

PACT INDUSTRIES LIMITED

Financial Highlights – 7 Years at a Glance

(Rs. in Lacs)

	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Turnover	4566.50	2042.75	1989.81	1963.68	859.96	2304.20	2084.61
Total Income	4635.95	2042.93	1990.09	1964.73	862.01	2316.61	2103.75
Earning Before Depreciation, Interest and Tax	139.80	15.66	10.04	44.74	61.54	180.22	219.47
Depreciation	67.33	5.77	6.64	8.00	10.84	93.16	104.02
Profit before Tax	11.92	2.77	2.18	2.10	1.93	26.43	66.97
Equity Share Capital	494.08	494.08	494.08	494.08	494.08	494.08	494.08
Reserve and Surplus	197.04	520.69	512.83	503.60	522.56	1318.97	1199.38
Net worth	691.12	1014.77	1006.24	997.68	1016.64	1813.05	1693.46
Gross Fixed Assets	796.01	1159.10	726.44	602.56	612.26	1314.92	1299.44
Net fixed Assets	641.30	678.99	250.97	133.72	151.42	549.70	626.76
Total Assets	2137.78	1878.08	1255.77	1204.82	1570.81	2652.90	2439.42

PACT INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Members of the Company will be held on Saturday the 29th day of September, 2012 at 02.45 P.M. at 303, Hotel The Taksonz, Opp. Railway Station, Ludhiana to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors and Compliance Certificate thereon.
2. To appoint a director in place of S. Avtar Singh who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of S. Amandeep Singh who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors for the Financial Year 2012-2013 to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of Company and to fix their remuneration . M/s Rajesh Mehru & Co., Chartered Accountants the retiring auditors are eligible for re-appointment.

SPECIAL BUSINESS

5. **To consider and, if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:**

"RESOLVED THAT M/s. Brij K. Tiwari & Associates, Practising Company Secretaries, be and are hereby re-appointed for issuance of Compliance Certificate in terms of the provisions of Section 383A(1)(a) of the Companies Act, 1956 and to hold the office till the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board and agreeable to them.

Notes:

1. **A member entitled to attend and vote at his Annual General Meeting is entitle to appoint one/more proxy (ies) to attend instead of himself/herself and such proxy need not be a member of the company. A blank and vote proxy form is enclosed. Proxies in order to be effective must be with the company duly executed not less than 48 hours before the commencement of Annual General Meeting at the registered office of the company.**
2. Member/proxies should bring the attendance slip duly filled in Annual General Meeting.
3. Members are requested to notify any changes in their residential address immediately to the company.
4. The share transfer books & register of the share transfer shall remain closed from Wednesday the 26th Sep, 2012 to Saturday 29th Sep, 2012 (both days inclusive).
5. Members are requested to bring their copy of Annual Report along with them to the meeting.
6. Members are requested to quote their Folio No. in all their correspondence with the company.
7. Members desiring any information on the accounts or other items of the agenda are requested to write to company at least 7 days before the Annual General Meeting so that management may keep the information ready.
8. Member may kindly note that no gift will be distributed at the Annual General Meeting.

**BY THE ORDER OF THE BOARD
FOR PACT INDUSTRIES LTD.**

**PLACE: LUDHIANA
DATE: 1st September, 2012**

CHAIRMAN

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item no. 5

M/s. Brij K. Tiwari & Associates, Practising Company Secretaries are retiring at the ensuing general meeting and are eligible for re-appointment.

Your board recommends the resolution mentioned under item no. 5 for your approval.

None of the directors is interested.

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 19th Annual Report on the business and operations of the Company along with audited statements of accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

PARTICULARS	(FIGURES IN LACS)	
	Year ended 31.03.2011	Year ended 31.03.2012
Turnover & Other Incomes	2042.93	4635.95
Profit before interest & Dep.	15.67	139.80
Interest	7.13	60.55
Depreciation	5.77	67.33
Profit before Tax	2.77	11.92
Provision for tax (including deferred tax liab.)	0.00	0.46
Profit after tax	2.77	11.46
Less: Income tax of previous years	0.67	0.00
Adjustments/ Losses	0.00	9.71
Transfer to General Reserve	0.00	0.00
Balance carried forward from earlier year (Net of Deferred tax liabilities)	11.59	13.68
Carried to Balance Sheet	13.68	15.43

MANAGEMENT DISCUSSIONS AND ANALYSIS OVERVIEW:

a) Business:

The company is manufacturing steel ingots and the future is bright since all the products manufactured by the company will be consumed by the cycle and auto parts manufacturing units situated at Ludhiana. The board does not foresee any problem from sales and marketing point of view. As far as manufacturing is concerned there will not be any problem since the raw materials and specialized labour is easily available in the city.

In addition the company is also continuing with its business of fabric trading. Since the company does not foresee major expansion in fabric business it is concentrating on casting business.

b) Financial Analysis and Review of Operations:

• PRODUCTION AND SALES REVIEW :

During the year under review, Company has registered a turnover of Rs. 4635.95 lacs as compared to Rs.2042.93 lacs showing growth over the previous year's turnover. The business- wise performance is as under:

- i) **Fabric & cloth:** During the year, the Sales of processed fabric increased from 2024.41 lacs to 2025.77 lacs showing good growth over the previous year. The Production of processed fabric also increased during the year.
- ii) **Garments:** The Company has not done any business in garment segment due to huge competition.

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- iii) **Steel:-** During the year, the Sales of Ingots (Steel) increased to 2540.72 lacs from 18.34 lacs showing good growth over the previous year. The Production of Steel also increased during the year.

- **PROFITABILITY:**

During 2011-12, the company generated EBIDT of Rs. 139.80 Lacs compared to Rs. 15.67 Lacs in the previous year registering an annualized increase of 792.72 per cent on a year to year basis.

