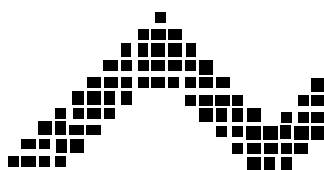


16th
ANNUAL REPORT
2010-11



NIMBUS FOODS INDUSTRIES LIMITED

**SIXTEENTH ANNUAL REPORT 2010-11****BOARD OF DIRECTORS:**

Shri Amit Khaksa (Sharma)	<i>Joint Managing Director</i>
Shri Deepak Sharma	<i>Director</i>
Shri Bhaychand Prajapati	<i>Director</i>
Shri Sharad Khandelwal	<i>Additional Director (w.e.f. 14/02/2011)</i>
Shri Vishnu Sharma	<i>Managing Director (upto 13/04/2011)</i>
Shri Shyam Kishore Delhiwala	<i>Director (upto 14/02/2011)</i>

BANKERS:

State Bank of India

AUDITORS:

M/s, B. S. Rajput & Associates
Chartered Accountants
Ahmedabad

REGISTERED OFFICE:

Plot No. B-13 & 14,
Phase- II, GIDC Industrial Area,
Naroda, Ahmedabad-382330
Website : www.nimbusfoods.in
E-mail: info@nimbusfoods.in

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NOTICE

NOTICE is hereby given that the SIXTEENTH ANNUAL GENERAL MEETING of the members of **NIMBUS FOODS INDUSTRIES LIMITED** will be held as scheduled below:

Date : 24th September, 2011

Day : Saturday

Time : 11:00 AM

Place : At the Registered Office of the company at:

Plot No. B-13 & 14, Phase-II, GIDC Industrial Area, Naroda, Ahmedabad -382 330

To transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt Audited Profit and Loss Account for the Financial Year 2010-11 ended on 31st March, 2011 and the Balance sheet as on that date along with Director's Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Bhaychand G. Prajapati who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of Next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. Appointment of Mr. Sharad Khandelwal as a Director of the company.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Sharad Khandelwal who was appointed as an Additional Director of the Company with effect from 14/02/2011 and who holds the office up to the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."

Registered Office:

Plot No. B-13 & 14,
Phase -II, G.I.D.C Industrial Area,
Naroda, Ahmedabad 382330
Date : 12/08/2011

By Order of the Board,

Amit Khaksa (Sharma)
Jt. Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. Pursuant to Section 154 of the Companies Act, 1956, Register of Members and Shares Transfer Books of the Company will remain closed from **Friday, 16th Sept, 2011 to Friday, 23rd Sept, 2011 (both Days inclusive)**.
3. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
4. Members are requested to:
 - a) Intimate, if shares are held in the same name or in the order and names, but in more than one account to enable the Company to club the said accounts into one account.
 - b) Notify immediately the change in their registered address, if any, to the Company.
5. The Equity Shares of the Company are available for dematerialisation. Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. **The ISIN No. of the Equity Shares is INE301B01020.**

**Brief resume of the Director seeking re-election at the 16th Annual General Meeting**

Name	Mr. Bhaychand G. Prajapati
Age (Date of Birth)	01-06-1961
Date of Appointment	31-08-2009
Qualification and experience in specific functional area	Diploma holder in the field of Company Law and Tax Management and having more than 22 years of experience in the related field. Presently he is practicing as VAT consultant.
Directorship held in other companies	None
Membership/Chairmanships of Committee in other Public Companies	None

Brief resume of the Director seeking election at the 16th Annual General Meeting

Name	Mr. Sharad Khandelwal
Age (Date of Birth)	26-10-1970
Date of Appointment	14-02-2011
Qualification and experience in specific functional area	Masters degree in the field of Taxation and having 17 years of experience in the related field.
Directorship held in other companies	None
Membership/Chairmanships of Committee in other Public Companies	None

ANNEXURE TO THE NOTICE:**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.**

In conformity with the provisions of section 173(2) of the Companies Act, 1956, following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item No. 4 of the accompanying notice dated 12th August, 2011 and should be taken as forming part of Notice.

Item No. 4

Under section 260 of the Companies Act, 1956, Mr. Sharad Khandelwal was appointed as an Additional Director of the Company in the Meeting of the Board of Directors held on 14th February, 2011. Mr. Sharad Khandelwal holds his office upto the date of ensuing Annual General Meeting. Due notice under section 257 of the Act has been received alongwith requisite fee from a member proposing the appointment of Mr. Sharad Khandelwal as Director of the Company liable to retire by rotation.

