

NIMBUS INDUSTRIES LIMITED

**ANNUAL REPORT
2009- 2010**

CERTIFIED TO BE TRUE

A handwritten signature in black ink, appearing to be 'R. J. ...', is written over the 'CERTIFIED TO BE TRUE' text. There is a small 'x' mark below the signature.

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DIRECTORS	
Mr. Nimish Thakore Mr. Sandeep Sheth Mr. Rajesh Bhagat	
BANKER	
HDFC KANDIVLI BRANCH MUMBAI	
AUDITOR	
M/s. N.L. Upadhyaya & Co.	
REGISTERED OFFICE	
B/602, Sahyog Apartment, Above Central bank of India, S.V. Road, Kandivli (West), Mumbai – 400 067	

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of Nimbus Industries Limited will be held as under :

DAY: Saturday
DATE: 4th September, 2010
TIME: 11.00 A.M.

VENUE: B/602, Sahyog
Apartment, Above
Central Bank of India,
S. V. Road, Kandivli-
(W). Mumbai-400067

To transact the following business:

ORDINARY BUSINESS:

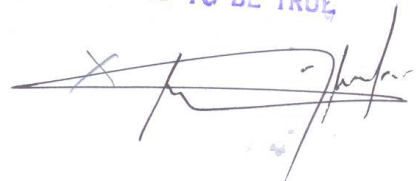
1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2010, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajesh Bhagat, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, to authorize the Board of Directors to fix their remuneration.

Date : 2nd August, 2010
Place : Mumbai

**By the order of the Board
For Nimbus Industries Limited**

**Nimish Thakore
(Director)**

CERTIFIED TO BE TRUE



Notes:

1. A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote on a poll on his behalf .A proxy need not be a member of the company .Proxies in order to be effective, must be received at the Registered Office of the company not less than Forty Eight hours before the meeting.
2. Members are requested to notify any correction /change in their name /address including Pin Code number immediately to the Companies Register.
3. Members are requested to kindly mention their Folio Number in all their correspondence with the Companies Register in order to reply to their queries promptly.
4. Members are requested to bring the Notice of the meeting along with the Attendance slip with them duly filled in and hand over the same at the entrance of the Meeting Hall.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd August, 2010 to 27th August, 2010 (both days inclusive).
6. Information required to be furnished under the Listing Agreement.
As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed/reappointed are given below:

1) Name : Mr. Rajesh Bhagat

Date of Birth: 03/08/1962

Qualification : H.S.C

Directorship : NIL

Expertise : Administration

DIRECTORS' REPORT

Your Directors are pleased to present the Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2010.

SUMMARISED FINANCIAL RESULTS:

(Rs.)

Particulars	Year ended 31.3.2010	Year ended 31.3.2009
Income	689,958,901	599,015,262
Other Income	800,000	NIL
Total Expenditure	687,022,259	598,386,759
Profit before tax	3,736,642	6,28,503
Balance brought forward from previous year	(7,889,880)	(8,455,383)

THE YEAR UNDER REVIEW

During the year 2009-2010 company has witnessed a substantial growth rate with a profit before tax of 37.37 Lakhs as compared to the previous years profit of 6.28 Lakhs which amounts to a 15 % growth.

AUDITORS REPORT

The Auditors have not made any qualification to the financial statement, in their reports or relevant notes on accounts, which are self explanatory and do not call for any comments under section 217 (3) of the companies Act, 1956.

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

A. CONSERVATION OF ENERGY:

- Energy Conservation measures taken: Adequate Steps has been taken for energy conservation.
- Additional Investments and Proposals, if any, being implemented for implemented for reduction of consumption of energy: On a periodic basis necessary corrective steps have been taken for replacement of old equipments.
- Impact of the measures as above for reduction of energy consumption and consequential impact on the cost of production of goods: The company is making efforts for making savings in the cost of production.
- Total energy consumption per unit of production : Not Identifiable

B. TECHNOLOGY ABSORTION: Not Applicable

C. FOREIGN EXCHANGE EARNING AND OUTGO

Total foreign exchange used and earned:- Not Applicable

FIXED DEPOSITS

As on 31.03.2010, the company held no deposit in any form from anyone. There was no deposit held by the company as on 31.03.2010 which was overdue or unclaimed by the depositors. For the present the board of directors have resolved not to accept any deposits from public, shareholders and others.

DIRECTORS

Mr. Rajesh Bhagat - Director liable to retire by rotation and being eligible offer himself for re-appointment.

DIVIDEND

In view of the carry forward losses incurred in the earlier years, the board regrets its inability to declare any dividend for the year under review.

