



Bloom Industries Ltd.

**23rd
Annual Report
2011-2012**

Bloom Industries Ltd.



Bloom Industries Ltd.

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BOARD OF DIRECTORS

KAMAL KUMAR CHAUDHARY	Chairman
ASHISH CHAUDHARY	Director
SHARAD KUMAR GUPTA	Director
RAJESH KUMAR NAGORI	Director
ROHIT LOHIA	Director
VINOD KUMAR JAKHORIA	Director

REGISTERED OFFICE

C-23/2, M.I.D.C.,
TALOJA - 410 208.
DIST - RAIGAD,
MAHARASHTRA

BANKERS

STATE BANK OF HYDERABAD

KOTAK MAHINDRA BANK LTD.

AUDITORS

M/S. Sarda Soni Associates
13/16, Kapadia Chambers,
599, J.S.S. Road, Chira Bazar,
Mumbai 400 002.

REGISTRAR & TRANSFER AGENT

M/s. Purva Sharegistry (India) Private Limited
9, Shiv Shakti Industrial Estate
Ground Floor, Sitaram Mill Compound
J.R. Boricha Marg, Lower Parel,
Mumbai - 400 011.

Bloom Industries Ltd.

NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of BLOOM INDUSTRIES LIMITED will be held on Monday 24th September, 2012 at the Registered Office C-23/2, M.I.D.C., Taloja, Dist. Raigad, Maharashtra – 410208 at 10:30 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Balance Sheet of the Company for the financial year ended 31st March, 2012, statement of Profit & Loss and Cash Flow Statement for the Year ended on that date, and the Directors Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Rohit Lohia who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Vinod Kumar Jakhoria who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from conclusion of this meeting until the conclusion of the Next Annual General Meeting and fix their remuneration.

NOTES

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of him and such proxy need not be a Member of the company. Proxies in order to be effective must be received by the company not later than 48 hours before the Meeting.
2. Members are requested to notify immediately any change in their address.
3. The Register of Members & Share Transfer Book of the Company will remain closed from 13th September, 2012 to 24th September, 2012 (Both days inclusive).
4. Members desiring to submit mandates, to lodge transfer deed(s) for registration of transfer of shares are requested to forward the same so as to reach the Company's Registrars M/s Purva Shareregistry (India) Private Limited., 9, Shiv Shakti Industrial Estate, Ground Floor, Sitaram Mill Compound, J. R. Boricha Marg, Lower Parel, Mumbai-400011 on or before 13th September, 2012. The Company will not be in a position to act upon any document, which is incomplete or received after 13th September, 2012.
5. In accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of a Director who is proposed to be re-appointed are given in the Corporate Governance Section.
6. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
7. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.
8. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
9. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report.
10. The Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send

official documents to their shareholders electronically as part of its green initiatives in corporate Governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send Documents like the Notice convening the General Meetings, Financial Statements, Directors', Auditors' Report, etc to the email address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the Annual Report and other documents reach you on your preferred email.

11. Members can avail of the Nomination facility by filing Form 2B with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in Demat form, the nomination has to be lodged with their DP.
12. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s Purva Sharegistry (India) Pvt. Ltd.
14. Members desirous of getting any information about the accounts and operations of the Company are requested to write to the Company at least seven days before the date of the Meeting.
15. In pursuance of Clause 49 of the Listing Agreements the details of a Director seeking re-appointment in forthcoming Annual General Meeting are as under:

1.	
Name of Director	Mr. Rohit Lohia
Age	23
Expertise in specific functional areas	3 years in Accounts
Qualifications	B. Com
List of Companies in which outside Directorship held as on 31.03.2012	NIL
Chairman/Member of the Committees of the Boards of the other Companies on which he is a Director	NIL
2.	
Name of Director	Mr. Vinod Kumar Jakhoria
Age	56
Expertise in specific functional areas	32 Years in Business
Qualifications	Secondary
List of Companies in which outside Directorship held as on 31.03.2012	NIL
Chairman/Member of the Committees of the Boards of the other Companies on which he is a Director	NIL

Shareholder are requested to bring their copy of Annual Report in the meeting.

Registered Office:
C-23/2, M.I.D.C.,
Taloja - 410208
Dist. Raigad,
Maharashtra

Date: 13/08/2012

By Order of the Board of Directors

Kamal Kumar Chaudhary
Chairman

Bloom Industries Ltd.