None of the Director of the Company except Mr. Sharad Khandelwal is concerned or interested in this resolution. The Board of Directors recommends the resolution for approval of shareholders.

Registered Office:

Plot No. B-13 & 14,
Phase -II, G.I.D.C Industrial Area,
Naroda, Ahmedabad 382330
Date : 12/08/2011

By Order of the Board,

Amit Khaksa (Sharma)
Jt. Managing Director

**DIRECTORS' REPORT**

Dear Shareholders,

The Directors present the SIXTEENTH ANNUAL REPORT together with the Audited Statement of Account for the Financial Year 2010-11 ended on 31st March, 2011.

1. Financial Results :

	Rs. in Lacs	
	2010-11	2009-10
Operating Profit / (Loss) (Before Interest & Depreciation)	55.80	52.21
Less: Interest	2.09	1.43
Profit/(Loss) before Depreciation	53.71	50.78
Less: Depreciation	16.62	25.56
Profit / (Loss) before Extraordinary items	37.09	25.22
Less: Loss on Sale of Investment / written off Advances	—	—
Profit / (loss) before Tax	37.09	25.22
Less: Provision for Taxation	11.00	8.00
Add/Less: Deferred Tax Assets/provision	1.82	(0.60)
Net Profit / (Loss) after Tax	24.27	17.82
Less: Prior Period Adjustment	—	—
Less: Short or excess provision of taxation of earlier year	0.34	0.64
Less: Extra Ordinary Items	—	—
Add: Balance brought forward from previous year	33.54	16.37
Profit / (Loss) carried to Balance Sheet	57.47	33.54

2. DIVIDEND:

In view of insufficient profits earned during the year under review and also to conserve the resources for the expansion of the activities and working capital requirement of the Company, the Board of Directors have not recommended dividend for the year under the review.

3. Operations :

The Company is in the business of Bread and Bakery products. The Company has franchisee agreement with Hindustan Unilever Limited for manufacturing and marketing of Modern Bread in Gujarat. Your Company has also started to develop its own products and presently such development is in the bakery related items like toast, khari and biscuits. Your company has set up a new unit for Bread and other bakery related products at Jaipur (Rajasthan) on lease basis and has commenced its commercial production from 21st July, 2010. The Bread which is being manufactured at Jaipur Unit is launched in the Jaipur and nearby market with the name "Nimbus". This new unit is having total production capacity of **1,10,00,000** breads per annum. The Company is also planning to set-up 25 retail outlets at Jaipur City as "Live Bakery Shop", and also exploring the opportunity to enter into new territory. The details of such developments will be informed to you from time to time.

The Company Earned Operating Profit of Rs.55.80 lacs during 2010-11. As the Company had to provide for interest of Rs.2.09 lacs during the year under review, the Profit before Depreciation stood at Rs.53.71 lacs during the year under review. The Company provided Rs. 16.62 lacs for Depreciation and, therefore, Profit before tax stood at Rs. 37.09 lacs during the year under review. After taking into account Provision for taxation, Deferred Tax Assets and prior period adjustments, extra ordinary items the Net Profit for the year under review stood at Rs. 23.93 lacs.

**4. FUTURE PLANS :**

Your directors are continuously looking for the expansion of the business of the Company and for that as explained earlier the Board is looking for expansion into its present business by acquiring control over other bakery manufacturing companies. The Board is also looking for expansion into snacks industry and for that presently concentrating on various types of Namkeen, chips and other fried snacks.

5. DIRECTORS :

One of your Director Mr. Bhaychand G. Prajapati retires by rotation in terms of Articles 137, 138 and 139 of the Articles of Association of the Company, He however, being eligible, offers himself for reappointment.

During the year Mr. Shyamkishore Delhiwala has resigned and Mr. Sharad Khandelwal has been appointed as an Additional Director of the Company on 14/02/2011.

6. DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the requirement of Section 217 (2AA) of the companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed 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 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 the state of affairs of the Company at 31st March, 2011 being end of the financial year 2010-11 and of the Profit of the Company for the year.
- (iii) The Directors have taken proper and sufficient care for 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.
- (iv) The Directors have prepared the annual accounts on a going concern basis.

7. LISTING :

The Equity shares of the Company are listed on Ahmedabad and Bombay Stock Exchanges. The Company has paid Annual Listing Fees of Bombay Stock Exchange Ltd. up to the year 2011-12 and listing fees of Ahmedabad Stock Exchange is outstanding. The Company is regular in complying with the Listing Agreement entered into with the Stock Exchange.