AUDITORS

The retiring Auditors M/s. N.L. Upadhyaya & Co.- Chartered Accountants, Mumbai, have been appointed to hold office till the conclusion of the next Annual General Meeting. They have furnished a certificate to the effect that the proposed re-appointment, is in accordance with the limits specified U/s. 224(1B) of the Companies Act, 1956.

PERSONNEL

The information pursuant to section 217 (2A) of the companies Act, 1956 and rules framed there under there was no employee falling under the category, hence no statement/particulars of employees, have been annexed to this report.

HUMAN RESOURCES

Your Directors would like to place on record their deep appreciation of all employees for rendering quality services to every constituent of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and

prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;

- (iii) That the Directors 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;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March 2010 on a 'going concern' basis.

ACKNOWLEDGEMENTS

The Directors place on record their appreciation for co-operation and support extended by the Government, Banks, Shareholders, and customers for their continued support extended to the company at all times.

The Directors further express their deep appreciation to all employees for commendable teamwork, high degree of professionalism and enthusiastic effort displayed by them during the year

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Nimish Thakore
Chairman

Rajesh Bhagat
Director

Place: Mumbai
Dated: 02.08.2010

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL REVIEW:

During the year under review, the Company earned an income of Rs. 69.07 Crores of which a major portion comprised of income from sales. After providing for Income Tax, profit for the year review after tax was Rs. 25.82 lacs as compared to the previous years profit of Rs.5.65 Lakhs

OUTLOOK:

2010 is expected to be the year of consolidation for Indian Economy following the global credit crisis and poor monsoon in the previous year. The GDP growth is likely to be strong with a possible support from the agricultural sector. Apart from the strength in the domestic economy, India is likely to also benefit from the global recovery. The risk remains in rising prices and inflation and thus monetary tightening. However, there are also possible positives with revival in industrial and rural sector growth and continuing reforms.

The Governments action will also play an important role in shaping the year ahead. The likely reforms in the number of areas including insurance, banking and taxes, augurs well for the medium to longer term health of the economy.

The company continues to keep a close watch on the economic developments and explore investment avenues.

INTERNAL CONTROL SYSTEM:

The company had an appropriate system of internal control. The Company ensures allowance adherence to internal control policies and procedures. Internal audit is conducted on a periodical basis to review internal controls. The Audit Committee of the Board of Directors also review the report of the internal audit conducted and the adequacy of internal control system.

HUMAN RESOURCE DEVELOPMENT:

The company has a core team to maintain the existing assets.

CAUTIONARY STATEMENTS:

Statement in this Management Discussion & Analysis describing the company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

COPRPORATE GOVERNANCE

The Company has complied with the Corporate Governance Requirements stipulated under clause 49 of the Listing Agreement. Reports on Corporate Governance is annexed hereto forming a part of this Report. Certificate from the auditors of the Company, M/s. N.L. Upadhyaya & Co., confirming compliance of the condition of the aforesaid Corporate Governance, is annexed to and forms part of the Director's Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, ETC:

The provision of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption do not ply to Company.

During the year under review, there were no Foreign Exchange Earnings or Outgoing.

PARTICULARS OF EMPLOYEES

None of the employees of the Company is in the receipt of remuneration exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. Therefore the information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is not applicable to the Company.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Central and State Governments, statutory, authorities, banks, vendors, shareholders and employees for their continued interest and valued support.

FOR AND ON BEHALF OF THE BOARD of DIRECTORS.

**Nimish Thakore
Director**

**Rajesh Bhagat
Director**

**Place: Mumbai
Dated: 02.08.2010**

SECRETARIAL COMPLIANCE CERTIFICATE

[U/S 383A of the Companies Act, 1956 & Rule 3 of the Companies (Compliance Certificate) Rules, 2001]

To,

The Members

M/S. NIMBUS INDUSTRIES LIMITED

I have examined the registers, records, books and papers of M/s. Nimbus Industries Limited, Mumbai (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2010. In my opinion and to best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I 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 and rules made thereunder and all entries therein have been duly recorded.
2. the company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The company, being a public limited company, comments are not required.
4. the Board of Directors duly met 5 (five) times of which meetings proper notices were given and the proceedings were properly recorded and signed and placed in the Minutes Book maintained for the purpose. The dates of the board meetings are as follows: 28th April 2009, 31st July 2009, 14th October 2009, 29th January 2010 and 31st March, 2010.
5. The Company closed its Register of Members from September 21, 2009 to September 25, 2009 during the financial year.
6. The annual general meeting for the financial year ended on 31/03/2009 was held on 30/09/2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary general meeting was held during the financial year ended 31st March, 2010.
8. The company has not advanced any loans to its directors and/or persons or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company wherever required has made necessary entries in the register maintained under section 301 of the Act.