DIRECTORS' REPORT

To,
The Members,

Your Directors have great pleasure in presenting the twenty third Annual Report and the Audited Statements of Accounts of the Company for the year ended 31st March, 2012

FINANCIAL RESULTS :

<u>PARTICULARS</u>	<u>2011-2012</u>	<u>2010-2011</u>
Profit before Depreciation and Exceptional Items	54,33,506	38,62,776
Less: Depreciation	19,07,578	18,97,454
Add/(Less): Exceptional items	(13,80,699)	(3,50,000)
Profit/ (Loss) before Tax	21,45,229	16,15,322
Less: Provision for Taxation	4,09,000	2,96,000
Profit/ (Loss) after Tax	17,36,229	13,19,322
Less: Earlier Year Adjustment	-	(19,566)
Net Profit (Loss)	17,36,229	12,99,756
Add: Balance of Profit brought forward from previous year	(1,03,03,360)	(1,16,03,116)
Balance Carried to Balance Sheet	(85,67,131)	(1,03,03,360)

REVIEW OF OPERATIONS

During the year under review, the total income from operation was Rs.88.35 Lacs as against the income of Rs.63.62 Lacs of the previous year. The Company earned net profit of Rs. 17.36 Lacs as against Rs. 13.00 Lacs in the previous year 2010-2011.

DIVIDEND

In view of accumulated brought forward losses, the Board of Directors does not recommend any Dividend.

PUBLIC DEPOSITS

The Company has not invited any deposits from the Public.

DIRECTORS

In accordance with the provisions of the Companies act, 1956, and the Company's Articles of Association, Mr. Rohit Lohia retires by rotation and being eligible offer themselves for re-appointment. Your Board of Directors recommends their re-appointment.

Mr. Vinod Kumar Jakhoria retires by rotation and being eligible offer themselves for re-appointment. Your Board of Directors recommends their re-appointment.

REVOCATION OF SUSPENSION IN TRADING OF SHARES WITH BOMBAY STOCK EXCHANGE:

The Board of Directors have pleasure to inform the Members that Bombay Stock Exchange has revoked the Suspension in Trading of Shares of the Company w.e.f. 29/02/2012 vide Notice No. 20120223-17 dated 23/02/2012.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956 with respect to the Director's Responsibility Statement, it is hereby confirmed:

- That in preparation of Annual Accounts for the Year ended 31st March, 2012, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- That the Directors have 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 state of affairs of the Company for a period under review.
- That to the best of their knowledge and information they have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the

Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

- iv) That the Directors have prepared the Annual Accounts for the financial Year ending 31st March, 2012 on a going concern basis.

PERSONNEL

None of the Employees of the Companies are in receipt of Remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE

A separate Report on the compliance with Clause 49 of the Listing Agreement with the Stock Exchange on Corporate Governance and Auditors Certificate on its compliance forms part of this Report.

AUDITORS

The Auditors M/s. Sarda Soni Associates, Chartered Accountants, Statutory Auditors of the Company retires at the conclusion of the ensuing Annual General Meeting and expresses their willingness to continue, if so appointed.

CODE OF CONDUCT

The Board of Directors has approved "Code of Conduct for the Board of Directors" in compliance with amended Clause 49 of Listing Agreement.

EMPLOYEES RELATIONS

The relation between the Employees and Management continue to be good and cordial.

ACKNOWLEDGEMENTS :

The Directors have pleasure to place on record their appreciation for the valuable co-operation and assistance by the Company's Bankers, Financial Institutions, Associates, Investors and Employees.

Your Directors are also pleased to record their appreciation for the dedication and contribution made by employees at all levels who, through their competence and hard work, have established Company to achieve better performance and look forward to their support in future as well.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and under Section 217(1)(e) of the Companies Act, 1956 is set out here under:

(A) POWER AND FUEL CONSUMPTION

Electricity at factory	2011-12	2010-11
Purchase Unit (KWH) :	68,761 Units	79,951 units
Total Amount :	Rs. 5,02,604/-	Rs. 5,50,844/-
Rate/ Unit :	Rs. 7.31	Rs.6.89

(B) TECHNOLOGY ABSORPTION

No Research and Development work has been carried out by the Company and therefore, there is no expenditure on this head, or any benefit accrued from it.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange Earning during the year is Rs. NIL and Outgo Rs. NIL.

Bloom Industries Ltd.

REGISTRAR & SHARE TRANSFER AGENT

M/s. Purva Share Registry (India) Private Limited
9, Shiv Shakti Industrial Estate
Ground Floor, Sitaram Mill Compound
J.R. Boricha Marg, Lower Parel, Mumbai-400 011

MANAGEMENT DISCUSSION AND ANALYSIS:

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is engaged in manufacturing operation on job and ware housing charges basis.

OUTLOOK, OPPORTUNITIES AND THREATS

Since the Company is engaged in manufacturing operation on job charges basis, there is reasonable certainty of earning profit after providing all costs.

RISK AND CONCERN

The Company does not envisage any risk in its present business and is hopeful of continuing its manufacturing operation on job charges basis. The Board of Directors are constantly reviewing the operations of the Company and exploring possibilities of resuming manufacturing operations in its own account.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has not conducted internal audit for the year under report.

FINANCIAL PERFORMANCE

Discussion on financial performance with reference to operational performance has been dealt with in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis.