RESOURCES UTILISATION:

- i) **Fixed Assets:** the Company's gross block stood at Rs. 796.01 Lacs on March 31, 2012 as compared with Rs. 1159.09 Lacs as at March 31, 2011.

- ii) **Working Capital:** The Company makes aggressive purchases of raw material with a seasonal availability to capitalize on cyclical opportunity. This translates into a large raw material inventory reflected in the numbers drawn on the Balance Sheet date. As a matter of fiscal prudence, the company deploys JIT for all other raw materials. The delivery period of the finished goods may extend over the period of time, depending upon the manufacturing limitations and economics of batch manufacture. As on the balance sheet date, inventories included the stocks dispatched to customers against which the documentary completion was pending.

Total working capital limit availed from bank as on date of drawing the balance sheet was at Rs.585.68 Lacs compared to Rs. 315.75 Lacs as on March 31, 2011.

- **FINANCIAL CONDITIONS & LIQUIDITY:**

Management believes that the Company's liquidity and capital resources should be sufficient to meet its expected working capital needs and other anticipated cash requirements. The position of liquidity and capital resources of the Company is given below:

	2010-11	(Rs. in Lacs) 2011-12
Cash & Cash equivalents:		
Beginning of the year	14.66	9.49
End of the Year	9.49	254.38
Net Cash provided (used) by:		
Operating Activities	72.17	43.70
Investing Activities	489.45	-127.16
Financial Activities	556.45	328.35

- d) **Internal control System:**

The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal Audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. All significant issues are brought to the attention of the Audit Committee of the Board.

- e) **MANAGEMENT perception of Risk & Concern:**

The probable material effects of an uncertain environment (both internal as well as external) on business goals are identified. The factors, which could affect the performance vis-à-vis, the stated objectives are determined. Each and every activity is analyzed and the internal and external forces acting on them along with the negative resultant which could possibly surface is identified where internal factors are perceived to be the drivers, adequate policy- procedure checks are installed within the business processes for earlier recognition and corrective measure to overcome the same. In case of external drivers, a continuous cost benefit analysis is done to take a proactive approach and safe guard the business outcome on a substantial basis.

Risk is necessary part and parcel of each business and risk taking is must for business growth. However, negative impact of business risk has to be managed through effective risk management both at policy formulation and implementation levels. Operations of the company are subject to general business risks, which include competition in the market both national and international, fluctuation in currency parity and political and social instability in the country. Though adequate

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care is taken to minimize impact of such imponderables but it should be understood that these inherent and inescapable in any business situation.

f) Human Resources / Industrial Relations:

The Company continues to lay emphasis on building and sustaining excellent organization climate based on human performance. Performance management is the key word for the Company.

Pursuit of proactive policies for industrial relations has a peaceful and harmonious situation.

SUBSIDIARIES

The company does not have any subsidiary.

NO DEFAULT

The company has not defaulted in payment of interest and/or repayment of loans to any of the financial institution and/or banks during the period under review.

DIVIDENDS

Directors are of the view that as the Expansion Programme has already announced and to implement the capital-intensive plans together with loan repayment; these shall be made from operating surplus. The reserves & surplus of the Company have been kept intact to facilitate this purpose, so dividends have not been recommended for the year ending 31.03.2012 in the long term interest of the company.

DIRECTORS

S. Avtar Singh & S. Amandeep Singh are retiring by rotation and being eligible offers themselves for re-appointment. Keeping in view their contribution to the company the board recommends their re-appointment.

S.Charanpreet Singh has resigned from the directorship.

AUDITORS

M/s. RAJESH MEHRU & Co. Chartered Accountants the statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITOR'S REPORT

The Auditors Report and Notes to the accounts are self-explanatory and do not call for further comments.

APPOINTMENT OF CSP

M/s. Brij K. Tiwari & Associates, Company Secretaries, retire at the forthcoming Annual General Meeting and are eligible for reappointment. The Compliance Certificate received in accordance with the provisions of Section 383A(1)(a) read with the Companies (Compliance Certificate) Rules, 2001 is annexed to the Directors report. The board hereby confirms that:

- the company has entered into transactions falling u/s. 297 of the Act on cash basis at market price and hence no prior approval of Central Government has been sought.
- the company has not given advances, loans to persons falling u/s. 295 except advances made in normal course of business.
- the company has not accepted any deposit falling within the provisions of Section 58A.
- the company has not provided any loan or guarantee as mentioned u/s. 372A.
- the company has complied with the provisions of section 217 of the Act.

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COMPLIANCE CERTIFICATE

A compliance certificate obtained from M/s. Brij K. Tiwari & Associates, Company Secretaries pursuant to provisions of Section 383A is attached herewith. The same being self explanatory no comments are required.

INDUSTRIAL RELATIONS

Industrial relations in all the units of the Company remained cordial through out the year under review.

HUMAN RESOURCE DEVELOPMENT

Your company recognizes human resources as its most valuable resources and lays considerable emphasis on their training and development with a view to create a culture of learning trust safety and fairness. During the period under review, your company continues to attract & retains their talent from all parts of country. Your company is also heading towards developments of internal trainers for imparting the training and attitude building of the employees.

PARTICULARS OF EMPLOYEES

The information required in terms of section of 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended is NIL.

DEPOSITS

The company has not accepted any deposits during the year under review.

DIRECTORS RESPONSIBILITY STATEMENT

A statement of responsibility of directors pursuant to the provisions of section 217 (2AA) of the Company Act 1956 is annexed and forms part of this report.

CORPORATE GOVERNANCE:

The Company has in place a system of Corporate Governance. A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Corporate Clause of the Listing Agreement is annexed to the report on Corporate Governance.

ACKNOWLEDGEMENTS

Yours Directors wish to place on record their thanks and appreciation for the valuable support and co-operation of various agencies and departments of the central and state governments, financial institutions, banks, customers, suppliers, other business associates and investors.