11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13. During the year under review:
 - I. There were no allotment/transfer/transmission of securities.
 - II. The company has not issued duplicate shares.
 - III. The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - IV. The Company has not deposited any amount in a separate Bank Accounts as no dividend was declared during the financial year.
 - V. no amounts are unpaid in dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for the period of seven years and hence transferring of the same to the Investor Education and Protection Fund does not arise.
14. The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year.
15. The Company has not appointed any sole selling agents during the financial year.
16. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
17. 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 thereunder.
18. The company has not issued any shares, debentures or other securities during the financial year.
19. The Company has not bought back any shares during the financial year.
20. There was no redemption of preference shares or debentures during the financial year.
21. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
22. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.

23. The company has not made any borrowings during the financial year ended 31st March 2010. However the borrowings of the company are as per the provisions of section 293(1)(d) of the Companies Act, 1956.
24. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
25. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from the state to another during the year under scrutiny.
26. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the share capital of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the company during the year under scrutiny.
29. The company has not altered its Article of Association during the Financial Year.
30. There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
31. The Company has not received any money as security from its employees during the financial year.
32. The Company has not deducted any contribution towards Provident Fund during the financial year, as the act is not applicable to it.

Place: Mumbai
Date: 2nd August, 2010

Signature
Ramesh Mishra
Company Secretary in Practice
C.P. No. 3987
FCS 5477

ANNEXURE A

Registers as maintained by the Company under companies Act, 1956 during the financial year ending on 31st March, 2010 are :

1. Register of Members	U/s.	150
2. Share Transfer register	U/s	108
3. Register of directors	U/s	303
4. Register of Directors Shareholding	U/s	307
5. Register of contracts	U/s	307
6. Register of Investments	U/s	301
7. Register of Loans	U/s	372A
8. Minutes of Members and the Board meeting	U/s	193
9. Register of Fixed Assets		

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, 2010.

Sr. No.	Form No./Return	Filed under section	For the Period	Date of Filing	Whether filed within prescribed time yes/no	If delay in filing whether requisite additional fee paid Yes/no.
1.	Balance sheet	220	31.03.2008	12/03/2010	No	Yes
2.	Form 18	146		27/03/2010	Yes	-

Place: Mumbai
Date: 2nd August, 2010

Signature
Ramesh Mishra
Company Secretary in Practice
C.P. No. 3987
FCS 5477

CORPORATE GOVERNANCE

The Board of Directors of the Company continues to lay emphasis on the broad principles of Corporate Governance. Our pursuit towards achieving good corporate governance is an ongoing process. In so far as compliance with the requirements under clause 49 of the stock exchange Listing Agreement is concerned, the company is in full compliance with the norms and disclosures that have to be made in corporate governance.

1. Company Philosophy on Corporate Governance

Nimbus Industries Limited believes that good Corporate Governance is essential to achieving long term corporate goals and to enhancing stakeholders' value. In this pursuit, your company's philosophy on Corporate Governance is led by a strong emphasis on transparency, accountability and integrity. The Company adheres to good corporate practices and is constantly striving to better them and adopt the best practices.

The company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under clause 49 of the listing agreement with the stock exchange.

During the year under review, the company has adopted a code of conduct for its employees and the directors.

All the directors and employees are bound by a code of conduct that sets forth the Company's policies on important issues, including our relationship with consumers, shareholders and government.

2. Board of Directors

The company's Board of Director consists of Three Directors.

Mr. Sandeep Sheth is the Non-Executive Director
Mr. Nimish Thakore is the Independent Director
Mr. Rajeshbhai Bhagat is Non-Executive Director.

The Composition of the Board and other relevant details relating to Directors are given

Name of the Director	Category	No. of Other Directorships excluding Private Limited Companies and Alternate Directorships	Number of Membership of other Board Committees	No. of Other Board Committees of which the Director is a chairperson
Mr. Sandeep Sheth	Non-Executive Director	2	NIL	NIL

Mr. Nimish Thakore	Independent	2	NIL	NIL
Mr. Rajeshbhai Bhagat	Non-Executive Director	NIL	NIL	NIL

Five Board Meetings were held during the year and the gap between two meetings did not exceed four months. The date on which the Board Meetings were held are as follows: 28th April 2009, 31st July 2009, 14th October, 2009 29th January 2010 and 31st March, 2010

Attendance of each Director at Board Meeting and Last Annual General Meeting:

Name of the Director	No. of Board Meetings held during the year 2009-10		Attendance at last AGM
	Held	Attended	
Mr. Sandeep Sheth	5	4	Yes
Mr. Nimish Thakore	5	5	Yes
Mr. Rajeshbhai Bhagat	5	5	Yes

During the year, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the board for its consideration.

