



FOODS AND INNS LIMITED

Dulwich Mansion, 3rd Floor, 224, Tardeo Road, Tardeo, Mumbai - 400 007, India

40th Annual General Meeting

Date	: June 23, 2012
Day	: Saturday
Time	: 11.30 am.
Venue	: "LOTUS HALL", 30 th Floor, MVIRDC World Trade Centre, Centre 1, Cuffe Parade, Mumbai - 400 005.

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BOARD OF DIRECTORS

Mr. B. C. Dalal - Chairman (Alternate to Mr. George Gonszor)
Mr. Utsav Dhupelia - Managing Director
Mr. D. B. Engineer
Mr. C. M. Maniar
Mr. R. Simkins
Mr. D. D. Trivedi
Mr. Milan Dalal
Mr. Sriram Subramaniam (Nominee of Export-Import Bank of India) (Appointed w.e.f. May 2, 2011)
Mr. George Gonszor

EXECUTIVE COMMITTEE MEMBERS

Mr. B. C. Dalal - Chairman
Mr. Utsav Dhupelia
Mr. Milan Dalal

REGISTERED OFFICE & SHARES DEPARTMENT

Foods and Inns Building,
Sion - Trombay Road, Punjabwadi,
Deonar, Mumbai - 400 088.

ADVOCATES & SOLICITORS

Crawford Bayley and Co.,
State Bank Building,
N.G.N. Vaidya Marg,
Mumbai - 400 023.

BANKERS

Andhra Bank
State Bank of India
Bank of Maharashtra
Export-Import Bank of India
Corporation Bank
Bank of India

AUDITORS

B. S. Mehta and Co.,
Chartered Accountants
11/13, Botawala Building,
2nd Floor, Horniman circle, Fort,
Mumbai - 400 001.



NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTIETH ANNUAL GENERAL MEETING OF THE MEMBERS OF FOODS AND INNS LIMITED WILL BE HELD ON SATURDAY, JUNE 23, 2012 AT 11.30 A.M. AT "LOTUS HALL", 30TH FLOOR, MVRDC WORLD TRADE CENTRE, CENTRE 1, CUFFE PARADE, MUMBAI – 400 005 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2012 and the Profit & Loss Account for the period ended on that date along with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Milan B. Dalal, who retires by rotation, but being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Chetan M. Maniar, who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. George Gonszor, who retires by rotation, but being eligible, offers himself for re-appointment.
5. To appoint M/s B.S. Mehta & Co., 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 to fix their remuneration.

SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to provisions of clause 82 of Article of Association of the Company and Sections 198,269,309,310,317 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the terms of appointment of Mr. Utsav Dhupelia as Managing Director of the Company for a period of 3 years with effect from 15th February 2012 to 14th February 2015 (both days inclusive) on the terms and conditions of appointment as set out in the Explanatory Statement annexed to this Notice and that he be paid remuneration by way of salary, commission, perquisites and allowances as approved by the Board of Directors of the Company and the Remuneration Committee".

"RESOLVED FURTHER THAT the Board of Directors and Remuneration Committee be and are hereby authorized to alter, amend, vary, enhance or modify the scope and quantum of remuneration by way of salary, commission, perquisites and allowance of Mr. Utsav Dhupelia as they may deem proper from time to time considering the nature and scope of his responsibilities as shall be permissible and in conformity with applicable provisions of the Companies Act, 1956".

By Order of the Board
For **FOODS AND INNS LIMITED**

Mumbai,
May 22, 2012

Registered Office:

Foods and Inns Building
Sion-Trombay Road,
Punjabwadi, Deonar,
Mumbai – 400 088.

UTSAV DHUPELIA
MANAGING DIRECTOR

Registrar & Transfer Agents:

Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup – (W), Mumbai – 400 078.
Tel.No. (022) 25963838

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. (a) The instrument appointing a Proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time of holding the meeting.
(b) Corporate Members intending to send their authorized representative 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.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 20th June 2012 to 23rd June 2012. (both days inclusive).
5. The Members are requested to notify change of address, if any, to Foods and Inns Limited, Dulwich Mansion, 224, Tardeo Road, Mumbai – 400 007 or to (Link Intime India Pvt. Ltd., (Formerly Intime Spectrum Registry Ltd.) C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078, Registrar and Transfer Agents.
6. Members/Proxies are requested to bring their copy of the Annual Report and Attendance/Proxy Slip sent herewith duly filled in for attending the meeting to avoid inconvenience and delay at the time of registration and avoid being accompanied by non-members and children. Copies of annual report and attendance slip will NOT be available for distribution at the venue of the Meeting.
7. The Trading in Company's Shares has been made compulsory in dematerialized form effective 22nd February, 2002 for all class of investors. In view of the numerous advantages offered by the Depository System, shareholders are requested to avail the facility of dematerialization of the Company's Shares.
8. Members holding shares in dematerialized form should address all their correspondence including change of address, nominations, ECS mandates, bank details to be incorporated on dividend warrants, powers of attorney, etc. to their Depository Participant.
9. Consequent upon the introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend remaining unpaid/unclaimed for a period of 7 years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund to set up by the Govt. of India and no payment shall be made in respect of any such claims by the fund. Accordingly, the Company has transferred the unclaimed dividends upto the financial year ended 30th September, 2004 to Investor Education and Protection Fund.
10. The information required to be provided under the Listing Agreement entered into with the Stock Exchanges regarding the Directors who are proposed to be re-appointed / Directors seeking appointment at the Annual General Meeting is given hereunder :

(Item Sr.Nos. 2, 3 & 4 of the Notice)

Name	Mr. Milan B. Dalal	Mr. Chetan M. Maniar	Mr. George Gonszor
Date of Birth & Age	09.02.1962 (49)	04.12.1935 (76)	20.01.1949 (63)
Appointed on	28.04.2006	17.07.1979	30.04.2008
Qualifications	B.Com	M.A.,B.Com.,L.L.B	B.A.,M.A
Expertise/experience	Finance & General Management	Corporate & Commercial Laws	Banking & Finance
Shareholding	14550	300	NIL

Other Directorships / Committee Membership of Mr. Milan B. Dalal are as follows:

Name of the Company	Committee Membership	Board Membership
Bombay Swadeshi Store Ltd.	N.A.	Chairman
Bombay Store Retail Co. Ltd.	N.A.	Director
CFL Securities Ltd.	N.A.	Director
Frangipani Estates & Developers Pvt. Ltd.	N.A.	Director
Cifco Limited	N.A.	Director
Cifco Properties Pvt. Ltd.	N.A.	Chairman
Cifco Travels Pvt. Ltd.	N.A.	Chairman
Girishma Constructions & Trading Pvt. Ltd.	N.A.	Director
Muller & Phipps India Ltd.	N.A.	Director
Muller & Phipps Industrial Services Ltd.	N.A.	Director
Regent Publishers Pvt. Ltd.	N.A.	Director
Satyajyoti Holding Pvt. Ltd.	N.A.	Director
Swarnadhar Holdings Pvt. Ltd.	N.A.	Director
The Amalgamated Electricity Co. Ltd.	N.A.	Director
Tropical Securities & Investments Pvt. Ltd.	N.A.	Director
Western Press Pvt. Ltd.	N.A.	Chairman



Other Directorships / Committee Membership of Mr.Chetan M. Maniar are as follows:

Name of the Company	Committee Membership	Board Membership
Amsar Pvt. Ltd.	N.A.	Director
Financial Technologies India Ltd.	N.A.	Director
Godfrey Phillips India Ltd.	Member - Shareholder/Investor Grievance Committee	Director
Gujarat Ambuja Exports Ltd.		Director
Hindalco Industries Ltd.	Member - Audit Committee & Shareholder/Investor Grievance Committee	Director
Indo Euro Investment Company Ltd.	N.A.	Director
Indian Card Clothing Company Ltd.	N.A.	
Multi Commodity Exchange of India Ltd.	Member - Shareholder/Investor Grievance Committee	Director
MCX Stock Exchange Ltd.	Member- Shareholder/Investor Grievance Committee	Director
North Point Training & Research Pvt. Ltd.	N.A.	Director
Pioneer Invest Crop Ltd.	Member - Audit Committee and Shareholder/Investor Grievance Committee	Director
Sudal Industries Ltd.	N.A.	Director
TCPL Packaging Ltd.	Member - Audit Committee and Shareholder/Investor Grievance Committee	Director
Utkal Alumina International Ltd.	N.A.	Director
Varun Shipping Company Ltd.	Member - Audit Committee Chairman - Shareholder/Investor Grievance Committee	Director
Vadilal Industries Ltd.	N.A.	Director

The other Directorships / Committee Membership of Mr. George Gonszor are as follows:

Name of the Company	Committee Membership	Board Membership
	NIL	

By the Order of the Board
For **FOODS AND INNS LIMITED**

Mumbai,
May 22, 2012

Registered Office:
Foods and Inns Building
Sion-Trombay Road
Punjabwadi, Deonar
Mumbai 400 088.