Yours Directors also acknowledge the dedicated efforts of the employees at all levels and wish to records their sincere thanks to the investors for reposing their continued confidence in the Company, which has always been source of strength for the Company.

BY THE ORDER OF THE BOARD

PLACE: LUDHIANA
DATED: 1 st September, 2012

(AVTAR SINGH TAKKAR)
CHAIRMAN

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ANNEXURE TO THE DIRECTORS 'REPORT

Information as per section 217(1)(e) of Companies Act, 1956 read with the companies (Disclosure of particulars in the report of board of directors) Rules, 1988 and forming part of the directors' report for the period ended March 31, 2012.

1. CONSERVATION OF ENERGY.

Energy conservation measures taken.

- a) Installation of electric motors of optimum capacity.
- b) Light and air ventilators are used at various places in building for maximum utilization of natural light.
- c) Use of energy saving devises for lighting circuits etc.

Additional investments and proposal, if any, being implemented for reduction of consumption of energy

- a) Conservation of energy is an on going process in our organization and shall be strictly followed.
- b) Total energy Consumption as per Form-A of the Annexure to the rules in respect of the Industries Specified in the Schedule thereto.

- 1.3 Impact of measure taken at 1.1 and 1.2 above for reduction of energy consumptions and consequent impact on the cost of production of goods.
Consequent to the aforesaid measures adopted by the company during the year under review, the energy consumption has decreased as compared to previous year.

2. Total Energy consumption and consumption per units of production as per Form-A of the annexure in respect of industries specified in the schedule thereto.

Sr. No	Particulars	Units	Previous Year	Current Year
2.1	Power and Fuel Consumption			
2.1.1	Electricity			
	a) Purchased			
	Units	KWH	255553	8448770
	Total amount	Rs.	1584430	45623359
	Rate Per Units	Rs.	6.20	5.40
	b) Own Generation			
	Units	KWH	0	0
	Cost of Diesel	Rs.	0	0
	Cost Per Units	Rs.	0	0
2.1.2	Other/ internal Generation	-	-	-

3. Particulars as per FORM B

1.1 Research and Development (R&D)

The company has adopted latest technologies and has adopted proper measures to have an effective control over raw material, WIP process flow and finished goods and to monitor all technical parameters of manufacturing to achieve consistent quality of its products.

- 1.1.1 Specific areas in which R&D carried out by the company
 - a) Alignment of working practices to enhance quality consistencies.
 - b) Consistent improvement in the quality of end products.

- 1.1.2 Benefits derived as a result of above R&D.
Improvement in the turnover due to value added products and quality.
Improvement in quality level.

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- 1.1.3 Future plan of action
- a) More focus on development of new/ value added products
 - b) Reduction in cost of manufacturing by internal process improvement.
- 1.1.4 Expenditure incurred on the R&D
Expenditure incurred on R&D is booked under respective general accounting head and as such no amount can be qualified under the head R& D expenses.

2. Technology Absorption, Adaptation & Innovation

- 2.1 Efforts, in Brief, made towards technology absorption adaptation and innovation.
- A) The company has purchased machinery with latest technology for its casting unit.
- 4.2 Benefits derived as a result of the above efforts e.g. products improvements; cost reduction, product development etc.
The company is able to cater to large number of customers with multiple products portfolio.
The manufacturing costs were rationalized towards optimization.

4.3 In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished.

- a) Technology imported during last five years: The Company has incurred the following costs for installment of Dyeing , Circular Knitting, Stitching Machinery during the last five years as under

	Year	Rs.
i)	2011-2012	Nil
ii)	2010-2011	Nil
iii)	2009-2010	Nil
iv)	2008-2009	Nil
v)	2007-2008	Nil

3. Foreign exchange earnings & outgo:

- 3.1 Activities relating to exports; initiative taken to increase exports; development of the new exports market for products and services and exports plans:

The company is exploring new overseas markets with potential of accepting value added, quality garments as a lucrative alternative to the existing markets. Considering the tremendous exports potential, consistent efforts are being made to sustain new avenues for exports.

- 3.2 Total foreign exchange earnings and uses are shown in the table below:

Particulars	Current Year	Previous Year
Earnings	0.00	0.00
Outgo- Raw Material - Capital Goods	\$ 865487.79	0.00
Traveling Expenses	0.00	0.00
Other Expenses	0.00	0.00

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ANNEXURE TO DIRECTORS' REPORT

Directors' Responsibility Statement pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956 and forming part of the Directors' report for the year ended 31st March, 2012.

The Statement of the Directors' responsibility on the annual accounts of the Company for the year ended 31st March, 2012 is given below:

1. That in preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit or loss of the Company for the year ended 31st March, 2012.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 in and detecting fraud and other irregularities.
4. That the directors had prepared the annual accounts on a going concern basis.

BY THE ORDER OF THE BOARD

PLACE: LUDHIANA
DATED: 1st September, 2012

(AVTAR SINGH TAKKAR)
CHAIRMAN

PACT INDUSTRIES LIMITED

REPORT ON CORPORATE GOVERNANCE

This Report on Corporate Governance forms part of the Annual Report. Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices which ensures that a Company meets its obligations to optimize shareholders, value and fulfill its responsibilities to the community, customers, employees, Government and other Segments of society. Your Company is committed on adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long-term shareholder's value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its Corporate Governance, besides being in compliance of the mandatory Listing Agreement, gives an insight into the functioning of the Company.

COMPANY'S PHILOSOPHY:

- ❖ Faith in bright future of Indian textiles & steel industry and hence continued expansion in areas "which we know best".
- ❖ Total customer focus in all operational areas.
- ❖ Products to be of best possible quality for premium markets segments through TQM and zero defects implementation.
- ❖ Integrated diversification/product range expansion.
- ❖ World class manufacturing facilities with most modern R& D and process technology.
- ❖ Faith in individual potential and respect for human values.
- ❖ Accepting change as a way of life.
- ❖ Appreciating our role as a responsible corporate citizen.