3. Audit Committee

The Audit committee of the Company is constituted in line with the provisions of clause 49 of the listing agreements with the stock exchanges read with Section 292A of the Companies Act 1956.

The terms of reference of the Audit Committee are broadly as under :

- a) To review financial statements and pre-publication announcements before submission to the Board.
- b) To ensure compliance of Internal control systems and action taken on Internal audit reports.
- c) To apprise the Board on the impact of accounting policies, accounting standards and legislation.
- d) To hold periodical discussion with statutory auditors on the scope and content of the audit.
- e) To review the Company's financial and risk management policies.

The Audit committee comprised of the following members

1. Mr. Nimish Thakore Chairman (Independent Director)
2. Mr. Sandeep Sheth Member (Non-Executive Director)
3. Mr. Rajeshbhai Bhagat Member (Non-Executive Director)

Four meetings of the Audit Committee were held during the period 1st April, 2009 to 31st March, 2010. Viz 28th April 2009, 31st July 2009, 14th October, 2009 and 29th January 2010 The necessary quorum was present at all the meetings.

The attendance details of each Member are given below:

Name of the Director	No of Meetings during the year 2009-10		Attendance at last AGM
	Held	Attended	
Mr. Nimish Thakore	4	4	Yes
Mr. Sandeep Sheth	4	3	Yes
Mr. Rajeshbhai Bhagat	4	4	Yes

4. Shareholders/ Investors' grievance Committee

The Company has constituted a Shareholders / Investor Grievance Committee of Directors to look into the redressal of complaints such as transfer of shares, non receipt of notices/ annual reports/dividend, etc.

The Composition of the Shareholders / Investors' Grievance Committee is as follows:

1. Mr. Nimish Thakore Chairman (Independent Director)
2. Mr. Sandeep Sheth Member (Non-Executive Director)
3. Mr. Rajeshbhai Bhagat Member (Non-Executive Director)

The Committee met four times during the Financial Year 2009-10 on
The attendance of the Members of the Committee were as follows:

Name	Shareholders/Investor Grievance Committee Meeting held during the tenure of Members	Number of Meeting Attended
Mr. Nimish Thakore	4	4
Mr. Sandeep Sheth	4	3
Mr. Rajeshbhai Bhagat	4	4

During the year 2009-10, No Complaints were received from shareholders /investors.

5. Remuneration Committee

The Company does not have any remuneration committee.

6. General Body Meetings

Locations and time where last three Annual general Meeting were held are given below

Financial Year	Location of the Meeting	Date	Time
2007	12 A, Western India House, Sir, P.M.Road, Mumbai – 400 001.	29th September, 2007	5.00 P.M.
2008	12 A, Western India House, Sir, P.M.Road, Mumbai – 400 001.	30th September, 2008	5.00 P.M.

2009	12 A, Western India House, Sir, P.M. Road, Mumbai – 400 001.	30th September, 2009	5.00 P.M.
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Extra-Ordinary General Meetings

No extraordinary General Meeting was held during the year under review.

Postal Ballot

No resolution has been passed through postal ballot during the year under review.

Special resolutions

No Special resolution has been passed in the last Annual General Meeting.

7. Disclosures

- a) There is no materially significant related party transaction that may have potential conflict with the interest of the Company at large.
- b) Penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during last three year : NIL

8. Means of Communication

Quarterly, Half-yearly and Annual results for the Company are being published in an English financial daily and a vernacular newspaper.

9. General Shareholders Information

Annual General Meeting

- Time : 11.00 A.M.
- Day : 4th September, 2010
- Venue: : B/602, Sahyog Apartment, Above Central Bank of India, S. V. Road, Kandivali-(West) Mumbai-67.
- Financial Year : The Company follows April – March as its financial year. The results for every quarter beginning from April shall be declared within 45 days from the end of each quarter, except for the last quarter, for which the results are declared by June as permitted under the listing agreement.
- Book closure Date : 23.08.2010 to 27.08.2010 (both days inclusive)
- Dividend Payment Date : Not Applicable as no dividend has been Recommended

Listing on Stock Exchange: The Bombay Stock exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai 400001

Stock /Scrip Code :BSE- 530971

Share transfer system : Share transfer would be registered and returned within a period of 30 days from the date of receipt, if the documents are in order in all respects.

Share in demat : All shares are in physical mode

Registrar & Transfer Agent : The Company has not appointed any Registrar Transfer Agent.

Outstanding GDS/ADRs : Nil

Market Price Data : High Low during each month in last financial year.

The Trading of scrip of the Company is suspended in Stock Exchange, Mumbai.

The Shares are of Rs. 10/- each paid up

Categories of Shareholders as on March 31, 2010.