8. COMPLIANCE CERTIFICATE :

The Company has obtained Compliance Certificate under the provisions of section 383A of the Companies Act, 1956 from M/s Khandelwal Devesh & Associates, Company Secretaries and the same is attached with this Report as Annexure.

9. CORPORATE GOVERNANCE :

The Report on Corporate Governance required under Clause 49 of the Listing Agreement is annexed.

10. GENERAL :**10.1 INSURANCE:**

The Company's properties continue to be adequately insured against risks such as fire, riot, strike, civil commotion, malicious damages etc.

10.2 AUDITORS :

The present Auditors of the Company M/s. B.S.Rajput & Associates, Chartered Accountants', Ahmedabad were appointed as Auditors and will retire at the ensuing Annual General Meeting. M/s. B.S. Rajput & Associates, Chartered Accountants, have submitted certificate for their eligibility for appointment under Section 224(1B) of the Companies Act, 1956. The notes and remarks of Auditors' are self-explanatory.

10.3 PARTICULARS OF EMPLOYEES :

There is no person drawing remuneration requiring disclosure under Section 217(12-A) of the Companies Act, 1956.



10.4 DEPOSITS :

During the year the Company has not accepted any deposit to which the provisions of section 58A of the Companies Act, 1956 are applicable.

11. PARTICULARS AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 IS AT ANNEXURE-I:

12. ACKNOELEDGEMENT :

Your Directors express their sincere gratitude for the assistance and co-operation extended by promoters, Banks, Government Authorities, Employees and Shareholders.

For and on behalf of the Board

Place : Ahmedabad
Date : 12/08/2011

AMIT KHAKSA (SHARMA)
Jt. Managing Director

ANNEXURE TO DIRECTOR'S REPORT:

1. CONSERVATION OF ENERGY :

- A. Energy Conservation measures taken: The Company gives top most priority to energy conservation and has undertaken continues measures in this respect which has shown positive result. New measures are planned to achieve further reduction in energy consumption.
- B. Additional investment and proposal if any being implemented for reduction in consumption of energy : NIL
- C. Energy consumption in terms of electricity, LDO and Gas has been increased.
- D. Total energy consumption and energy consumption per unit of production: **Form A is annexed.**

2. TECHNOLOGY ABSORPTION :

- A. **Adoption and innovation:** Only the latest technology has been adopted in the Company.
- B. **Research and development (R & D)** : NIL

3. FOREIGN EXCHANGE EARNINGS AND OUT GO : NIL

FORM – A

Disclosure of particulars with respect to Conservation of Energy

A. POWER AND FUEL CONSUMPTION

S.No.	Particulars	2010-11	2009-10
1.	Electricity :		
	Purchased Units (kwh/lacs)	1.43	1.26
	Total Amount (Rs. in Lacs)	8.24	7.50
	Rate / Unit (Rs.)	5.76	5.95
2.	LDO : (Light Diesel Oil)		
	Purchased (Ltr./ lacs)	NIL	NIL
	Total Amount (Rs. in Lacs)	NIL	NIL
	Rate / Ltr (Rs.)	NIL	NIL
3.	GAS :		
	Total Calorific / lacs	1.42	1.29
	Total Amount (Rs. in Lacs)	32.68	27.59
	Rate / Ltr (Rs.)	23.01	21.42

B. CONSUMPTION PER UNIT OF PRODUCTION :

Production of Bread & Bakery (Kg)	2468075	2700422
Total Consumption Cost per Kg	1.66	1.42

**COMPLIANCE CERTIFICATE**

To,
NIMBUS FOODS INDUSTRIES LTD.
Ahmedabad.