2. BOARD OF DIRECTORS:

a) Board Meetings:

The board of Directors of the Company comprises of a Chairman, Two Managing Director and three other Directors.

During the period under review Ten Board Meetings were held on 30.04.2011, 25.05.2011, 23.07.2011, 01.08.2011, 01.09.2011, 05.09.2011, 27.10.2011, 0.1.12.2011, 28.01.2012 and 29.03.2012.

b) Composition:

Name of Directors	Designation	Category	No. of Other Director ship held in	Membership of the Committee	No. of Board Meetings attended	Attendance of Last AGM
			Public Ltd. Company			
S. Avtar Singh	Chairman	Chairman & Promoter	i) Taksonz Developers & Infrastructure Ltd.	0	10	Yes
S. Gurdeep Singh	Mg. Director	Executive Mg. Director & Promoter	i) Taksonz Developers & Infrastructure Ltd.	0	10	Yes
S. Harpreet Singh	Mg. Director	Executive Jt. Mg. Director & Promoter	i) Taksonz Developers & Infrastructure Ltd.	1	10	Yes
S. Amarjit Singh	Independent Director	Director	--	2	9	Yes
S. Narinderjit Singh Sethi	Independent Director	Director	--	2	8	Yes
S. Amandeep Singh	Independent Director	Director	--	3	8	Yes

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All information laid down in corporate governance code is being placed before the Board in regular manner.

Particulars of Directors being appointed at the Annual General Meeting and Directors retiring by rotation and seeking reappointment have been given in the notice convening the AGM and explanatory Statement attached thereto.

i) **Committees of the Board**
The Board of Directors has constituted the following committees with adequate delegation of powers to discharge affairs of the Company.

i) **Audit Committee**
The terms of reference of Audit Committee are as per SEBI guidelines and the Companies Act, 1956. As present the Audit committee comprises of the following Directors

S. Amarjit Singh Walia	: Chairman
S. Amandeep Singh	: Member
S. Narinderjit Singh Sethi	: Member

ii) **Share transfer-cum-Investor Grievance Committee**
The Board has constituted a share Transfer-cum-Investor Grievance Committee to look into the redressal of shareholders grievances. The committee inter alia approves issue of duplicate share certificates and oversees and reviews all matters connected with the securities transfer.

The Committee also oversees the performance of the Registrar and transfer agent and recommends measures for overall improvement in quality of investor services.

The Share transfer cum investor grievance Committee is headed by Mg. Director and consists of following Directors:

S. Harpreet Singh	: Mg. Director
S. Amandeep Singh	: Director

Mg. Director S. Harpreet Singh is the compliance officer.

The Company has an investor base of over 3801 shareholders. During the year under review the total No. of complaints received from them on various subjects was NIL. There is no valid request pending for Share Transfer as at the year end.

REMUNERATION COMMITTEE:

1. S. Amarjit Singh Walia
2. S. Narinderjit Singh Sethi
3. S. Amandeep Singh

DETAIL OF REMUNERATION PAID TO DIRECTORS

Name	Designation	Remuneration				Total
		Basic Salary	Provident fund	Other Benefits	Performance Incentive	
S. Gurdeep Singh	Mg. Director	180000	Nil	Nil	Nil	180000
S. Harpreet Singh	Mg. Director	180000	Nil	Nil	Nil	180000
S. Charanpreet Singh	Whole time Director	117000	Nil	Nil	Nil	117000
Total		477000				477000

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(III) DETAIL OF SITTING FEES PAID TO DIRECTORS DURING 2011-2012

Name	Category	Sitting Fees Paid for (Rs.)		
		Board Meeting	Committee Meeting	Total
----- NIL -----				

General Body Meetings

The last three Annual General Meeting were held as under:-

Financial Year	Date of A.G.M.	Time	Venue
2010-2011	30.09.2011	02.45 P.M.	303, Hotel The Taksonz, opp. Railway Station, Ludhiana
2009-2010	30.09.2010	11.30 A.M.	Kartar Complex, G.T. Road, Jalandhar Bye Pass, Ludhiana
2008-2009	30.09.2009	11.30 A.M.	Kartar Complex, G.T. Road, Jalandhar Bye Pass, Ludhiana

No resolution has been passed by the members through postal ballot since the date of last annual general meeting.

Further no such proposal is proposed to be placed for the Shareholders approval in the forthcoming Annual General Meeting.

(IV) Disclosures

There are no materially significant related party transactions i.e. transactions, material in nature, with its promoters, Director or the Management, their subsidiaries or relatives etc, having potential conflict with the interests of the Company at large.

There have not been any non-compliance by the Company and no penalties imposed on the Company by the Stock Exchange or SEBI or any other statutory authority, on any matter related to capital markets.

(V) Means of Communication

- (a) The Quarterly/Half-Yearly/Annual Audited Results of the company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors and communicated to the investors through publication in News Papers in English and Vernacular languages.
- (b) Annual Report.
- (c) Management discussion and analysis part of this report is presented in Directors Report.

(VI) General Share Holder Information

- (a) **Annual General Meeting**
As Indicated in the Notice of Annual General Meeting of the Company will be held on 29th September, 2012 at Regd. Office of the Company at 303, Hotel the Taksonz, Opp. Railway Station, Ludhiana.
- (b) **Financial Calendar**
Next Financial year: April 1, 2012 to March 31, 2013
- (c) **Book Closure**
From 26.09.2012 to 29.09.2012 (both days inclusive)
- (d) **Listing Details**
The Share of the Company is listed on:
 - (i) Ahmedabad, New Delhi and Ludhiana Stock Exchanges.