Category of Shareholders	Total no. of Shares	%
(A) Shareholding of Promoters and Promoters Group		
1. Indian		
Individual	655600	17.20
Bodies Corporate	-	-
Sub-Total	655600	17.20
2. Foreign	-	-
Total Shareholding of promoter and Promoter Group (A)	655600	17.20
(B) Public Shareholding		
1. Institution	100	0.00
2. Non-Institutions		
Bodies Corporate	157800	4.14
Individuals		
Individual shareholders holding nominal share capital upto Rs. 1 Lacs	2537500	66.60
Individual shareholders holding nominal share capital in excess of Rs. 1 lacs	459700	12.06
Sub Total	3155100	82.80
Total Public shareholding (B)		
Total (A) + (B)	3810700	100

Address for investor Correspondence: B/602, Sahyog Apartment, Above Central bank of India, S.V. Road, Kandivli (West), Mumbai – 400 067

Name of Compliance officer : Sanjay Shedge

CODE OF CONDUCT DECLARATION

Pursuant to Clause 49I(D) of the Listing Agreement entered into with the Stock Exchange, I hereby declare that all the board members and senior management personnel of the Company have affirmed compliances with the Code of Conduct for the year ended on 31st March, 2010.

**By Order of the Board
For Nimbus Industries Limited
Sd/-
Sandeep Sheth**

**Place: Mumbai
Dated: 02.08.2010**

CERTIFICATES

**TO,
THE MEMBERS,
NIMBUS INDUSTRIES LIMITED**

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges, for the financial year ended 31st March, 2010.

The compliance of conditions of corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review and the information and explanations given to us by the Company.

Based on such a review, in our opinion the Company has complied with the condition of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement.

We further state that, such compliance is neither an assurance as to the future viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**N. L. UPADHYAYA & CO.
Chartered Accountants**

**Nakul Upadhyaya
Proprietor
Membership No. 35535**

**Place: Mumbai
Dated: 02.08.2010**

Auditor's report

To,

The members of
NIMBUS INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of NIMBUS INDUSTRIES LIMITED, as at 31st March 2010 and the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in Annexure referred to above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as appear from our examination of those books;
 - c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet and Profit & Loss Account read with note no. B-6 of schedule 'J' of Notes of Accounts dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on March 31, 2009 from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; I i) In the case of the Balance Sheet, of the "state of affairs" of the company as at 31st March, 2010; and ii) In the case of Profit & Loss Account, of the "Profit" for the year ended on that date.

ANNEXURE TO AUDITORS' REPORT

1. The company has fixed assets during the year and which have been valued and certified by the management. The physical verification of the same have not been carried out as per clause 4(i) of the Companies (Auditors' Report) Order, 2003.
2. Since the Company does not have inventories during the year under report, clause 4(ii) of the Companies (Auditors Report) Order, 2003 is not applicable.
3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii) of the Companies (Auditors Report) Order, 2003 is not applicable to the company.
4. The Company has not taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii) of the Companies (Auditors Report) Order, 2003 is not applicable to the company.
5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the Company and nature of its business. During the course of audit we have not observed any major weakness in internal controls. However during the year there is no purchase of Inventories. Fixed Assets, Sales of goods and Services.
6. According to the information and explanations given to us, there are no Contracts or arrangements that needs to be entered in the register maintained under section 301 of the Companies Act, 1956.
7. The Company has not accepted any deposits from the public and consequently the provisions of section 58A and 58AA or any other relevant provision of the Act and the rules framed there under and the directives issued by the Reserve Bank of India are not applicable.
8. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
9. To the best of our knowledge and according to the information and explanations given to us Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
10. i) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other Statutory dues, wherever applicable, have been
11. regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed 31st March, 2010 for a period of more then six months from the date they became payable.

- ii) To the best of our knowledge and according to information and explanations provided to us, the Company has no disputed dues under income Tax.
12. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
 13. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the debentures holders. Further the Company has not borrowed any amounts from the financial institutions or banks during the year under audit.
 14. In our opinion and according to the explanation given to us and based on the information available, no loans and advances have been granted by the company on the basis of security by way of pledge of share, debentures and other securities.
 15. In our opinion, the company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, Clause 4(xiii) of the companies (Auditors' Report) Order 2003 is not applicable to the Company.
 16. The company has maintained proper records of transaction and contracts and made timely entries therein respects of investments made by the company. The company's investments are held in its own name.
 17. The Company has not given any guarantees for loans taken by others from any bank or financial institutions.
 18. The Company has not taken any term loans during the year.
 19. According to the information and explanations given to us and on overall examinations of the Balance Sheet of the Company, we report that the Company has not raised short terms funds during the year.
 20. During the year, the Company has not made any preferential allotment of shares to a parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
 21. During the year cover by our report, the Company has not raised any monies by way of issue of Secured debentures.
 22. The Company has not raised any monies by way of Public Issue during the year.
 22. As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

N. L. UPADHYAYA & CO.
Chartered Accountants

Nakul Upadhyaya
Proprietor
Membership No. 35535

Place: Mumbai
Dated: 02.08.2010

NIMBUS INDUSTRIES LTD.
AUDITED BALANCE SHEET AS AT 31ST
MARCH,2010

PARTICULARS	SCH	AS AT 31.3.2010 RS.	AS AT 31.3.2009 RS
<u>SOURCES OF FUNDS:</u>			
<u>SHAREHOLDER FUNDS:</u>			
<u>SHARE CAPITAL</u>	A	38,107,000	38,107,000
SHARE APPLICATION MONEY			
RESERVES & SURPLUS	B	473,340	473,340
		38,580,340	38,580,340
<u>BORROWED FUNDS</u>			
INTER CORPORATE DEPOSITS		27,173,000	24,000,000
TOTAL RS.		65,753,340	62,580,340
<u>APPLICATION OF FUNDS:</u>			
<u>FIXED ASSETS</u>			
	C	14,452,133	14,452,133
<u>INVESTMENTS (AT COST)</u>			
	D	59,700,000	25,000,000
<u>CURRENT ASSETS, LOAN & ADVANCES</u>			
SUNDRY DEBTORS	E	283,638,185	317,374,280
CASH & BANK BALANCES		626,662	163,410
LOANS & ADVANCES		66,290,000	24,000,000
OTHER CURRENT ASSETS (TDS)		80,000	-
		350,634,847	341,537,690
<u>LESS:CURRENT LIABILITIES & PROVISION</u>			
LIABILITIES	F	364,341,878	326,299,363
		364,341,878	326,299,363
<u>NET WORKING CAPITAL</u>			
PROFIT & LOSS ACCOUNT (DEBIT BALANCE)	-	-13,707,031	15,238,327
		5,308,238	7,889,880
TOTAL RS.		65,753,340	62,580,340

As per our report attached
For N. L. UPADHYAYA & CO.
CHARTERED ACCOUNTANTS

For and on behalf of the Board
For NIMBUS INDUSTRIES LTD.

NAKUL UPADHYAYA
PROPRIETOR
 Membership no. 35535
 PLACE: MUMBAI
 DATED : 02.08.2010

DIRECTOR

DIRECTOR

NIMBUS INDUSTRIES LTD.**AUDITED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010**

PARTICULARS	SCH	AS AT 31.3.2010 RS.	AS AT 31.3.2009 RS
<u>INCOME:</u>			
Sales		689,958,901	599,015,262
Commission		800,000	
		690,758,901	599,015,262
<u>Expenditure:</u>	H		
Cost of Goods Sold		686,829,158	595,896,975
Administrative Expenses		171,041	2,467,724
Auditor's Renumaration		22,060	22,060
		687,022,259	598,386,759
PROFIT BEFORE TAXES		3,736,642	628,503
PROVISION FOR INCOME TAX			
CURRENT TAX (INCLUDING FRINGE BENEFIT TAX)		1,155,000	63,000
DEFERRED TAX			
PROFIT AFTER TAX		2,581,642	565,503
ADD : PROFIT / (LOSS) BROUGHT FORWARD		(7,889,880)	(8,455,383)
BALANCE CARRIED TO BALANCE SHEET		(5,308,238)	(7,889,880)

As per our report attached
For **N. L. UPADHYAYA & CO.**
CHARTERED ACCOUNTANTS

For and on behalf of the board
For **NIMBUS INDUSTRIES LTD.**

NAKUL UPADHYAYA
PROPRIETOR
Membership no. 35535
PLACE MUMBAI
DATED : 02.08.2010

DIRECTOR

DIRECTOR

**NIMBUS INDUSTRIES LTD.
AUDITED SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT
31.3.2010**

PARTICULARS	SCH	AS AT 31.3.2010 RS.	AS AT 31.3.2009 RS
SCHEDULE A: SHARE CAPITAL AUTHORISED			
60,00,000 Equity Share of Rs.10/- each		60,000,000.00	60,000,000.00
		60,000,000.00	60,000,000.00
ISSUED, SUBSCRIBED & PAID UP			
38,10,700 Equity Share of Rs.10/= each Fully paid up (Pr. year 38,10,700 Equity Share of Rs.10/= each)		38,107,000.00	38,107,000.00
		38,107,000.00	38,107,000.00
SCHEDULE B: RESERVES & SURPLUS			
Fixed Assets Revaluation Reserve As per Balance Sheet		473,340.00	473,340.00
		473,340.00	473,340.00
SCHEDULE C: FIXED ASSETS			
Written Down Value		14,452,133.00	14,452,133.00
		14,452,133.00	14,452,133.00
SCHEDULE D : BORROWED FUNDS			
Unsecured Loans		27,173,000.00	24,000,000.00
		27,173,000.00	24,000,000.00
INVESTMENTS: (AT COST) (UNQUOTED)			
In Unquoted Shares		59,700,000.00	25,000,000.00
		59,700,000.00	25,000,000.00