HUMAN RESOURCES

Material development in human resources/ industrial relations front has been dealt with in the Directors' Report, under the head 'Operations' and 'Industrial Relations', which should be treated as forming part of this Management and Discussion Analysis. As at 31st March, 2012, the employee strength (on permanent rolls) of the Company was Nil.

CAUTIONARY STATEMENT

Statement in this Management Discussion and analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates.

Registered Office :

C-23/2, M.I.D.C.,
Taloja - 410208
Dist. Raigad,
Maharashtra

Date: 13/08/2012

By Order of the Board of Directors

Kamal Kumar Chaudhary
Chairman

CORPORATE GOVERNANCE REPORT 2011-2012

The detailed Report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

A. Corporate Governance

BLOOM INDUSTRIES LIMITED strongly believes in good Corporate Governance, which is a pre-requisite for enhancing shareholder's long term value. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

Your Board of Directors present the Corporate Governance Report for the year 2011-12 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March, 2012.

B. Board of Directors

i. Composition:

The Company's Board comprises of six Directors: One is Promoter Executive Director, One is Executive Director and One is Promoter Non-Executive Director and remaining three are Non-Executive Independent Directors. Half of the Board of Directors comprises of Independent Directors.

ii. Attendance of Board Meeting and details of Membership of Directors in other Boards and Board Committees:

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2012 have been made by the Directors.

During the last financial year, our Board met Six times, on 13th May, 2011, 12th August 2011, 26th August 2011, 11th November, 2011, 14th February 2012 and 26th March 2012. All the Board Meetings were held at the Company's Registered Office at Dist. Raigad, India. The gap between two Board Meetings did not exceed four months.

iii. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other Companies is given below.

Other directorships do not include alternate directorships, directorships of private limited Companies, Section 25 Companies and of Companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Name	Category	No. of Board Meetings held during the year 2011-12	No. of Board Meetings attended during the year 2011-12	Whether attended last AGM held on 26/09/2011	Director-ship in other companies	Chairmanship in Committees of Boards of other companies	Membership in Committees of Boards of other companies
Mr. Kamal Kumar Chaudhary	Promoter-Chairman-Executive Director	6	6	Yes	Nil	Nil	Nil
Mr. Sharad Kumar Gupta	Executive	6	6	Yes	Nil	Nil	Nil
Mr. Ashish Chaudhary	Promoter Non-Executive	6	6	Yes	Nil	Nil	Nil
Mr. Rohit Lohia	Non-Executive Independent Director	6	6	No	Nil	Nil	Nil
Mr. Rajesh Kumar Nagori	Non-Executive Independent Director	6	6	Yes	Nil	Nil	Nil
Mr. Vinod Kumar Jakhoria	Non-Executive Independent Director	6	6	No	Nil	Nil	Nil

Bloom Industries Ltd.

The Board Members are presented with relevant information on vital matters affecting working of the Company. All key decisions are taken only after detailed deliberations and discussions by the Board. The Board Members possess adequate experience, expertise and skills necessary to manage affairs of the Company in the most efficient manner. The Board acts with autonomy and independence in exercising strategic decision making process and discharging its fiduciary responsibilities.

iii. Details of Directors being re-appointed and appointed:

(1) Mr. Rohit Lohia who retires by rotation is proposed to be re-appointed as Directors at the ensuing Annual General Meeting.

(In pursuance of clause 49 of the Listing Agreement)

Name	:	Mr. Rohit Lohia
Age	:	23 year's
Qualification	:	B. Com.
Expertise	:	3 years Accounts
Other Directorships	:	Nil

(2) Mr. Vinod Kumar Jakhoria who retires by rotation is proposed to be re-appointed as Directors at the ensuing Annual General Meeting.

(In pursuance of clause 49 of the Listing Agreement)

Name	:	Mr. Vinod Kumar Jakhoria
Age	:	56 year's
Qualification	:	Secondary
Expertise	:	32 years in Business
Other Directorships	:	Nil

C. Board Committees :

As of 31st March, 2012 your Company has Three Board Committees. These are:

1. Audit Committee
2. Shareholders/ Investor Grievance Committee
3. Remuneration Committee

1. Audit Committee

- i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act 1956.
- ii) The terms of reference stipulated by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement as follows:
 - Overseeing the Company's financial reporting process and the disclosure of its financial information so as to ensure that the financial statements depict a true and fair view of the Company's affairs.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Reviewing with management the Annual Financial Statements before submission to the board, focusing primarily on:
 - (i) Any changes in accounting policies and practices,
 - (ii) Major accounting entries based on exercise of judgment by management,
 - (iii) Qualifications in draft Audit Report,
 - (iv) Significant adjustments arising out of audit,
 - (v) The going concern assumption,
 - (vi) Compliance with accounting standards,
 - (vii) Compliance with Stock Exchange and legal requirements concerning financial statements and
 - (viii) Any related party transaction i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential