

18TH

**Ann al Report
2011-2012**

SPECTRUM FOODS LIMITED

L-5, B - II, Krishna Marg, C-Scheme, JAIPUR - 302001

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BOARD OF DIRECTORS

Shri Anuj Kumar Samdhani

Director (Non-Executive)

Shri Navar Singh Parmar

Director (Non-Executive)

Shri Atul Kharbanda

Director (Executive)

Shri Vijay Kumar

Director (Executive)

COMPLIANCE OFFICER

Mr. Rohit Pareek

Statutory Auditors

N.Kataria & Associates

Chartered Accountants

109-110, Pinkcity Towers, Nr Peetal Factory,
Jhotwara Road, Jaipur

Corporate Advisors

Naredi Vinod & Associates

Company Secretaries ,
Jaipur Tower, M.I.Road
Jaipur-302 001

Registered Office

'Surya House'

L-5, B – II, Krishna Marg,
C-Scheme, Jaipur 302001,
(RAJASTHAN)

Bankers

HDFC Bank Ltd
State Bank of Bikaner & Jaipur

Registrar & Share Transfer Agent

Beetal Financial & Computer Services (P) Ltd

"Beetal House", 3rd floor, 99, Madangir,
Behind Local Shopping Centre
Near Dada Harsukhdas Mandir, New Delhi-110062
Tel: 011 2996 1281/82 Fax: 011 2996 1284

NOTICE

Notice is hereby given that 18th Annual General Meeting of the members of **Spectrum Foods Limited**, will be held on Friday, the 14th day of September, 2012 at 3:00 P.M. at Surya House, L-5, B - II, Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan, 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, Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anuj Kumar Samdhani who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint M/s. N. Kataria & Associates, Chartered Accountants, the retiring Auditors of the Company, who shall hold office from the conclusion of Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Date: 16.08.2012
Place: Jaipur

BY ORDER OF THE BOARD

Sd/-
(Vijay Kumar)

Director

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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM, IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, FILLED AND SIGNED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. Members and Proxies are requested to bring their admission slips duly filled in for attending the meeting.

3. Beetal Financial & Computer Services (P) Ltd. is the Registrar and Share Transfer Agent (RTA) for physical shares and is also the depository interface of the Company with both CDSL and NSDL.
4. Shareholders holding shares in the certificate form are requested to notify/send the followings to Beetal Financial & Computer Services (P) Ltd. to facilitate better servicing:
 - Any change in their address/ mandate/ bank details,
 - Particulars of their bank account, in case the same have not been furnished earlier, and
 - Share certificates held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.
6. The shareholders, who have not converted their shares in demat form, are requested to do so.
7. The documents referred to in the proposed resolutions are available for inspection at the registered office of the Company during working hours between 10.00 a.m. to 1.00 p.m. except on holidays.
8. Queries on accounts and operations may please be sent to the Company 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
9. The register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 8th day of September, 2012 to Friday, the 14th day of September, 2012 (Both days inclusive).
10. Members are requested to bring their personal copy of Annual Report to the Meeting.

Date: 16.08.2012

Place: Jaipur

BY ORDER OF THE BOARD

**Sd/-
(Vijay Kumar)
Director**

ANNEXURE TO THE NOTICE OF 18th AGM

Details of Directors seeking appointment/re-appointment in the Annual General Meeting to be held on 14th September, 2012, pursuant to Clause 49 of Listing Agreement:

Name of Director	Shri Anuj Kumar Samdhani	Shri Atul Kharbanda	Shri Natvar singh Parmar	Shri Vijay Kumar
Date of Birth	05.12.1977	17.04.1974	15/06/1972	15/06/1972
Date of Appointment	24.02.1997	30.01.2009	12/04/2011	13/01/2011
Designation	Director	Director	Director	Director
Qualifications	Graduate	Graduate		
Directorship held in other Public Limited companies	Nil	Nil	Nil	Nil
Membership/Chairmanship of Committees of other public companies	Nil	Nil	Nil	Nil

DIRECTORS' REPORT

**To,
The Members,
Spectrum foods Ltd.,**

Your Directors are pleased to present the 18th Annual Report and the Audited Accounts of the Company for the year ended March 31, 2012

FINANCIAL RESULTS

The financial result of the Company for the year under report as compared to the previous year are summarised below:

	(Rs. In lacs)	
Particulars	Period ended	Period ended
	31.03.2012	31.03.2011
Total Income	14,126,328	1,86,74,080
Profit (loss) before Depreciation & Taxation	1,215,458	1,45,12,459
Depreciation	--	--
Profit before Tax	1,215,458	1,45,12,459
Taxation (Earlier year & Deferred Taxation)	2,25,000	1,70,654
Profit (loss) after Tax	990,458	1,43,41,805

TURNOVER, PROFITS & FUTURE PROSPECTS

The total income during the year under review was Rs Lacs as against Rs 990,458 in the previous year. The Company incurred a loss Rs. Lacs as against Rs. 1,43,41,805 last year.