AUDITED SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT
31.3.2010

PARTICULARS	SCH	AS AT 31.3.2010 RS.	AS AT 31.3.2009 RS
SCHEDULE E :			
CURRENT ASSETS , LOANS , & ADVANCES			
SUNDRY DEBTORS			
Unsecured & Considered Good			
Debts o/s for a Period Exceeding 6 Months		0.00	0.00
Debts o/s for a Period of less than 6 Months		283,638,185.00	317,374,280.00
		283,638,185.00	317,374,280.00
CASH & BANK BALANCES			
Cash on Hand (As Certified by the management)		47,377.00	104,254.00
Bank Balances			
Balance with scheduled banks in current A/c		579,285.00	59,156.00
		626,662.00	163,410.00
LOANS & ADVANCES			
T.D.S		66,290,000.00	4,000,000.00
Inter Corporation Loans		80,000.00	0.00
		0.00	20,000,000.00
		66,370,000.00	24,000,000.00
		350,634,847.00	341,537,690.00
SCHEDULE F :			
CURRENT LIABILITES AND PROVISIONS			
CURRENT LIABILITES			
Sundry Creditors for Goods		362,476,894.00	325,919,290.00
Sundry Creditors for Expenses		479,484.00	149,573.00
Provision for Minimum Tax		1,385,500.00	230,500.00
		364,341,878.00	326,299,363.00
SCHEDULE H:			
ADMINISTRATIVE & SELLING & DISTR. EXPS.			
Bank Charges		54,621.00	105,088.00
Misc. Expenses		0.00	1,200,086.00
MVAT Paid		0.00	0.00
Professional Charges		110,000.00	49,850.00
Salary & Bonus		0.00	500,000.00
Electricity Charges		0.00	239,290.00
Rent Paid		0.00	108,000.00
Telephone Expenses		6,420.00	265,410.00
		171,041.00	2,467,724.00

NIMBUS INDUSTRIES LTD.
NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET &
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

Accounting Policies :

a. Basis of Accounting :

The Accounts have been prepared on the basis of historical costs.

b. Recognition of Income & Expenditure.

All Income & Expenditure are accounted on accrual basis.

c. Valuation of Investments & Inventories

Investments & Inventories are valued at Cost.

<u>CONTINGENT LIABILITIES :</u>	2009-2010	2008-2009
	Nil	Nil

<u>AUDITORS REMUNERATION</u>	2009-2010	2008-2009
Audit Fees	Rs.10000/-	Rs.10000/-
Tax Audit Fees	Rs.10000/-	Rs.10000/-
Service Tax	Rs. 2060/-	Rs. 2060/-
	Rs.	
Total Rs..	22060/-	Rs. 22060/-

Previous years figures are regrouped and rearranged wherever necessary.

Expenditure incurred on employees who were in receipt of not less than Rs. 2400000/- p.a. if employed through out the year or Rs. 200000/- per month, if employed for part of the year
 NIL (Previous Year : NIL)

As no manufacturing activities have been carried out during the year, information in respect of same required under paragraphs 3,4, 4A, 4C and 4D of schedule VI of the Companies Act, 1956 is not given.

Additional information as required under Para IV of Schedule VI to the Companies Act, 1956

A. Registration Detail :-

Registration No. :- 18079

State Code :- 11

Balance Sheet Date:- 31.03.2010

B Capital raised during the year :- Rs. NIL

C Position of Mobilisation &

deployment of funds :-

Total Liabilities :- 65,753,340

Total Assets :- 65,753,340

Sources of Funds :-

Paid Up Capital 38107000

Application of Funds :-

Net Current Assets (13,707,031)

Accumulated Losses :- (5,308,238)

D Generic Names of Principle products / Services of the company

Item Code :- N.A.

Product Description :- N.A.

As per our Report of even date attached

For N.L.UPADHYAYA & CO.

Chartered Accountants

For NIMBUS INDUSTRIES LTD.