UTSAV DHUPELIA
MANAGING DIRECTOR

ANNEXURE TO THE NOTICE

Explanatory Statement in respect of the Special Business as required under Section 173(2) of the Companies Act, 1956

Item No.6

The Remuneration Committee at its meeting held on 14th February 2012 had recommended appointment of Mr. Utsav Dhupelia as 'Managing Director' for a period of 3 years from 15th February 2012 to 14th February 2015 (both days inclusive) on the terms of remuneration set out in the Explanatory Statement. The Board of Directors, at their meeting held on 14th February, 2012 had approved the recommendations subject to the approval by the members at Annual General Meeting by way of Special Resolution. The Remuneration Committee and the Board of Directors are of the opinion that the appointment of Mr. Utsav Dhupelia as 'Managing Director' will be in the interest of the Company.

The material terms of remuneration payable to Mr. Utsav Dhupelia are as under:

1. Basic Salary:

₹ 3,50,000/- (₹ Three Lacs Fifty Thousand only) per month with such increases as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.

2. Commission

Commission not exceeding 3 % of net profits of the Company subject to ₹ 6 lacs p.a and will be payable only after the Annual Accounts of the Company have been adopted by the members of the Company.

3. Perquisites and allowances:

In addition to the salary, the following perquisites, allowances shall be allowed to the 'Managing Director'.

- (i) Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act.

- (ii) Gratuity at the rate of half month's salary for each completed year of service.
- (iii) Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed.
- (iv) Reimbursement of medical expenses incurred for self and family in India or abroad, including hospitalization, nursing home and surgical charges and in case of medical treatment abroad, the air fare, boarding/lodging for patient and attendant.
- (v) Reimbursement of actual traveling expenses for proceeding on leave twice in a block of four years in respect of himself and family.
- (vi) Reimbursement of membership fees for clubs in India or abroad, including any admission / life membership fees for the purpose of Company's business.
- (vii) Personal accident insurance policy in accordance with the scheme applicable to senior employees.
- (viii) Cost of insurance cover against the risk of any financial liability or loss because of any error of judgment, as may be approved by the Board of Directors from time to time.
- (ix) Reimbursement of entertainment expenses incurred in the course of business of the Company.
- (x) Free use of Company's car alongwith driver.
- (xi) Telephone including mobile phones, tele-fax and other communication facilities at company's cost at the residence.
- (xii) Subject to any statutory ceiling/s, the Managing Director may be given any other allowances, perquisites, benefits and facilities as the Board of Directors may decide from time to time.

4. Valuation of perquisites

Perquisites/allowances shall be valued as per Income-Tax Rules and in the absence of any such rules, shall be valued at actual cost.

5. Computation of ceiling

The following shall not be included in the computation of perquisites for the purposes of the ceiling:

- a) Contribution to Provident and Superannuation Funds referred to in para 3(i) above.
- b) Gratuity payable as per para 3(ii), to the extent of half a month's salary for each completed year of service.
- c) Encashment of leave at the end of the tenure as per para 3(iii) above.

6. Other terms:

- a) No sitting fees shall be paid to Mr. Utsav Dhupelia for attending the meetings of the Board of Directors or any Committee thereof, during his tenure as 'Managing Director' of the Company.
- b) Compensation for loss of office before the expiry of the terms of office would be payable to the 'Managing Director' as per the provisions of the Companies Act, 1956.

7. Minimum Remuneration:

The aforesaid remuneration in any one financial year shall not exceed the limits prescribed under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may, for the time being, be in force. Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the 'Managing Director', the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Commission and Perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Companies Act, 1956, whichever is lower.

Information required to be given to the Members as per Schedule XIII of the Companies Act, 1956.

General Information:

1.	Nature of Industry	Agro food processing
2.	Expected date of commencement of commercial production	N.A
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A being existing Company
4.	Financial performance based on given indicators	As per audited accounts for the period ended 31 st March 2012. Turnover: ₹ 381.15 crores Net Profit before depreciation and tax: ₹ 3,94,063. Profit/(Loss) after tax: ₹ (6,30,99,581)
5.	Export performance and net foreign exchange collaborations	Export turnover : ₹ 246.16 crores Export incentives: ₹ 11.98 crores Foreign Exchange Collaborations : Not Applicable
6.	Foreign investments or collaborators, if any	Not Applicable



Other information;

1.	Reasons for loss and inadequacy of profits	The company is exposed to specific risk of foreign currency that are peculiar to its business and the environment within which it operates. Company suffered a loss due reinstatement of outstanding liabilities in foreign currency which is notional in nature. These notional debits will be neutralized through subsequent period export sales. The company has earned operating profit without considering the above stated notional foreign exchange loss. The company is exploring the potential of new business avenues. Considering the countries strong economic outlook, your Directors expect better performance of the company in coming years.
2.	Steps taken or proposed to be taken for improvement	
3.	Expected increase in productivity and profits in measureable terms	

Information about Mr. Utsav Dhupelia to be appointed as 'Managing Director':

Mr. Utsav Dhupelia holds Degree in Commerce (B.Com.Hons) and is a Chartered Accountant (Finalist) from UK. He has over three decades experience in finance and international business. Prior to his appointment as Managing Director, Mr. Utsav Dhupelia was appointed as Director of the company on 28th July 1989 and was promoted as Vice Chairman on 24th December 2007. He is in charge of the overall management of your company subject to the directions, supervision and control of the Board of Directors of the company. He is also the promoter of the company. The Board is of the opinion that his appoint as Managing Director would be in the interest of your company.

Your Directors therefore recommend this Resolution for your approval. Mr. Utsav Dhupelia himself and his relatives are concerned or interested in this resolution.

None of the Directors of the Company, except Mr. Utsav Dhupelia is interested in this resolution.

For **FOODS AND INNS LIMITED**

Mumbai,

May 22, 2012

Registered Office:
Foods and Inns Building
Sion-Trombay Road
Punjabwadi Deonar
Mumbai 400 088.

UTSAV DHUPELIA
MANAGING DIRECTOR

DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure in presenting the 40th Annual Report of the Company together with audited accounts for the period of 18 months ended on 31st March, 2012.

1.1 FINANCIAL RESULTS

	2010-2012 (01-10-2010 to 31-03-2012) ₹	2009-2010 (01-10-2009 to 30-09-2010) ₹
Profit/(Loss) before tax	(5,83,32,646)	2,51,09,391
Provision for Taxation	Nil	62,06,000
Tax Adjustments of Earlier years	(1,32,81,395)	(20,34,524)
Deferred Tax	(39,20,000)	1,06,59,777
MAT Credit	(29,37,447)	(62,05,511)
Profit after tax	(3,81,93,804)	1,64,83,649
Prior period adjustments	2,49,05,778	Nil
Balance Brought Forward	3,47,49,493	3,10,54,987
Profits/(Loss) Available for Appropriation	(2,83,50,089)	4,75,38,636
Appropriations		
Proposed Dividend	Nil	23,91,876
Tax on Dividend	Nil	3,97,267
General Reserve	Nil	1,00,00,000
Balance Carried to Balance Sheet	(2,83,50,089)	3,47,49,493

2. OPERATIONS, MANAGEMENT DISCUSSION AND ANALYSIS:

- (i) During the period of 18 months ended on 31st March 2012, the turnover of the Company was ₹ 381.15 crores as compared to ₹ 208.57 crores for the year ended 30th September 2010. The Company suffered a loss before tax at ₹ 5.83 crores during the period against the profit before tax of ₹ 2.51 crores during the earlier year. The Company's exports during the period was ₹ 246.16 crores (₹ 138.12 crores) and domestic sale was ₹ 134.98 crores (₹ 70.46 crores). This translates into a ratio of 64.58% to 35.41% (66.22% to 33.78%) between exports and domestic sales.