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The board is planning to get the shares of company listed on Indonext. It will provide better trading facility to the members and public. The board has taken effective steps in this regard.

(e) Dematerialisation of shares

The company has entered into contracts with NSDL & CDSL for demat of its equity shares and the members are requested to get their shares demat. Till the date of this report 33,47,450 shares constituting 67.75 % of the paid up capital are held in dematerialized form.

The ISIN no of the company is INE494K01016.

The Distribution of Company's Shareholding is as follows

Share Holding		Share Holder Nos.	% to Total Number	Physical	Shares NSDL	Shares CSDL	Total Shares	% age
Upto	500	3595	95.06	426400	1000	200	427600	8.65
501	1000	98	2.59	78000	3400	700	82100	1.66
1001	2000	37	0.98	52600	1500	2000	56100	1.14
2001	3000	10	0.26	27200	0	0	27200	0.55
3001	4000	1	0.03	3400	0	0	3400	0.07
4001	5000	16	0.42	77800	0	0	77800	1.57
5001	10000	3	0.08	18600	0	0	18600	0.38
10001	& Above	43	0.58	909350	0	3338650	4248000	85.98
		3803	100.00	1593350	5900	3341550	4940800	100.00

*Three shareholders are holding shares both in physical and demat form and the folio no. is same in both cases. The no. of members has been calculated on the basis of folio no's and hence there is difference of two shareholders.

(f) Transfer of Share

Shares received for physical transfer are generally registered within a period of thirty days from the date of receipt, if the documents are clear in all respects.

The contact details of Registrar & Share Transfer Agents is as under:

M/s. Skyline Financial Services (P) Limited

D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi- 20

(g) Market Price Data

The share of the Company has not been traded during the year.

(h) The Company has not issued any GDR's/ADR's and there are no warrants or any convertible warrants.

(i) Location of Plant

- i) Kartar Complex G.T.Road, Jalandhar Bye Pass, Ludhiana.
- ii) Village Bilga, Post Office Sahnewal, District Ludhiana.

(j) Address for Correspondence

Pact Industries Limited
303, Hotel The Taksonz
Opp. Railway Station
Ludhiana

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AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To

The Board of Directors
PACT INDUSTRIES LIMITED

We have examined the compliance of conditions of corporate governance by Pact Industries Limited for the year ended on 31st March 2012 as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the directors and managements. We certify that the Company has complied with the conditions of the corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

Further, we state that no investor' grievance are pending for a period of one month against the Company as per the records maintained by the Investor's Grievance Committee.

Further we 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: LUDHIANA
DATED: 1st September 2012

FOR RAJESH MEHRU & CO.
Chartered Accountants

PARTNER

PACT INDUSTRIES LIMITED

AUDITOR'S REPORTS

To

The Shareholders,
M/s PACT INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of **M/s PACT INDUSTRIES LIMITED** as at 31st March, 2012 and the Profit & Loss Account for the year 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.
2. 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 misstatements. 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.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government in India in terms of sub section (4A) of section 227 of the Companies Act, 1956. We enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above we reports that:
 - a) We have obtained all the information and explanation. Which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion the balance sheet profit and loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of copies of Form-DD-A received from directors confirming that they have not incurred disqualification under section 274(1)(g) in respect of companies mentioned therein, in the financial year ending 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a

PACT INDUSTRIES LIMITED

director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

- f) The provisions of section 441A of the Companies Act, 1956 regarding the levy and collection of cess on turnover or gross receipts of the Companies have not yet been notified by the Central Government. Accordingly, we are unable to express our opinion on the compliance of the said section in terms of clause (g) of sub-section (3) of section 227 of the Act.
- g) Subject to above in our opinion and to the best of our information and according to the explanations given to us, the said account read together with significant accounting policies and other notes thereon the give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India
 - I) In the case of Balance Sheet of the State of affairs of the Company as at 31st March, 2012.
 - II) In the case of profit and loss account of the profit for the year ended on that date:
 - III) In the case of cash flow statement of the company as at 31st March, 2012.

PLACE : LUDHIANA

**FOR RAJESH MEHRU & CO.
CHARTERED ACCOUNTANTS**

DATED : 01.09.2012

PARTNER

PACT INDUSTRIES LIMITED

M/S PACT INDUSTRIES LIMITED ANNEXURE TO THE AUDITOR'S REPORT (Referred to in Paragraph 3)

-
- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. During the year fixed assets valued Rs 9294027.91 have been converted into stock in trade and appropriate standards have been followed in this regard.
- (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such physical verification. In our opinion the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and nature of its business.
- (c) In our opinion and according to information and explanation given to us, the company has not disposed off substantial part of its fixed assets during the year and going concern status of the company is accordingly not affected.
- (ii) The inventory has been physically verified during the year by the management . In our opinion, the frequency of verification of inventories by the management is reasonable.
- (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 as evidenced by the written procedures and instruction are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company is maintaining proper records of inventories.
- (iii) (a) According to the information and explanations given to us, the company has not granted unsecured loan to Companies or other parties covered in the register maintained under section 301 of the companies act, 1956.
- (b) The company has taken unsecured loan from one party covered in the register maintained under section 301 of the Companies Act, 1956. .
- (c) In our opinion and according to the information and explanations given to us rate of interest and other terms and conditions on which loan have been taken from parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima-facie prejudicial to the interest of the company.

PACT INDUSTRIES LIMITED

- (d) In our opinion and according to the information and explanations give to us. The payment of principal amount and interest in respect to the aforesaid loans is regular. There is no overdue amount of loans taken from Companies, Firms, or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, these are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventories, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.
- (v)
 - (a) In our opinion and according to the information and explanations given to us. We are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1961 has been so entered.
 - (b) In our opinion and according to the information and explanations given to us, there is no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and which exceed Rs. 5.00 Lacs or more in respect of each party during the year have been made at prices which are reasonable having regard to the prevalent market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in pursuance of section 58A and 58AA of the Companies Act, 1956.
- (vii) In our opinion, the company has internal audit system commensurate with the size and nature of its business.
- (viii) The Central Govt. has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for any of the products of the Company.
- (ix).
 - (a) According to the information and explanations given to us and on an examination of the records of the Company we are of the opinion that the Company has been regular in depositing undisputed statutory dues.
 - (b) According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31.03.2012 for a period of more than six months from the date of they becoming payable.

PACT INDUSTRIES LIMITED

- (c) According to the information and explanations given to us, there are no dues of Sale-Tax, Income Tax, Wealth Tax, Excise duty and cess which have not deposited on account of any dispute.
- (x) The company does not accumulated losses at the end of financial year which are more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered under audit.
- (xi) According to the information and explanations given to us, the company has not defaulted in repayment of dues to bank and financial institution.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
- (xiii) The Company is not a chit fund, or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditors Report) order 2003 are not applicable to the Company.
- (xiv) In our opinion, the company is not dealing in or traded in shares, securities, debentures and other investments. Therefore the provisions of clause 4(xiv) of the Companies (Auditors Report) order 2003 are not applicable to the Company.
- (xv). According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the Company has applied the term loans for the purpose for which the loans were raised.
- (xvii) In our opinion and according to information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment. Further, no long-term funds have been used to finance for short-term assets except permanent working capital.
- (xviii) According to the information and explanations given to us the Company has not made any preferential allotment of shares during the year to parties and Companies covered in the register maintained under section 301 of Companies Act, 1956.
- (xix) According to the information and explanations given to us, the Company has not issued any secured debentures during the year.
- (xx) The Company has not raised any money by way of a public issue during the year ended 31st March, 2012. Therefore the provisions of clause 4(xx) of the Companies (Auditors Report) order, 2003 are not applicable to the Company.

PACT INDUSTRIES LIMITED

- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period covered by our audit.

PLACE: LUDHIANA

DATED:01.09.2012

**FOR RAJESH MEHRU & CO.
CHARTERED ACCOUNTANTS**

PARTNER

PACT INDUSTRIES LIMITED

Balance Sheet as on 31.03.2012

Liabilities	Current year	Previous yr.	Assets	Current yr.	Pre.yr.
Authorised capital; 5000000 Equity Shares @ 10/-	<u>500000000.00</u>	<u>500000000.00</u>	Fixed Assets: As per Ann.- H	115909862.28	79601496.92
Subscribed & Paid up Capital : 4940800 Equity Shares @ 10/-	49408000.00	49408000.00	Investment & Securities: As Per Ann.- I	6914340.50	7371050.50
Resserve & Surplus: As per Ann.-B	52069351.93	19704357.90	Current Assets Loans & Advances: As per Annex.- J	64983948.30	126805583.85
Secured Loan As Per Ann.-C	75032985.01	107917929.13	Misc.Expenditure: (to the extent not written off or adjusted) Pre-Operative Exp.	0.00	0.00
Unsecured Loan: Rec.From Directors & Relatives	3450349.67	3400678.67			
Current Liabilities: As per Ann.-E	7847464.47	33347165.57			
Total:	187808151.08	213778131.27		187808151.08	213778131.27

Certified in terms of our seprate report of Even Date.

For Rajesh Mehru & Co.

Chartered Accountant

For Pact Industries Limited

(Naresh Singla)

Partner

Place: Ludhiana

Dated; 01.09.2012

Mg.Director

(Gurdeep singh)

Mg.Director

(Harpreet Singh)

PACT INDUSTRIES LIMITED

Manufacturing, Trading & Profit & Loss Account for the year ended 31.03.2012

Particulars	Curr.Yr.	Pre.Yr.	Particulars	Curr.Yr.	Pre.Yr.
To Opening Stock	26469290.00	15154900.00	By Sales (As per List " N'	456650041.79	204275169.00
To Purchases (As per List O	398303269.25	208125727.66			
To Mfg.& Direct Exp. (As per List " P"	53582808.86	3270120.00	By Closing Stock	33795840.00	26469290.00
To Gross Profit	12090513.68	4193711.34			
Total	490445881.79	230744459.00		490445881.79	230744459.00
To Office & Admin.Exp. (As per List " K"	3933612.00	2190978.00	By Gross Profit	12090513.68	4193711.34
To Selling & Distribution Exp. (As per List " L"	366804.00	298424.13	By Bank Interest on FDR	137061.00	18433.00
To Financial Exp. (As per List " M"	6054987.60	712659.63	BY Rebate & Discount	6807946.81	0.00
To Repair & Main. Exp. (As per List " N"	754955.00	156495.00			
To Depreciation	6733021.43	576862.88			
To Net Profit	1192141.46	276724.70			
Total	19035521.49	4212144.34		19035521.49	4212144.34

Profit & Loss Appropriation account for the period ended 31.03.2012

Particulars	Curr.Yr.	Pre.Yr.	Particulars	Curr.Yr.	Pre.Yr.
To Deffered Tax	45755.00	67278.00	By Balance B/F	1368028.74	1158582.04
To pre.year tax Adjusted	970788.47	0.00	By Net Profit	1192141.46	276724.70
To Balance C/D	1543626.73	1368028.74			
Total	2560170.20	1435306.74		2560170.20	1435306.74

Certified in terms of our separate report of Even date.

For Rajesh Mehru & Co.

Chartered Accountant

(Naresh Singla)

Partner

Place: Ludhiana

Dated; 01.09.2012

For Pact Industries Limited

(Gurdeep singh) (Harpreet Singh)
Mg.Director Mg.Director

PACT INDUSTRIES LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET AS ON 31ST MARCH 2012.

