</b>		
<b>(c) Cash and Bank balances</b>		
I) Cash in Hand	423498	329623
II) Balance with scheduled Banks		
In Current Account	50197777	61071
In Dividend Account	793849	802999
In Margin Money Account	7000	7000
In Fixed Deposit with schedule bank includes interest accrued	323090836	68423274
	<b>374512960</b>	<b>69623967</b>
	0	0
	0	0
<b>(d) Other Current assets</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		
Considered Good	65366044	
Considered Doubtful	61012	
	<b>65427056</b>	
Less : Provision for Doubtful	61012	
Deposit with Govt. Deptt. & Others	6559337	6204292
Earnest Money Deposits With Customers	475712	505712
Advance Excise duty	1601	2682
Cenvat Recoverable	14196092	32573898
Vat Recoverable	238272	1096943
Income Tax/FBT Refundable	33210977	
Advance Income Tax & TDS	6490901	
Less :Tax Provision as per contra	6940901	
	<b>33210977</b>	<b>41072742</b>
	<b>120048035</b>	<b>87361979</b>

	AS AT 31.3.2011 (Rs.)	AS AT 31.3.2010 (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*	97513	
Add : Interest Due	<u>57590</u>	
II) Due from Others	155103	
Sundry Debtors having Credit Balances	<u>146074223</u>	
Security Deposit from Customers	146229326	81566752
Liabilities for other Finance	52702027	878250
Unclaimed Dividend**	11854318	7228808
Unpaid Dividend***	3327730	1493104
Interest Accrued & Not Due	793849	802999
(Payable to Foreign Bank \$4654.05)	1133500	1133500
	252765	209060
	<b>216293515</b>	<b>93312473</b>
<p>*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 &amp; M/s. Madona Packaging</p> <p>**See Note No. 15 of notes on accounts</p> <p>***Rs 347865/- for year 2004-05 and 445984/- for year 2007-08</p> <p>*** Unpaid Dividend is for the F. Y. 1997-98, 2004-05 and 2007-08, out of which Rs. 383500/- due for the year 1997-98 is outstanding as on 31st March 2011 to be credited to Investor Education &amp; Protection fund</p> <p>*** See Note No. 18 of notes on accounts</p>		
<b>PROVISIONS</b>		
For Income Tax	15000000	
Less : Deducted from Advance Tax as per contra	<u>6490901</u>	
For Wealth Tax	8509099	0
For Excise duty on closing stock	131000	80000
For dividend	1866904	894962
For Dividend Distribution Tax	8110000	0
	1347015	0
	<b>19964018</b>	<b>974962</b>
<b>SCHEDULE "I"</b>		
<b>OTHER INCOME</b>		
Interest (Including Rs. 6313325/- being interest on Bank Deposit. Previous Year Rs. 1719811/-)	12308123	4778562
Miscellaneous Income	447380	974869
Profit on sale of Investments	16664083	-58236336
Cash Discount Received	83626	64674
Discount on purchase of DEPB*	604063	1931462
Profit on sale of Fixed Assets	0	759740
Bad Debts Recovered back	3296055	834592
Foreign Exchange Fluctuation (Net)	1351160	21598376
Export Entitlement**	4793722	2925435
Excess Provision for Expenses written back	0	59500
Insurance Claim Received	200329	0
Profit on Foreign Currency Forward Booking	671221	0
Dividend Received	1026283	1749171
Gain on energy Units Generated from Wind Mill	5409638	3372089
Keyman insurance Maturity Income	25000000	0
Recovery of Interest already written off (Bank of Rajasthan )	2933383	0
	<b>74789066</b>	<b>-19187866</b>