A report on the Management Discussion and Analysis for the financial period under review is annexed and forms part of the report.

- (ii) An accidental fire due to electric short circuit took place at Chittoor factory resulting in loss of materials worth ₹ 1.16 crores. The claim was lodged with the Insurance Company and the same was settled by the Insurance Company for ₹ 1.13 crores on April 4, 2012.

3. DIVIDEND:

In view of the losses incurred during the period, your Directors do not recommend any dividend on Equity Shares for the period under review.

4. FUTURE PROSPECTS:

In view of current international scenario the Company is maximizing utilization of its enhanced capacities by aggressive efforts in the domestic and neighboring countries markets.

Company is continuing its efforts of reducing packing cost with innovative bulk packaging options.

Company is expediting its efforts on commissioning of new projects of value added products for improving the profitability..

5. AUDITOR'S REMARKS:

Utilization of the funds raised by the Company on short term basis for long term investments is due to losses suffered by the Company during the current financial period. The same is self explanatory and no separate comment is required on such utilization.

6. FIXED DEPOSITS FROM THE PUBLIC:

As on March 31, 2012, fixed deposits from the public and shareholders stood at ₹ 5.71 crores (Public ₹ 4.32 crores and ₹ 1.39 crores from a shareholder who is a relative of a Director). There are no overdue deposits.

As of March 31, 2012 public deposits amounting to ₹ 4.38 lacs had not been claimed by 19 depositors. Depositors are being intimated to either renew or claim their deposits.

7. CORPORATE GOVERNANCE:

The Company has complied with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges. A separate section on Corporate Governance, along with a certificate from the Practising Company Secretary for the compliance is annexed and forms part of this report.

8. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Accounting Standard AS-21, on consolidated financial statements, the audited consolidated financial statements are provided in the annual report.



9. SUBSIDIARY COMPANIES:

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. However the financial information of the Subsidiary Companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and those of the respective Subsidiary Companies. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Companies.

The Subsidiary Companies viz. M/s. Dravya Finance Limited and Asim Exports International Limited have incurred losses of ₹ 9,863/- & ₹ 86,053 respectively during the period ended 31st March 2012.

10. DIRECTORS:

Mr. Milan B. Dalal, Mr. Chetan M Maniar and Mr. George Gonszor, retire by rotation in accordance with the provisions of Companies Act and the Articles of Association of the Company and being eligible offer themselves for re-appointment.

Further, the Board of Directors, subject to shareholders approval, have appointed Mr. Utsav Dhupelia as Managing Director of the Company to look after the managerial functions under supervision, control and directions of the Board of Directors.

11. DIRECTORS RESPONSIBILITY STATEMENT:

As required under Section 217 (2AA) of the Companies Act, 1956 your Directors confirm that;

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) 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 at the end of financial period ended March 31, 2012 and of the loss of the Company for that period.
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors had prepared the Annual Accounts on a going concern basis.

12. PREFERENTIAL ALLOTMENT OF CONVERTIBLE WARRANTS

During the period under review, the Company allotted 1,22,220 Equity Shares of ₹ 10 each to Mr. Utsav Dhupelia, M/s Western Press Private Limited, and Mrs. Rekha Bhupen Dalal belonging to Promoter Group, consequent upon conversion of 2nd Tranche of Convertible Warrants at a price of ₹ 154 (including premium of ₹ 144 per share) being the price determined in accordance with SEBI (Disclosure & Investor Protection) Guidelines, 2000 on Preferential Issues and Listing Agreement. The proceeds of the Equity Shares issued by Company are being used for the purpose for which they were raised.

13. ENVIRONMENTAL & CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO:

The particulars prescribed by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 are furnished in the Annexure to this report.

14. PARTICULARS OF EMPLOYEES:

The information, as is required to be provided in terms of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules 1975 as amended is as under:

- a) Employed throughout the year and were in receipt of remuneration in aggregate of not less than ₹ 60,00,000 per annum - Nil
- b) Employed for part of the year and were in receipt of remuneration at the rate of not less than ₹ 5,00,000 per month - Nil

15. COMPLIANCE CERTIFICATE U/S 383A OF COMPANIES ACT, 1956:

The Company has obtained the Compliance Certificate from M/s. Sanjay Soman & Associates, Company Secretaries, as per the provisions of Section 383A of Companies Act, 1956 applicable as per amendment made on 13th December 2000.