Annexure- B of Reserve & Surplus

Particulars	Current Year	Previous year
Profit & Loss Account	1543626.73	1368028.74
Capital Reserve	490000.00	490000.00
General Reserve	2200000.00	2200000.00
Depreciation Reserve	15470731.17	48011323.19
Total	19704357.90	52069351.93

Annexure- C of Secured Loans

Particulars	Current Year	Previous year
State Bank of India C/C	13680662.30	17570490.01
State Bank of India FCNR	44887500.00	14004750.00
State Bank of India L/C	8497920.00	0.00
HDB Financial Services	832823.83	0.00
State Bank of India T/L	40019023.00	43457745.00
Total	107917929.13	75032985.01

Annexure- E of Current Liabilities

Particulars	Current Year	Previous year
Sundry Creditors	30042422.57	6115434.47
Provisions & Payable	3304743.00	1732030.00
Total	33347165.57	7847464.47

Annexure- I of Investment & Security

Particulars	Current Year	Previous year
ECGC Security	34577.50	34577.50
Electricity Security	6211278.00	6211278.00
S.B.I.Mutual Fund	100000.00	100000.00
UBI FDR	137119.00	137119.00
UBI FDR	131366.00	131366.00
Electricity Security (New Project)	375750.00	0.00
Mahindra & Mahindra	80960.00	0.00
Security Showroom	300000.00	300000.00
Total	7371050.50	6914340.50

Annexure- J of Current Assets, Loans & Advances

Particulars	Current Year	Previous year
Sundry Debtors: (unsecured considered good)	51954680.89	33137684.50
Advances to Suppliers	0.00	0.00
Closing Stock (certified by the mg.director)	43089867.91	26469290.00
Advances recoverable in cash or in kind for value to be received	632282.43	4427861.00
Cash & Bank Balance:		
Cash In Hand	1880440.68	242427.85
Balance with Schedule Bank	23557711.94	706684.94
Total	126805583.85	64983948.30

PACT INDUSTRIES LIMITED

SIGNIFICANT ACCOUNTING POLICES & NOTES TO THE ACCOUNTS

NAME OF THE COMPANY: **M/S PACT INDUSTRIES LIMITED, LUDHIANA**

ASSTT YEAR : **2012-2013**

SIGNIFICANT ACCOUNTING POLICES FORMING PART OF BALANCE SHEET FOLLOWED FOR THE PREPARATION OF ACCOUNTING FOR THE YEAR

1. Balance Sheet, Profit & Loss Accounts have been drawn on 31.03.2012 comprising of 12 Months. (From 01.04.2011 to 31.03.2012) and previous year figures have been drawn as on 31.03.2011 comprising of 12 months (from 01.04.2010 to 31.03.2011).

2. SIGNIFICANT ACCOUNTING POLICES :

The financial statements are prepared under the historical cost convention, on accrual basis of accounting, in accordance with the Accepted Accounting Principles in India and comply with the mandatory Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006, to the extent applicable and the presentational requirements of the Companies Act, 1956. The accounting polices followed are stated below:

a) ACCOUNTING METHOD :

The company has adopted the mercantile system of accounting in preparation of the financial statements.

b) FIXED ASSETS :

The Company has stated Fixed Assets at cost of acquisition/construction net of Cenvat credit, including all incidental expenses attributable to the acquisition and installation of assets, upto the date when the assets are ready for use. The cost includes all pre-operative expenses relating to construction/pre-installation period including direct and allocable indirect expenses. During the year ended 31.03.2012 the company has converted some of its fixed assets into stock in trade, as a result of which the value of the assets converted into stock in trade had been deducted from the machinery block of the fixed assets. The treatment given is in conformity with the AS-10 "fixed assets" issued by ICAI. The value of the asset converted and the block under which it falls is Rs. 9294027.91/- and the same has being disclosed under the Note-12 of the balance sheet under the head "Inventories".

PACT INDUSTRIES LIMITED

c) **DEPRECIATION :**

The Company has been charged on fixed assets as per the rates prescribed in the Companies Act, 1956 during the year. During the year ended 31.03.2012 the company has converted some of its fixed assets into stock in trade, as a result of which the value of the assets converted into stock in trade had been deducted from the machinery block of the fixed assets. As per the guidelines laid down by the AS-6 "Depreciation Accounting" the company had reduced the amount of the accumulated depreciation standing in the books against these assets converted into stock in trade. The same had been adjusted against the Gross block to give a fair view of the present standing of the Block in the books of the company. The amount adjusted is as follows:

Sr. No.	Block of the Asset	Accummulated depreciation adjusted Amount (in Rs.)
1.	Machinery (Knitting)	8371722.37
2.	Machinery	30901891.08

The depreciation on this block is claimed after the adjustment had been done on the remaining assets.

d) **INVENTORIES:**

Stock have been Valued at cost or market price, which ever is lower. During the year some fixed assets have been converted into stock in trade. The same has being disclosed along with the normal inventories under the Note-12 "inventories".

e) **EMPLOYEE BENEFITS & RETIREMENT BENEFITS :**

(i) **EMPLOYEE BENEFITS:**

The company had contributed Rs. 114708.00/- to the funds like E.S.I. & E.P.F. for the benefit of the employees. Apart from this the company had also paid Rs. 201467.00/- & Rs. 116010.00/- to employees as Bonus & Leave with wages during the year.

(ii) **RETIREMENT BENEFITS:**

Since none of employees completed the continues period of 5 years as stipulated under the Payment of Gratuity act. No provision for gratuity has been made.

f) **WRITE OF MISCELLANEOUS EXP :**

PACT INDUSTRIES LIMITED

Revenue Expenditure if any is written off over the period as is described & in accordance with provisions of section 35-d of Income-Tax Act, 1961.

3. INVESTMENTS & SECURITIES :

All the investments made by the company have been shown on the book value.

