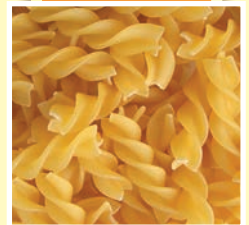


30th Annual Report 2012 - 2013



Better Health.. Better Life..

BAMBINO AGRO INDUSTRIES LIMITED



New Product Launch of the Year

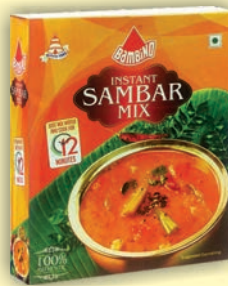
Instant Pasta



Healthy Diett - Wheat Rice



Instant Breakfast Mix



Kitchen is incomplete without Bambino



Healthy Bambino Macaroni

- 100% Durum Wheat Semolina (No Maida)
- Cooks in 5 minutes
- Rich in Protein
- Less oil Consumption
- Less Fuel Consumption

BOARD OF DIRECTORS

Mr.M.Kishan Rao	:	Chairman and Managing Director
Mr.M.Raghuveer	:	Wholetime Director
Mr.M.Subramanyam	:	Wholetime Director
Mr.P.Easwara Das	:	Executive Director (Marketing)
Mr.Mansoor Yar Khan	:	Director
Mr.S.Nageswara Rao	:	Director
Dr.S.Venkataraman	:	Director

Vice President (Legal) & Company Secretary

Mr.C.Durga Prasad

REGISTERED OFFICE

'E' Block, 4th Floor
Surya Towers,
104, S.P. Road, Secunderabad-500003
Tel: 040-44363322

ADMINISTRATIVE OFFICE

'F' Block, 2nd Floor, Surya Towers,
104, S.P. Road, Secunderabad-500003

MANUFACTURING FACILITIES AT :

- 1) Bibinagar, Bhongir Mandal, Nalgonda District, Andhra Pradesh.
- 2) Begumpur Khatola Village, Gurgaon, Haryana.
- 3) Sejawani Village, Depalpur, Indore, Madhya Pradesh.

DEPOSITORY REGISTRARS

M/s.Kavy Computer Share Private Limited
Plot No.17-24, Vithal Rao Nagar,
Madhapur, Hyderabad-500081.

AUDITORS

M/s. PRV Associates
Chartered Accountants
Hyderabad

BANKERS

State Bank of India
Commercial Branch, Bank Street,
Koti, Hyderabad.

Indian Overseas Bank,
Adarshnagar Branch, Hyderabad.

IDBI Bank
Chapel Road, Hyderabad.

NO GIFTS
Will be Distributed at the AGM

THIRTIETH ANNUAL GENERAL MEETING

Day	:	Friday
Date	:	27th December 2013
Time	:	10.15 A.M.
Venue	:	K.L.N. Prasad Auditorium at The Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI), Federation House, 11-6-841, Red Hills, FAPCCI Marg, Hyderabad-500 004.

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NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of Bambino Agro Industries Limited will be held on Friday, the 27th December, 2013 at 10.15 AM at K.L.N. Prasad Auditorium at **The Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)**, Federation House, 11-6-841, Red Hills, FAPCCI Marg, Hyderabad 500004, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Profit & Loss Account for the period ended 30th September, 2013 and Balance Sheet as at 30th September, 2013 together with Schedules and Annexures thereto and the Reports of the Directors' and Auditors' thereon.
2. To declare dividend, if any.
3. To appoint a Director in place of Mr. Mansoor Yar Khan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. PRV Associates, Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and authorize the Board to fix their remuneration.

Special Business

- 5 To consider and, if thought fit, to pass with or without modification, the following resolution as an Special Resolution.

"RESOLVED THAT pursuant to the provisions of section 198, 309, 310 & 311 of the Companies Act, 1956 and other applicable provisions if any, read with Schedule XIII, including any statutory modifications or re-enactment of the Companies Act, 1956 and other applicable statutes thereof for time being in force or any amendments that may hereafter be made thereto by the Central Government, consent of the members be and is hereby accorded to revise the remuneration of Mr. P. Easwara Das, Executive Director (Marketing) with effect from 1st April 2013 for the remainder of his tenure, as set out in the statement annexed hereto with the liberty to the Board of Directors to alter and vary the terms and conditions as to remuneration, perquisites and benefits in such manner as may be agreed to between the Board of Directors and Mr. P. Easwara Das provided such variation/revision is within the overall limits laid down in the relevant provisions of the Companies Act, 1956 or the new Companies Act 2013 when the relevant provision comes into force.

**By Order of the Board of Directors
Of Bambino Agro Industries Limited**

Place : Secunderabad
Date : 13th November, 2013

C. Durga Prasad
Vice President - (Legal) & Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE LODGED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

PLEASE NOTE THAT NO GIFTS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING

2. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business to be transacted at the Meeting is annexed hereto.
3. The Register of Members and share transfer books will remain closed from 21st, December, 2013 to 27th, December, 2013 (both days inclusive).
4. Pursuant to the provisions of Section 205A of the Companies Act 1956 (the Act), dividend for the financial year ended 30th September 2012 onwards, which remains unpaid or unclaimed for a period of seven (7) years from the date of its transfer to the unpaid dividend account of the Company would be transferred to Investor Education and Protection Fund (IEPF) on the dates given in the table below:

Financial Year	Date of declaration of Dividend	Last date for claiming unpaid dividend	Due date of transfer to IEPF
2011-12	28/12/2012	3/2/2019	3/3/2019

Members who have not so far encashed the dividend warrant(s), with regard to the dividends for the financial years 2011-12 are requested to seek issue of Demand Draft by writing to the Company's Registrar and Share Transfer Agent (Karvy) or the Company. The details of unclaimed dividend for the financial year 2011-12 can be accessed from the Company's website.

5. Dividend if declared will be paid to those members whose name appears on the Register of Members as on 27th December 2013.
6. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts, so as to enable the Company to dispatch dividend warrants to their correct address. Members holding shares in physical form are requested to notify/send any change in their address and bank account details to the Company/Registrar & Share Transfer Agents, M/s. Karvy Computershare Private Limited (Karvy).
7. Members are requested to intimate the Company or Registrar, the details or clarifications, if any, required in relation to this Annual Report, atleast 7(Seven) days before the Meeting to enable the Management to keep the information ready at the Meeting.
8. As a measure of economy, Members/proxies are requested to bring their copies of Annual Reports to the Meeting and the attendance slip duly filled in for attending the Meeting. Copies of Annual Reports will not be provided at the Meeting.
9. The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the Companies and has issued Circulars stating that service of notice/all documents including Annual Reports can be sent by e-mail to their Members. To support the 'Green Initiative' in the Corporate Governance and to contribute towards greener environment, we are sending all official documents to the email address provided by you with your depositories. We request you to register/update your e-mail addresses with Karvy, if shares are in physical mode or with your DP, if the holding is in electronic mode.



Annual Report 2012-13

10. As per Section 255, 256 and other applicable provisions of the Companies Act, 1956, Mr. Mansoor Yar Khan, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. The required information pertaining to the Directors on their appointment/re-appointment is furnished below :

11. Mr. Mansoor Yar Khan

Mr. Mansoor Yar Khan aged 85 years, is a retired Army Officer having vast experience in general administration and management. He does not hold any outside Directorship.

**By Order of the Board of Directors
Of Bambino Agro Industries Limited**

Place : Secunderabad

Date : 13th November, 2013

C. Durga Prasad

Vice President - (Legal) & Company Secretary

ANNEXURE TO NOTICE DATED 13th NOVEMBER 2013

STATEMENT PURSUANT TO SECTIONS 102 OF THE COMPANIES ACT, 2013

Item No.5

Mr. P Easwara Das aged 62 years was re-appointed as an Executive Director (Marketing) for a period of three years with effect from 12th September 2011 in the 28th Annual General Meeting of the Company held on 29th December 2011. During his tenure the Company has witnessed a steady growth in its business by way of expansion of its brand building capacity in the health and wellness segment, creating a niche in the market place by launching new products, and retaining the demand for its existing products making the company a profitable and dividend paying company.

In due recognition to his valuable contributions and in view of the remuneration paid to professionals of similar experience, work profile and responsibility in the industry, the Board of Directors in its meeting held on 11th February 2013 on the recommendation of the Remuneration Committee, has, subject to the approval of the Members revised the remuneration to be paid to Mr. Easwara Das, Executive Director, effective from 1st April 2013 on terms and conditions as set out hereunder. The revision of remuneration was approved by the Remuneration Committee and further requires the approval of members of the Company by way of special resolution. The Company has not made any default in repayment of any of its debts.

The information provided herein may be deemed to be abstract as referred to under Section 302 of the Companies Act, 1956.

The Board recommends the special resolution for approval of members.

The details of revised remuneration as set out below:-

- A. Consolidated Salary : ₹3,26,734/- per month
- B. Perquisites
 - Leave Travel Allowance : ₹1,58,040/- per annum (Rupees One lakh fifty eight thousands and forty only)
- C. (i) Company's contribution towards provident fund as per rules of the Company
- (ii) Gratuity as per rules of the company

The above perquisites stated in C (i) and (ii) shall not be included in the computation of the aforesaid ceiling on perquisites to the extent these singly or put together are not taxable under the Income Tax Act, 1961.

- D. Earned Leave: On full pay allowances and perquisites as per the rules of the company. Encashment of leave at the end of the tenure shall not be included in the computation of the aforesaid ceiling on perquisites and/or salary
- E. Car for use on Company's business and telephone at residence shall not be considered as perquisites

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, in any financial year during the tenure of Executive Director (Marketing), the above remuneration to Mr. Easwara Das as set out in the statement shall be paid as minimum remuneration subject to the limits stipulated under Schedule XIII of the Companies Act 1956 (or schedule V of the Companies Act 2013 as and when it comes into force).