16. AUDITORS:

The members are requested to appoint Auditors for the current year and fix their remuneration. M/s B. S. Mehta & Co., Chartered Accountants, the existing Auditors, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

17. ACKNOWLEDGEMENT:

The Company is grateful to its Bankers for timely financial help in all the Company's activities.

The relations between the employees and the Management have remained cordial during the year, and the Directors wish to place on record their appreciation, co-operation and support from employees at all levels.

By Order of the Board
For **FOODS AND INNS LIMITED**

Mumbai,
May 22, 2012

Registered Office:

Foods and Inns Building
Sion-Trombay Road, Punjabwadi Deonar Mumbai - 400 088.

UTSAV DHUPELIA
MANAGING DIRECTOR

MILAN DALAL
DIRECTOR

ANNEXURE TO THE DIRECTORS' REPORT

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

A . CONSERVATION OF ENERGY

- (a) Your Company continues to give high priority for conservation of energy on an on – going basis and to ensure optimum power consumption, to the extent possible.
- (b) Total energy consumption and energy consumption per unit of production is as per FORM A annexed.

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption are as per FORM B annexed.

C. FOREIGN EXCHANGE EARNINGS AND OUT GO

- (a) **Activities relating to exports: Initiatives taken to increase exports: development of new export markets for products and services and export plans:**

The Company is, at present exporting its products in industrial and consumer packs to U.K., Kuwait, Canada, Saudi Arabia, Yemen, Japan, Germany and West Asia. The Company is continuously exploring the possibilities of exporting more of its products to different markets.

- (b) **TOTAL FOREIGN EXCHANGE USED AND EARNED**

Total foreign exchange earnings and outgo for the financial period is as follows:

- | | | |
|------------------------------------|---|---|
| a. Total Foreign Exchange earnings | : | FOB value of exports ₹ 245,06,49,815
(Previous year ₹ 133,94,29,280) |
| b. Total Foreign Exchange outgo | : | ₹ 11,94,44,794
(Previous year ₹ 6,09,21,834) |



FORM –A

Form for disclosure of particulars with respect to conservation of energy:

PARTICULARS		2010-2012	2009-2010
A.	POWER AND FUEL CONSUMPTION		
1	Electricity		
a.	Purchased		
	Units (Nos)	34,43,393	19,52,313
	Total Amount	₹ 2,53,33,513	₹ 1,33,09,522
	Rate/Unit	₹ 7.36	₹ 6.82
b.	Own Generation		
i.	Through Diesel Generator		
	Units/Ltr.	4,13,181	3,33,306
	Total Amount	₹ 1,73,43,827	₹ 1,23,34,291
	Unit /Ltr. of Diesel oil	₹ 41.98	₹ 37.01
ii.	Through Steam Tubine/Generator		
	Unit	Nil	Nil
	Unit/Ltr. of Fuel Gases	Nil	Nil
	Cost/Unit	Nil	Nil
2	Coal		
	Quantity (Tonnes)	Nil	Nil
	Total Cost	Nil	Nil
	Rate/Unit	Nil	Nil
3	Furnace Oil (L.D.O.)		
	Quantity (Ltr)	7,96,149	7,59,596
	Total Cost	₹ 3,17,55,252	₹ 2,26,02,005
	Rate/Ltr	₹ 39.89	₹ 29.76
4	Others/Internal Generation		
	Qty (Kgs)	61,73,545	42,52,831
	Total Cost	₹ 2,25,28,824	₹ 1,36,73,110
	Rate/Kg	₹ 3.65	₹ 3.22
B.	CONSUMPTION PER UNIT OF PRODUCTION		
	Products (with details)		
	Electricity –		0.880
	Fruit Powder (Unit/Kg)	0.81	
	Pulp, Paste & Fruit Juice (Unit/Kg)	0.0064	0.044
	Furnace Oil –		1.100
	Fruit Powder (Unit/Kg)	0.90	
	Pulp, Paste & Fruit Juice (Unit/Kg)	0.016	0.018
	Coal-		
	Others –		9.67
	Fruit Powder (Unit/Kg)	7.94	
	Pulp, Paste & Fruit Juice (Unit/Kg)	0.14	0.13