\*See note no.8 of accounting policies

\*\*See note no.8 of accounting policies & note no. 7(b) of notes on accounts

		Year Ended 31.3.2011 (Rs.)	Year Ended 31.3.2010 (Rs.)
<b>SCHEDULE "J"</b>			
<b>CONSUMPTION OF RAW MATERIALS, STORES &amp; MANUFACTURING EXPENSES</b>			
Consumption of Raw Materials including Conversion charges			
Opening Stock	104587407		
Add : Purchase	944313425		
Less: Closing Stock	116912398	931988434	868786374
Consumption of consumable stores & Spares		69954965	80695785
<b>Increase/Decrease in Stock</b>			
<b>OPENING STOCK :-</b>			
	<b>Year Ended</b>	<b>Year Ended</b>	
	<b>31.03.2011</b>	<b>31.03.2010</b>	
Finished Goods	10812312	10651691	
Work in Process	25576474	9712347	
Scrap	10579002	10854763	
Aluminium Wire Rod	1139170	1139170	
Aluminium Ingots	0	39647187	
	<b>48106958</b>	<b>72005158</b>	
<b>CLOSING STOCK :-</b>			
Finished Goods	19992191	10812312	
Work in Process	22141785	25576474	
Scrap	21997302	10579002	
Aluminium Wire Rod	1139170	1139170	
Stock with Consignment Agent	1930781	0	
	<b>67201229</b>	<b>48106958</b>	
Purchase of Aluminium wire rod		(19094271)	23898200
Purchase of Traded Goods (Cost)		0	38288969
Stock Inventory Written off**		124650652	51042913
Power & Fuel*		1013819	0
Repairs & Maintenance (Plant & Machinery)		37649229	36644656
Other Manufacturing Expenses		13847807	33431691
		21583849	22351942
		<b>1181594484</b>	<b>1155140530</b>
*See note no. 10 of notes on accounts			
**See note no.10 on accounting policies and note no. 16 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. 17,40,000/-)*			
Employee Welfare Expenses		40806538	36748456
Service Award Expenses		654244	2108398
Contribution to Provident Fund		3698481	934325
Gratuity payment to LIC group gratuity Fund		2440113	2464716
Employer Employee Insurance Premium**		699056	1063352
		25000000	25000000
		<b>73298432</b>	<b>68319247</b>
*See note no. 6 of notes on accounts			
** See note no.5 of notes on accounts			



	Year Ended 31.3.2011 (Rs.)	Year Ended 31.3.2010 (Rs.)
<b>SCHEDULE "L"</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rate & Taxes	134664	47269
Travelling & Conveyance (Including travelling expenses of Directors Rs.257432/-, previous year Rs. 162854/-)	1404318	1309928
Vehicles Running & Maintenance Expenses	1145542	1487542
Postage, Telephone & Fax Expenses	867714	1033882
Legal, Professional & Other Expenses	1523298	435099
<b>Payment to Auditors</b>		
Audit fees	90000	
Tax Audit fees	30000	
Reimbursement of Expenses	56012	
Certificate fees	72000	
Electricity & Water Expenses	248012	201356
Printing & Stationery Expenses	252635	290576
Miscellaneous Expenses	326432	618694
Repairs & Maintenance Expenses (Including Factory Building Repairs Rs. 4669252/-, Previous year Rs. 4073610/-)	381326	929888
Rent	5646862	7195737
Fines & Penalty	968300	940725
Sales Tax Payments & Demands	19470	21000
Donation	0	184877
Wind Power Generation Expenses	0	10000
Security Transaction Tax	319497	153154
Vat Audit Fees	242517	119670
ISO 9001:2000 Fee & Expenses	0	7500
Debt Recovery Expenses	131320	56355
	0	70400
	<b>13611907</b>	<b>15113652</b>
<b>SCHEDULE "M"</b>		
<b>SELLING AND DISTRIBUTION EXPENSES</b>		
Packing & Forwarding (Net)	10532714	10023321
Export Expenses	563385	809084
Commission on sales	731869	904305
Sample Expenses	52897	32552
Business & Sales Promotion Expenses	109967	1778990
Advertisement Expenses	699208	171146
	<b>12690040</b>	<b>13719398</b>
<b>SCHEDULE "N"</b>		
<b>FINANCIAL CHARGES</b>		
Bank Charges	2464240	2534315
Foreign Bank Charges	455512	624262
Cash Discount Paid	496221	155905
Bank Interest	18322278	14760575
Interest on Term Loan	8321221	4166344
Interest to SSI units	57790	120535
Other Interest & Brokerage	63835	263516
	<b>30181097</b>	<b>22625452</b>



**SCHEDULE 'O'  
STATEMENT OF ACCOUNTING POLICIES**

1. **Basis of Accounting:** The Financial Statements have been prepared in accordance with Indian Generally Accepted accounting principles (GAAP) , generally under the historical cost convention on accrual basis 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. GAAP comprises of mandatory Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI), the provisions of Indian Companies Act, 1956 and the Guidelines issued by ICAI and Securities and Exchange Board of India (SEBI). Accounting Policies have been consistently adopted except where a change in existing GAAP requires a change in accounting policy hitherto in use.
  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 / materialised.
  3. **Fixed assets and Depreciation:**
    - (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 and 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.
    - (iii) (a) 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 and VAT set off.
    - (b) 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.
    - (iv) Fixed assets acquired in exchange or in part exchange for another asset are recorded at the net book value of the assets given up, adjusted for any balancing payment or receipt of cash or other consideration.
    - (v) Capital Assets under erection/installation are reflected in the Balance sheet as "Capital Work-In Progress"
  4. **Purchases:** Purchase of all Raw materials, Raw Cotton, Aluminium wire Rods, glassine paper, packing material, Oil & Lubricants, Gas Cylinder, production , mechanical & Electrical stores, Polythene and 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 is adjusted against the Excise/Sales Tax liabilities.
  5. **Investment:** Long term 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 taken and certified by the management are valued as under:

<ul style="list-style-type: none"> <li>(a) Raw materials, dyes &amp; Chemicals packing material, Polyester Film, Paper and Polythene</li> <li>(b) Production, Electrical, Mechanical and consumable store &amp; spares</li> <li>(c) Oil &amp; lubricants</li> <li>(d) Work in process</li> <li>(e) Aluminium wire rods</li> <li>(f) Scrap &amp; rejected goods</li> <li>(g) Finished goods</li>   <li>(h) Stock at port &amp; in transit</li> <li>(i) Stock in transit/ware house (Purchase)</li> <li>(j) DEPB licenses Purchased</li> <li>(k) Gas Cylinder</li> <li>(l) Returned Material outside factory</li>   <li>(m) Stock with Consignment Agent</li> </ul>	<ul style="list-style-type: none"> <li>: At cost excluding cenvat credit and VAT.</li> <li>: At cost excluding cenvat credit &amp; VAT</li> <li>: At cost excluding excise duty except HSD.</li> <li>: At estimated cost (valued as certified by the management.</li> <li>: At cost or market price whichever is lower.</li> <li>: At net realizable value determined by management.</li> <li>: 1. Received after conversion Valued at cost or market Price, whichever is lower inclusive of Excise duty.</li> <li>: 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 16.30% from the selling price).</li> <li>: At Selling price</li> <li>: At cost</li> <li>: At cost.</li> <li>: At cost</li> <li>: At Net Realisable Value on the basic sale price sold or at price certified by management.</li> <li>: At cost (estimated by deducting 16.30% from the selling price) plus excise and expenses as per Invoice.</li> </ul>
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- 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 31.03.2011.
      - (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) 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 54 and 55 years respectively.
    - (c) All other expenses are accounted for on accrual basis and consumption of stores has been taken on actual consumption.
    - (d) 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.
    - (e) Power unit generated from Enercon wind power plant which has been wheeled for captive consumption after adjusting wheeling charges @ 10% of the energy fed into grid to RVPNI. Discom(s) is accounted on effective tariff rate in power bill and simultaneously such figure was also reflected in other income.

**8. Income:**

- (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 Licenses is recognised when the licenses are sold/ utilized and are shown as other incomes.
- (f) Units generated on Enercon wind power plant has been accounted on the basis of effective tariff rate in respective month. Units generated on Suzlon wind power plant has been accounted at contract price
- (g) Interest receivable from debtor is considered on receipt basis.
- (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. During the year Ink, dyes & Chemicals not usable having no recoverable value have been written off.

**11. Cenvat and VAT:** The value of Cenvat and VAT 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 on 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.

**14. Earning Per Share :** Basic and diluted earnings per share are computed by dividing the net profit after tax attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year.

**15. Lease:** Lease rentals under an operating lease, are recognized as an expenses in the statement of Profit & Loss Account on a straight line basis over the lease term. Lease Income from Operating lease is recognized in Profit & Loss Account on a Straight line basis over the Lease Term.

**SCHEDULE 'P'**
**NOTES ON ACCOUNTS**

ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011.

**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. 235.90 Lacs (Previous year Rs.117.71 Lacs).
- (b) Letter of credit of Rs. 1928.03 Lacs (Previous year Rs. NIL) opened in favour of Raw Material suppliers.
- (c) Estimated amount of contracts remaining to be executed on capital account & not provided for Rs 92397834/- (Previous year Rs NIL) against which advances given Rs 32339242/- (Previous year Rs. Nil).
- (d) The Following companies have given Guarantee/Securities against Overdraft 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 their family members
- (e) Uncompleted/reopened assessments of 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 11 Years and company does not expect any liability.
- (g) Sales Tax Liability for A.Y.2006-07 to 2010-11 amounting to Rs. 59529679/- due to non submission of various declaration forms under RST and CST acts for which the application have been filed for extension of time for submission of declaration forms, hence no provision has been made.
- (h) Building situated at Beawar in the name of Shri Pankaj P Shah, Ashok P Shah, Abhay P Shah & Smt. Neela Devi has been mortgaged with Bank against the term loan.
2. The Lease Deed regarding land at Jaisalmer where windmill is installed has not been executed.
  3. The balances of sundry debtors, sundry creditors and loans & advances as on 31.3.2011 are subject to reconciliation & confirmation by the parties.
  4. Income Tax & Sales Tax assessments have been completed up to the assessment year 2008-2009.
  5. i) During the year the company has paid a sum of Rs. 3,56,404 /- to LIC of India towards premium of key man insurance policy. The amount of Rs. 2,35,892/- has been debited under the head Key Man Insurance Premium expenses account and Rs. 1,20,512/- 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 renewal premium of Rs. 250 Lacs towards Employer-Employee policies in the name of company 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 Overdraft 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. Directors Remuneration

Salaries Rs. 17,40,000/-

7. (a) The Company has purchased DEPB Licenses face value of Rs. 28622755/- which were purchased for Rs 28018692/-. The Difference between face value and purchase price has been treated as discount.

(b) The company has received DEPB Licenses worth Rs.2993443/- as Export incentive and Previous year's on hand licenses worth Rs. 2718381/-. Out of which DEPB licenses valuing Rs.4793735/- utilized by debiting to respective import purchase account and by credit to exports incentives. The balance DEPB licenses Rs .918089/- are in hand not considered as income.

8. 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 filed an appeal before the High Court.

9. 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.

10. 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 Jodhpur Discom for wheeling of Energy for captive consumption in the year Company has adjusted of Rs. 26,48,539/- (607463 Units) in power bill.