4. Previous Year figures ended on 31.03.2011 have been given and same have been regrouped/rearranged for comparison.
5. Contingent Liabilities not provided for in respect of business during the year is NIL.
6. Balance of debtor & Creditors, Loans and advances are subject to confirmation and are taken/included in financial statement on the basis of entries in the books of accounts of the concern.

7. AUDITORS REMUNERATION :

	<u>Current Year</u>	<u>Previous Year</u>
- Audit Fees		
For Audit Fees	19000.00	19000.00
Tax Matters	6000.00	6000.00

8. Remuneration to Director:

	<u>Current Year</u>	<u>Previous Year</u>
- Salary	477000.00	516000.00

9. Deferred Tax Liability (Net) :

	Deferred Tax Liability (Assets) as at 01.04.2011	Current Year Charge/Credit	Deferred Tax Liability (Assets) at 31.03.2012
Deferred Tax Asset	0.00	45755.00	45755.00
(i) Difference Between Book & Tax Depreciation			

Pursuant to Accounting Standard (AS-22) – Accounting for Taxes on Income. The company has recorded a net accumulative deferred Tax Liabilities of Rs. Nil up to 31.03.2011. Further impact of deferred tax liability of Rs. 45755.00 for the year ended 31.03.2012 has been debited to Profit & Loss Account making the total exposure of deferred tax liability Rs. 45755.00/- as on yr ended 31.03.2012.

PACT INDUSTRIES LIMITED

10. Earning per share (EPS) :

The numerators and denominators used to calculate Basic and Diluted Earning per share

	<u>Year Ended</u> 31.03.2012	<u>Year Ended</u> 31.03.2011
Profit attributable to the Equity Share Holder Rs.(A)	1146386.46	209446.70
Basic/Weighted Average No. of Equity Share Outstanding during the year (B)	4940800	4940800
Nominal Value of the Equity Share	10.00	10.00
Basic EPS Rs. (A)/(B)	0.23	0.04

11. Most of the expenses have been made on actual basis & provisions of expenses have been estimated on prorata basis.

12. No personal expenditure has been debited in the books of accounts.

13. C.I.F. value of imports :

Particulars	USD (\$)
Amount in Foreign Currency	\$865487.79

TOTAL C.I.F. VALUE OF IMPORT IN INDIAN CURRENCY : Rs. 4.14/- Crore.

14. Exchange difference earnings/Loss:

The exchange difference gain/loss on purchase of material is adjusted in the purchase. The gain/loss on export is nil as there is no Export of the goods.

15. Earning in Foreign Exchange :

Nil as there is no Export of the goods.

**FOR RAJESH MEHRU & CO.
CHARTERED ACCOUNTANTS**

**PLACE : LUDHIANA
DATE : 01.09.2012**

PARTNER

PACT INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

(In Lacs)

		As on 31.03.2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit/Loss After Tax & Prior Period Adjustment		1146386.46
Adjustments for:-		
NON CASH CHARGES		
Depreciation	6733021.43	
Deffered Tax Adjustments	45755.00	
Previous Year Tax Ajustment	(970788.47)	
Intengible Asset W/Off	-	
Operating Profit Before Working Capital	<u>5807987.96</u>	
		6954374.42
B) CHANGE IN WORKING CAPITAL:		
Increase / decrease in trade and other/receivable	(20712017.81)	
Increase/decrease in inventories	(7326550.00)	
Increase / decrease in limit	26992922.29	
Increase/decrease in trade payables	25453946.10	
		<u>24408300.58</u>
		31362675.00
Net Cash from Operating Activity		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchahse of Fixed Assets	(12259276.00)	
Increased in Investment & Security	(456710.00)	
Net Cash used in Investing Activity		(12715986.00)
CASH FLOWS FROM FINANCIAL ACTIVITIES:		
Proceeds Deom Long Term Borrowing	5892021.83	
Decreased in Unsecured Loans	(49671.00)	
Net Cash from Financial Activity		5842350.83
Net Increase in cash and cash equivalents		24489039.83
Cash and cash equivalents at beginning of period		949112.79
Cash and Cash equivalents at end of period		25438152.62

Certified in terms of our seprate report of Even date.

For Rajesh Mehru & Co.

Chartered Accountant

(Naresh Singla)

Partner

Place: Ludhiana

Dated; 01.09.2012

For Pact Industries Limited

(Gurdeep singh) (Harpreet Singh)
Mg.Director Mg.Director

PACT INDUSTRIES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

REGISTRATION DETAILS

Registration No.	13193	State Code	16
Balance Sheet Date	31-03-2012		

CAPITAL RAISED DURING THE YEAR (Rs.in Lacs.)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Issue	NIL

Position of Mobilization And Deployment of Funds (Rs.In Lacs)

Total Liabilities	1804.31	Total Assets	1804.31
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Sources of Funds

Paid up Capital	494.08	Reserve & surplus	197.04
Secured Loan	1079.18	Unsecured Loan	34.01

Application of Funds

Net Fixed Assets	796.01	Net Current Assets	934.59
Investment	73.71	Misc.exp.	0.00

PERFORMANCE OF COMPANY (Rs.In Lacs)

Total Turnover	4635.95	Total Expenditure	4624.49
Profit / loss (Before Tax)	11.46	Profit / Loss after Tax	11.46
Earning Per Share	0.23	Dividend Rate	NIL

GENERIC NAME OF THREE PRINCIPAL PRODUCTS OF COMPANY

Item code NO.(ITC Code)

Item Code No.

Product Description Manufacturing of Knitted Fabrics & Readymade Garments

For Rajesh Mehru & Co.
Chartered Accountant
(Naresh Singla)
Partner
Place: Ludhiana

For Pact Industries Limited

(Gurdeep singh)
Mg.Director

(Harpreet Singh)
Mg.Director

PACT INDUSTRIES LIMITED

Dated; 01.09.2012