CASH FLOW STATEMENT

Nimbus Industries Limited

Cash Flow Statement for the year ended 31-03-2010

	Particulars	For the year ended 31-03-2010	For the year ended 31-03-2009
I	CASH INFLOWS		
(1)	From Operating Activities		
	(a) Profit from operating activities	2,581,642.00	628,503.00
	Adjustments:		
	Depreciation and Amortization	-	-
	(Gain)/Loss on sale of fixed assets	-	-
	Provision/(Reversal) for doubtful debts & advances	-	-
	(b) Working Capital Changes:		
	Decrease in Inventories		
	Decrease in trade receivables	33,736,095.00	
	Decrease in short-term loans & advances	-	
	Decrease in other current assets	-	
	Increase in trade payables	36,887,515.00	
	Increase in other current liabilities	-	
	Increase in provisions	1,155,000.00	
	Total of (1)	74,360,252.00	628,503.00
(2)	From Investing Activities		
	(a) Proceeds from sale of fixed assets	-	
	(b) Proceeds from sales of investments	-	
	© Dividend received	-	
	(d) Interest received	-	
	(e) Other Income	-	
	Total of (2)	-	-
(2)	From Financing Activities		
	(a) Proceeds from issue of share capital		

		-	
	(b) Proceeds from long-term borrowings	-	
	© Proceeds from short -term borrowings	3,173,000.00	
	Total of (3)	3,173,000.00	-
	Total Cash Inflows (1+2+3)	77,533,252.00	628,503.00
II	CASH OUTFLOWS		
(1)	From Operating Activities		
	(a) Loss from operating activities		
	Adjustments :		
	Depreciation or amortization		
	(b) Working Capital Changes :		
	Increase in Inventories	-	
	Increase in trade receivables	-	
	Increase in short-term loans and advances	42,290,000.00	
	Increase in Other Assets	80,000.00	
	Decrease in trade payables	-	
	Decrease in Provisions	-	
	© Direct Taxes paid	-	
	Total of (1)	42,370,000.00	628,503.00
(2)	From Investing Activities		
	(a) Purchase of tangible assets/capital WIP	-	
	(b) Purchase of Intangible assets/assets under development	-	
	© Purchase of investments	34,700,000.00	
	Total of (2)	34,700,000.00	-
(3)	From Financing Activities		
	(a) Repayment of long-term borrowings	-	
	(b) Repayment of short -term borrowings	-	
	© Dividends paid (including distribution tax)	-	
	(d) Interest and finance costs	-	

	(e) Share Issue Expenses	-	
	Total of (3)	-	-
	Total Cash Outflows (1+2+3)	77,070,000.00	628,503.00
III	Net (decrease)/increase in cash and cash equivalents (I-II)	463,252.00	
	Add : Cash and cash equivalents at the beginning of the period	163,410.00	
IV	Cash and cash equivalents at the end of the period	626,662.00	

NIMBUS INDUSTRIES LTD.
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFITE
AS ON 31.03.2010

1) REGISTRATION DETAILS

Registration No.	18079	State Code	11
Balance Sheet Date	31.3.2010		

2) CAPITAL RAISED DURING THE YEAR

(Amount in Rs.)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

3) POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS

(Amount in Rs.)

Total Liabilities	65753340	Total Assets	65753340
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SOURCE OF FUNDS

Paid up Capital	38107000	Reserves & Surplus	473340
Secured Loans	NIL	Unsecured Loans	27173000

APPLICATION OF FUNDS

Net Fixed Assets	14452133	Investment	59700000
Net Current Assets	350634847	Misc.Expenditure	350634847
Accumulated Losses	5308238		

4) PERFORMANCE OF THE COMPANY

(Amount in Rs.)

Turnover	690758901	Total Expenditure	687022259
Profit Gross	3736642		
Profit Net	2581642		
Earning Per Share	NIL	Dividend Rate %	NIL

NIMBUS INDUSTRIES LIMITED

Regd Office : B/602, Sahyog Apartment, Above Central bank of India, S.V. Road, Kandivli (West), Mumbai – 400 067

ATTENDANCE SLIP

Please complete this attendance slip and hand over at the entrance of the meeting hall.

Member/Proxy _____

I hereby record my presence at the Annual General Meeting of the Company held on **Saturday, the 4th September 2010 at 11A.M. at** B/602, Sahyog Apartment, Above Central bank of India, S.V. Road, Kandivli (West), Mumbai – 400 067

Regd Folio No. _____ No. of shares held _____

FORM OF PROXY

NIMBUS INDUSTRIES LIMITED

Regd Office: B/602, Sahyog Apartment, Above Central bank of India, S.V. Road, Kandivli (West), Mumbai – 400 067

I/We _____ of _____ in the district of _____ being a member(s) of the above-named Company hereby appoint _____ of _____ in the district of _____ or _____ failing him _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 4th September 2010 and at any adjournment thereof.

Signed this _____ day of _____ 2010

CERTIFIED TO BE TRUE