11. Cenvat recoverable on the date of balance sheet.

On Raw Material - Rs. 2,37,638/-

On Material Goods - Rs. 95,42,774/-

12. Income & expenses related to Previous Year Comprise of the following items:

1) Income

Rent Received (Tower)	2200
Interest Received	318856
Electricity	12829
Total	333885

2) Expenses

Insurance	9519
Freight Outward	5424
Discount & Rebate	175832
Production & General Stores	2346
Water Charges	57289
Wind Mill Exp.	160812

Misc. Exp.	5000
Octroi Exp	6421
Electricity Exp.	950
Secretarial Exp.	11241
Vehicle Repair & Maintenance	22632
<b>Total</b>	<b>457466</b>

13. The Company had 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 still not got registered lease deed executed. The Company has taken the possession and amount paid has been shown in fixed assets and depreciation on it has been charged.

14. Consequent to the accounting standard for Deferred Tax the company has created total Deferred Tax Liability of Rs. 4422368 /- for the year ended 31st March 2011.

Deferred Tax Assets/(Liabilities)	As on 31.3.10	Change for the period	As on 31.3.11
Difference between WDV as per Books and as per IT Act.	10150887	(4640333)	5510554
Tax impact of expenses charged off in financial statement but allowance under tax law deferred	352804	(217965)	134839
<b>TOTAL</b>	<b>9798083</b>	<b>(4422368)</b>	<b>5375715</b>

15. 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.

16. After Physical verification of stores the management found Inks, Dyes & chemicals worth Rs 10,13,819/- unusable which have been debited to Profit & Loss Account by reducing the closing inventory.

17. Bank balances are subject to bank reconciliations.

18. Unpaid dividend of Rs.11,33,500/- has not been deposited with the Scheduled Bank in Unpaid Dividend Account, since the ownership of the shares is sub-judice in civil court at Ahmedabad.

19. The company has made a provision for Income Tax Rs.1,50,00,000/- only on the basis of computation of Income Tax where as the company is liable for MAT. The amount to be paid in excess of provision is refundable.

20. There is no agriculture produce from the Agriculture land.

21. Since the Company does not have any subsidiary therefore AS 21, 23 and 27 are not applicable.

22. Foreign Exchange gain (Net) of Rs 13,51,160/- includes foreign exchange gain/loss in respect of purchase, Sales and buyer Credit.



**23. EARNINGS PER SHARE**
**PARTICULARS**

	AS AT 31st MARCH 2011	AS AT 31st MARCH, 2010
Profit after taxation ( In Rs.)		
Number of share outstanding	93776878	28618665
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/-)	8110000	8110000
	11.56	3.53

**24. 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 2011
<b>REVENUE</b>	<b>(Rs. in LACS)</b>
Segment Sales (Indigenous)	12979.91
Others (Exports)	1053.82
Total Revenue	14033.73
<b>RESULTS</b>	
Segment/Operating Results	
Unallocable Income	2217.38
Interest Expenses	747.89
Provision for Tax (including Deferred Tax)	301.81
Net Profit/(Loss)	106.29
	937.77

**25. 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	50080443	—	—
2	Freight and Car Hire Charges	24269037	—	—
3	Remuneration*	—	1740000	—
4	Rent Paid	—	—	—
5	Lease Rent	252000	—	—
		7500	—	—

\* See Note No. 6 of Note on accounts.

26. The Figures of the previous years has been regrouped and rearranged wherever necessary to make them comparative with previous year figures.

27. 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.

SALES	QUANTITY (IN TONNES)		VALUE (Rs. In Lacs)	
	2010-11	2009-10	2010-11	2009-10
Aluminium Foil	5115.631	5110.488	14125.76	13650.76
Scrap	439.927	493.246	367.90	329.36
Glassine & Poster Paper	264.498	216.581	349.62	265.48
Casserole	6.254	3.211	12.83	6.83
Job Charges	55.806	167.849	27.70	67.95
Sale of Ingots/Wire Rod	0.000	829.250	0.00	768.65

Sale of VMCH	2.000	--	7.78	0.00
Sale of Grannual	573.000	191.000	292.36	144.02
Sale of Foil Stock/HR Coil	0.000	10.198	0.00	13.55
Sale of Polythene	12.364	0.660	12.14	14.20
Sale of Chemicals	4.048	3.000	2.94	2.62
Sale of Raw Cotton (567 Bales)	97.166	0.000	143.28	0.00

**OPENING STOCK**

Aluminium Foil	42.247	48.615	104.44	102.43
Glassine & Poster Paper	3.587	3.397	3.68	4.09
Scrap	150.576	141.056	111.28	108.55

Quantity and value also includes material lying at outside godown and Jobbers godown.

**CLOSING STOCK**

Aluminium Foils	96.320	42.247	194.99	83.21
Glassine & Poster Paper	4.209	3.587	4.94	3.68
Scrap	218.079	150.576	219.97	111.28

Quantity and value also includes material lying at outside godown and Jobbers godown

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

Aluminium Foil Stock & Alu. Foil	6562.090	7002.325	7214.19	6847.96
Paper	802.800	692.441	455.12	401.62
Polythene & Grannual	1335.100	1256.443	750.82	1104.84
Polyester & Holographic Film	133.020	38.981	130.41	34.24
Other (Chemical & Dyes)	—	—	769.34	809.63
Aluminium Wire Rod/Ingots	--	829.250	0.00	779.36

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

PARTICULARS	TOTAL VALUE OF CONSUMPTION		IMPORTED		INDIGENEOUS	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
<b>Raw Material</b>						
Value (Rs. in Lacs)	9319.89	9198.29	1053.08	2644.84	8266.80	6553.45
Percentage	100	100	11.30	28.75	88.70	71.25
<b>Stores, Spares &amp; Packing Material</b>						
Value	699.55	806.96	512.52	438.76	187.03	368.20
Percentage	100	100	73.26	54.37	26.74	45.63

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

	<b>Rs. In Lacs</b>
a) Earning in foreign exchange on account of export of goods on F.O.B. basis	1053.82
b) C&F value of imported raw material	1053.09
c) C&F value of imported stores	521.83
d) Expenditure in foreign currency	16.48
e) Value of Capital Goods imported	0.00

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

PARTICULARS	Licensed Capacity (M.T.)		Installed Capacity (M.T.)		Production (M.T.)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Aluminium Foil	N.A.	N.A.	10500	10500	5363.660*	5874.055
Flexible Packaging	N.A.	N.A.	1200	1200	195.889	216.771

\*Including 55.806 MT (Previous Year 167.848 MT) productions for the conversion of materials.



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

(Amount in thousand)

(i)	<b>REGISTRATION DETAILS</b>			
	Registration Number	8050	State Code	4
	Balance Sheet Date	31.03.2011		
(ii)	<b>CAPITAL RAISED DURING THE YEAR</b>			
	Public issue	Nil	Right issue	Nil
	Bonus issue	Nil	Private Placement	Nil
(iii)	<b>POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS</b>			
	Total Liabilities	1338762.36	Total Assets	1338762.36
	<b>SOURCE OF FUNDS</b>			
	Paid up Capital	85861.03	Reserve & Surplus	687152.56
	Secured Loans	560373.05	Unsecured Loan	0.00
	Deferred tax Liability	5375.72		
	<b>APPLICATION OF FUNDS</b>			
	Net Fixed Assets	259915.14	Investment	227477.02
	Deferred Tax Assets	0.00	Net current Assets	851340.81
	Miscellaneous Expenses	29.39		
(IV)	<b>PERFORMANCE OF COMPANY</b>			
	Turn over	1478161.76	Total expenditure	1353328.83
	Profit before tax	124832.93	Profit after tax	93776.88
	Earning per share	11.56		
	Dividend rate	10%		
(V)	<b>GENERIC NAME OF PRINCIPAL PRODUCTS OF COMPANY</b>			
	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 Paper		