We have examined the registers, records, books and papers of **NIMBUS FOODS INDUSTRIES LTD.**, as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2011**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under and all entries have been duly recorded.
2. The company has duly filed forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, however the Company did not require to file any forms and returns to Regional Director, Central Government and Company Law Board during the financial year.
3. The Company being Limited Company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met Six times on 15/05/2010, 29/07/2010, 09/08/2010, 27/09/2010, 29/10/2010 and 14/02/2011 in respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose. No circulation resolutions were passed during the year under consideration.
5. To update the Register of Members for the purpose of AGM, the company has closed its Register of Members and Share Transfer Books from 21/09/2010 to 25/09/2010 (both days inclusive).
6. The Annual General Meeting for the financial year ended on 31/03/2010 was held on 25th September, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the minute book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the year.
8. As informed by the Management, during the year under review, the Company has advanced to firms or companies referred to under section 295 of the Act and complied with the provisions of the Act.
9. The company has duly complied with the provisions of section 297 of the Act in respect of the contracts specified in that section.
10. As per auditor's report the Company has taken loan from the Companies covered in the register maintained under section 301 of the Companies Act, 1956 and the Company has complied with the necessary provisions of the Act.
11. No transaction was entered into by the Company during the year requiring approval under section 314 of the Act.
12. No Duplicate share certificate was issued during the year.
13. The Company has;
 - i) delivered all the share certificates lodged with it for transfer in accordance with the provisions of the Act;
 - ii) not declared any dividend for the Year ended on 31.03.2011;
 - iii) not required to post warrants to any members of the Company as no dividend was declared during the year;
 - iv) no such unclaimed / unpaid amount required to be transferred to Investors Education and Protection Fund;
 - v) duly complied with the requirements section 217 of the Act.
14. The Board of Directors of the company is duly constituted. The Company has appointed Mr. Sharad Khandelwal as an Additional Director during the year and Mr. Shyamkishore Delhiwala resigned from the Board of Directors of the Company during the year. Apart from this there was no appointment of alternate directors and directors to fill casual vacancy during the financial year.



15. The Company has not appointed Managing Director during the financial year under review.
16. No sole selling agent was appointed during the year.
17. The Company was not required to obtain necessary approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authority as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any equity shares, debentures and other securities during the financial year.
20. The Company has not bought back any shares during the year.
21. The Company has not issued any preference shares/debentures and therefore redemption of the same does not arise.
22. The Company has not kept any rights to dividends or right/bonus shares in abeyance during the year.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The borrowings of the Company are within the limits as prescribed under section 293(1) (d) of the Act.
25. The Company has made loan or advances or made investments or given guarantee or provided securities to other bodies corporate and consequently entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum of Association with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum of Association with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of Memorandum of Association with respect to the name of the company during the year under scrutiny.
29. The company has not altered provisions of Memorandum of Association with respect to the Share Capital of the company during the year under scrutiny.
30. The company has not altered Articles of Association during the year under scrutiny.
31. As per the information provided by the management of the company, no prosecutions were initiated against the company and no show-cause notices were received for alleged offences under the Act and no fines, penalties and punishments were imposed on the company in any cases as per information and explanations received from the management.
32. The company has not received any money as security from its employees during the year under certification.
33. As per the information provided by the management of the company, it has generally deposited both employees' and employer's contributions to Provident Fund with prescribed authorities within the time limits pursuant to section 418 of the Act.

For, Khandelwal Devesh & Associates
Company Secretaries

Devesh Khandelwal
Proprietor

Place : Ahmedabad
Date : 12/08/2011

M.No. : 12372
COP No. : 4202

**Annexure A**

Registers as maintained by the Company:

1. Members Register u/s 150 of the Act.
2. Share Transfer Register u/s 111A of the Act.
3. Directors Register u/s 303 of the Act.
4. Register of Directors Holding u/s 307 of the Act.
5. Register of Contracts u/s 301 of the Act.
6. Register of Disclosure by Directors u/s 301(3) of the Act.
7. Board Meeting Minutes and General Meeting Minutes.
8. Register of Investments u/s 372A of the Act.
9. Fixed Assets Register.

Annexure B

Forms and returns as filed by the company with the Registrar of Companies, Regional Director, central Government or other Authorities during the Financial Year ending on 31st March, 2011

Sr. No.	Description of Document	Filed under Section	Date of Filing and SRN No.	Whether filed under prescribed time (Yes/No)	If delay in filing whether requisite additional fee paid
1	Form 23AC and 23ACA (Balance Sheet - 2009-10)	210	26/09/2010 P52936937	Yes	No
2	Form 66 (2009-10)	383A	26/09/2010 P52933991	Yes	No
3	Form 20B (Annual Return-2009-10)	159	29/09/2010 P53149746	Yes	No
4	Form 32 for Appointment of Mr. Sharad Khandelwal as Additional Director and Cessation of Mr. Shyamkishore Delhiwala	303(2)	11/03/2011 B07584006	Yes	No
5	Form 25C for Vishnu Sharma	269(2)	5/11/2010 A97035141	No	Yes
6	Form 25C for Amit Khaksa (Sharma)	269(2)	5/10/2010 A94914173	No	Yes

**For, Khandelwal Devesh & Associates
Company Secretaries**

**Devesh Khandelwal
Proprietor**

Place : Ahmedabad
Date : 12/08/2011

M.No. : 12372
COP No. : 4202