RESOLVED FURTHER THAT with the enactment of the Companies Act 2013 or any other Act, this resolution shall continue to remain in force and reference to various provisions of the Companies Act 1956 and other acts shall be deemed to be substituted by the corresponding provisions of the new Companies Act 2013 or amendments thereto or the Rules and notifications issued there under.

FURTHER RESOLVED THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives, except Mr. Easwara Das are in any way concerned or interested in this resolution.

ADDITIONAL INFORMATION OF THE APPOINTEE AS PER SCHEDULE XIII OF THE COMPANIES ACT 1956 WITH RESPECT TO ITEM NO.5 OF THE NOTICE

(1) General Information

(i) Nature of Industry

The Company is the largest manufacturer of vermicelli and other pasta products sold under the reputed brand name "BAMBINO". The Company also sells the products of its associates engaged in the manufacture of pasta and instant mixes, spices, namkeens, sweet meats etc.

(ii) Date of commencement of commercial operations

It has commenced its operations in the year 1983.

(iii) Financial performance based on given indicators

The Company has been steadily increasing its financial performance over the last few years.

(iv) Export performance

The Company has also been improving its exports performance over the years.

(v) Foreign investments or collaborators, if any : Nil

(vi) Information about appointee

Mr. Easwara Das aged 62 years is a Graduate from Kerala University and has held several senior positions in the last 42 years in various FMCG Indian Companies and Multinationals. He has made significant contributions to the Company's performance so far.

(2) Recognition or awards:

Mr. Easwara Das is in receipt of various prestigious awards.

(3) Job profile and suitability:

Mr. Easwara Das, Executive Director using his rich experience and expertise has been instrumental in implementing successful marketing strategies and increasing the overall profitability of the company.

(4) Remuneration proposed:

As set out in the statement for the item no.5 of the Notice, the remuneration was approved by the Remuneration Committee and the Board of Directors recommended the same to the members for approval at the ensuing meeting.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Compared to the size of the Company and the position of Mr Easwara Das and the type of industry requiring to take arduous responsibilities the proposed remuneration is reasonable.

(6) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr. Easwara Das has no pecuniary relationship directly or indirectly with the company or with any other managerial personnel.

III. OTHER INFORMATION:

(1) Reasons of loss or inadequate profits:

FMCG sector is facing increased competition resulting in shrinking of margins.

(2) Steps taken or proposed to be taken for improvement:

The company proposes to launch different variants of vermicelli, multigrain vermicelli and focus on premium pasta products in addition to launching functional foods under nutrition and health platform. Your company is currently focusing on strengthening its in-house R & D to develop nutritional and functional foods with added health benefits and these initiatives are expected to improve its profitability in the coming years.

(3) Expected increase in productivity and profits in measurable terms

The Company is poised for a robust growth and expects to post reasonable growth in 2013-14.

IV. DISCLOSURES:

All elements of remuneration package of the Directors have been given in the Report on Corporate Governance for the Financial Year 2012-13.

**By Order of the Board of Directors
Of Bambino Agro Industries Limited**

Place : Secunderabad
Date : 13th November 2013

C. Durga Prasad
Vice President - (Legal) & Company Secretary



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Thirtieth Annual Report of the Company together with audited statement of accounts of the Company for the year ended 30th September 2013.

FINANCIAL RESULTS

The financial highlights of the Company for the year ended 30th September 2013 are as follows:

(₹ in lacs)

Particulars	Year Ended 30.09.2013	Year ended 30.09.2012
Sales and other Income	23560.81	22485.51
Profit/(Loss) before Depreciation, Financial Expenses, Tax and other adjustments	2122.54	1799.73
Less: Financial expenses	1113.96	1055.64
Profit/(Loss) before Depreciation, Tax and other adjustments	1008.58	744.09
Less: Depreciation	408.93	328.59
Profit before Tax and other adjustments	599.65	415.50
Extraordinary Item	78.82	31.51
Provision for Tax:		
Current Tax	(151.88)	(117.68)
Deferred Tax charge/credit	10.07	40.47
Net Profit/Loss after Tax	379.02	306.79
Add Profit brought forward	1030.07	878.24
Profit available for appropriation	1409.09	1185.03
Less Dividend	120.13	120.13
Less tax on proposed dividend	19.49	19.49
Transfer to General Reserve	18.95	15.33
Surplus carried forward to Balance Sheet	1250.52	1030.07

COMPANY PERFORMANCE AND BUSINESS OUTLOOK

During the period under review amidst increasingly competitive environment and continuous commodity inflation, rising interest and fuel cost, the company has posted respectable performance. Your company during the year under review earned revenue from operation and other income of ₹23560.81 lacs representing an increase of 4.80 % over the previous year Your company has registered a net profit of ₹379.02 lacs as compared to previous year net profit of ₹306.79 lacs.

In order to improve the operational efficiencies, the company has taken certain decisions to start operations at Indore.

On the exports front, the company has registered healthy growth in earnings and aims to further expand the customer base in the overseas market through innovative new offerings. The company has registered a growth of 36 % in the exports revenue over the previous year.