**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 : 25th August, 2011

# CASH FLOW STATEMENT

Particulars	2010-11		Rs.in Thousands) 2009-10	
	Amount	Amount	Amount	Amount
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax and extraordinary items	126387		54145	
Adjustment for:				
Interest paid	26643		19055	
Interest received	-12308		-4779	
Profit/Loss on sale of Investment	-16664		58236	
Foreign exchange Gain/Loss	-1351		-21598	
Recovery of Interest already Written Off	-2933		0	
Profit on forward booking	-671		0	
Dividend Income	-1026		-1749	
Depreciation	33227		20924	
Key man Insurance Maturity Receipt	-25000		0	
Loss / Profit on sale of fixed assets	42		-760	
Amortization of Shares warrant exp.	15		15	
Excess Provision Excise/IT/Written Back	-		-68	
Provision for Excise Duty	1866		895	
Provision for Excise Duty Written Back	-895		-878	
Reserve for doubtful debts/revalidation reserve	-325		-2988	
<b>Operating profit before working capital changes</b>	<b>127007</b>		<b>120450</b>	
Adjustment for:				
Trade & other receivables	4062		43564	
Inventories	-124332		19327	
Trade Payable	122981		-55828	
<b>Cash Flow from Operating Activities</b>	<b>129718</b>		<b>127513</b>	
Direct Tax Paid	-28015		0	
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>101703</b>		<b>127513</b>
<b>B CASH FLOW FROM INVESTMENT ACTIVITIES</b>				
Interest Received	12308		4779	
Dividend Income	1026		1749	
Purchases of Fixed Assets	-99048		-9398	
Sale of Fixed Assets	262		1695	
Purchase of investments	-154683		-250605	
Sale of Investments	262743		139827	
Key man Maturity Receipt	25000		0	
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>		<b>47608</b>		<b>-111953</b>
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Profit on Sale of fixed assets	0		760	
Repayment of Term Loan	-19296		0	
Interest Paid	-26643		-19055	
Foreign Exchange Gain/Loss	1351		21598	
Net Proceeds of Short Term Borrowings	197018		-110379	
Profit on forward booking	671		0	
Prior period Income/Exp.	-457		0	
Recovery of Interest already Written off	2933		0	
<b>NET CASH FLOW (USED) IN FINANCIAL ACTIVITIES</b>		<b>155577</b>		<b>-107076</b>
<b>D NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>304888</b>		<b>-91516</b>
<b>E CASH AND CASH EQUIVALENTS AS AT 1st APRIL 2010</b>		<b>69624</b>		<b>161140</b>
Opening Balance: Cash in hand and balance with Bank.				
<b>F CASH &amp; CASH EQUIVALENTS AS AT 31st MARCH 2011</b>		<b>374512</b>		<b>69624</b>
Closing balance: Cash in hand and balance with Bank.				

For and behalf of the board  
For PG FOILS LTD

Place : Jaipur  
Date : 25th August, 2011

(PANKAJ P SHAH)  
Managing Director

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 31.3.2011. 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.

Place : Jaipur  
Date : 25th August, 2011

For **H.M.SINGHVI & CO.**  
Chartered Accountants  
**(H. M. SINGHVI)**  
Proprietor  
Membership No. 6962



# PG Foils Ltd.

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

Member's Signature (s)

1.
2.
3.

32nd Annual General Meeting  
30th September, 2011  
at 11.00 a.m.

Ahmedabad Textile  
Mills' Association, Ashram Road,  
Navrangpura,  
Ahmedabad - 380 009

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



# PG Foils Ltd.

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

## PROXY

I/We .....  
of .....  
in the 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 32nd annual General Meeting of the Company to be held on Friday  
the 30th September, 2011 at 11.00 a.m. and at any adjournment thereof.

Signed this ..... day of ..... 2011

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

Affix  
Re 1/-  
Revenue  
Stamp

Signature