DIVIDEND

In view of the financial position of the Company, your Directors do not recommend payment of any dividend for the year ended on 31st March, 2012.

BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Mr. Anuj Kumar Samdhani retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

In accordance with the provisions of the Companies Act, 1956, and the Articles of Association of the Company, Shri Atul Kharbanda, who was appointed as an Additional Director under Section 260 of the Act and is liable to hold office upto the ensuing Annual General Meeting, being eligible offers himself for re-appointment. The Company has received necessary notice under Section 257 of the Act. Your Board of Director recommends his re-appointment.

AUDITORS AND AUDITOR'S REPORT

M/s N. Kataria & Associates, Chartered Accountants, Jaipur, Auditors of the Company retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

The Company has received the necessary certificate from them pursuant to 224 (1B) of the Companies Act 1956, regarding their eligibility for re-appointment. Accordingly, approval of members is being sought at the forthcoming Annual General Meeting.

The report is self-explanatory and does not call for any explanation.

LISTING AT STOCK EXCHANGE

The Equity Shares of the Company are listed at Jaipur, Mumbai, Ahmedabad, Delhi and Calcutta.

PARTICULARS OF EMPLOYEES

There are no Employees in the Company whose particulars are required to be disclosed under Section 217(2A) of the Companies Act, 1956 read with rules there under.

FIXED DEPOSITS

During the year under review, your Company has not invited any fixed deposit from the public in the terms of the provision of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The particulars regarding foreign exchange earning and expenditure, conservation of energy, research and development and technological absorption are set out in the 'Annexure A' to this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The report on Management Discussion and Analysis as required under the Listing Agreements with the Stock exchange is set out as 'Annexure B' to the Director's Report.

CORPORATE GOVERNANCE REPORT

The Company has complied with all the mandatory requirements of Corporate Governance specified by Securities & Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement. As required by the said clause, a separate Report on Corporate Governance forms part of the Annual Report of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the companies Act, 1956, your Directors confirm that:

- 1- In the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departure.
- 2- The Directors have selected such accounting policies & applied them consistently & made judgment & estimates that are reasonable & prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year & of the Profits of the Company for the year.
- 3- The Directors have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company & for preventing & detecting fraud & other irregularities.
- 4- the Directors have prepared the accounts for the year ended 31st March, 2012 on a 'going concern basis'.

COMPLIANCE CERTIFICATE:

As per the requirement of Section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a Certificate from M/s. Naredi Vinod & Associates, Company Secretaries in Whole-time Practice, confirming that the Company has complied with the provisions of the Companies Act, 1956 and a copy of the Compliance Certificate is annexed to this report. It is proposed to appoint, M/s Naredi Vinod & Associates Company Secretaries in Whole-time Practice, for issuance of Compliance Certificate, for the financial year 2011-2012.

ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the co-operations received from its Bankers, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the executive, staff and workers of the Company.

For and on behalf of the Board of Directors

Date: 16.08.2012
Place: Jaipur

Sd/-
Anuj Kumar Samdhani
(Director)

Sd/-
ATUL KHARBANDA
(Director)

ANNEXURE “A” TO THE DIRECTORS' REPORT:

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

During the year under review, your Company has not made any expenditure for the conservation of energy, research and development as the company is only trading Company. However, the Company is conscious to comply with the same as and when the need for the same falls due.

Foreign Exchange Earning – Nil

Foreign Exchange Outgo -- Nil

ANNEXURE “B” TO THE DIRECTORS' REPORT:

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The management of the Company is pleased to present its analysis on the Company's performance and its outlook, opportunities and challenges prepared in compliance with the Corporate Governance requirement as laid down in the listing agreement.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company proposed to capture the growth potential in FMCG products by entering in retailing of the same.

OUTLOOK

Company continues to enjoy strong support from its promoters. As the Company has entered into the manufacturing of spices and Industrial and edible Salt arena, the business is poised to grow well in to the future. The Company is also planning to enter in the retail market by distribution the FMGC products.

OPPORTUNITIES, THREATS, RISK AND CONCERNS

Company is planning to launch Salt under “MAYUR” brand name and is poised to capture a large market share. Initially the production will be outsourced and soon company is planning to set up a 2,00,000 M.T. Salt Refinery Project using state of the art technology.

CHALLENGES

Now the Company is working on building its own brand image. The Company is also setting up its own network for marketing and selling its spices and industrial salt. The brand building image will require recruitment of high quality manpower and setting up of distribution network on large scale. The management is also contemplating of taking steps for cost reduction in order to improve the financial position.