



**ANIK INDUSTRIES LIMITED**

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**ANNUAL REPORT 2008-09**

**GROWTH THROUGH SUSTAINABLE DEVELOPMENT**



**BOARD OF DIRECTORS****Board of Directors**

Mr. Kailash Chandra Shahra	-	Chairman
Mr. Suresh Chandra Shahra	-	Managing Director
Mr. Manish Shahra	-	Executive Director
Mr. Ashok Trivedi	-	Whole Time Director
Mr. Ashok Phadnis	-	Whole Time Director
Mr. P.D.Nagar	-	Director
Mr. Ashok Mehta	-	Director
Mr. Deepakk Goyal	-	Additional Director

**Company Secretary**

CS Shailesh Kumath

**Works:****Dairy Units:****Bankers**

Dena Bank  
Punjab National Bank  
Central Bank of India  
Oriental Bank of Commerce  
Bank of India  
State Bank of Travancore  
Allahabad Bank  
IDBI Bank Ltd.

1. Vill. Bilawali, Dewas Maksi Road, Dewas ( M.P.)
2. Dairy Complex, Kasganj Road, Etah (U.P)
3. Govindpura Industrial Area, Bhopal (M.P.)

**Wind Power Units:**

1. Village Gorera, Dist. Jaisalmer (Raj.)
2. Village Nagda, Dist. Dewas ( M.P.)

**Registered Office:**

610, Tulsiani Chambers,  
Nariman Point, Mumbai-400 021

**Auditors**

Ashok Khasgiwala & Co.  
Chartered Accountants

**Administrative & Corporate Office:**

2/1, South Tukoganj,  
Behind High Court,  
Indore- 452 001

**Registrar & Share Transfer Agent**

Sarthak Global Limited  
170/10, Film Colony,  
Indore (M.P.) 452 001

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33<sup>rd</sup> Annual General Meeting will be held at Sunville  
Deluxe Pavilion, Sunville Building, 9, Dr. Annie  
Besant Road, Worli, Mumbai- 400 018 on Wednesday  
the 30<sup>th</sup> September, 2009 at 4.00 p.m.

**NOTICE****NOTICE**

NOTICE is hereby given that the **Thirty Third Annual General Meeting** of the Members of Anik Industries Limited will be held at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai- 400 018 on Wednesday, the 30<sup>th</sup> September, 2009 at 4.00 p.m. to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2009 and the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2009 together with the Report of the Directors and Auditors thereon.
2. To declare dividend on equity shares of the Company for the year ended 31<sup>st</sup> March, 2009.
3. To appoint a Director in place of Mr. Ashok Mehta who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS****5. Modification in terms & conditions of appointment of Mr. Manish Shahra :**

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

**"RESOLVED THAT** in partial modification of the resolution passed at the Annual General Meeting held on 28<sup>th</sup> December, 2006 and in accordance with the provisions of the Section 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification or re-enactments thereof, for the time being in force, members of the company hereby approves the following:-

- 1) Change in the designation of Mr. Manish Shahra, Executive Director of the Company w.e.f. 1<sup>st</sup> September, 2009, from Executive Director to Joint Managing Director,
- 2) Increase in remuneration:- Rs.3,00,000/- (Rupees Three Lacs only) per month, exclusive of any allowances and perquisites etc. with an annual increment as may be decided by the Board of Directors / Remuneration Committee from time to time, subject to maximum increment of Rs. 5,00,000/- (Rupees Five Lacs only) per month exclusive of any allowances and perquisites.

For the remainder of the tenure of his term, with liberty to the Board of Directors to alter and vary the terms and conditions including remuneration payable to him in accordance with the provisions of Schedule XIII of the Companies Act, 1956 as the Board of Directors may deem fit and as may be agreed to by Mr. Manish Shahra.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or any other person authorised by the Board in this regard be and is hereby severally authorised to do all such acts and things as may be necessary, desirable or expedient for giving effect to this resolution."

**6. Appointment of Mr. Deepakk Goyal as Executive Director :**

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

**"RESOLVED THAT** pursuant to the provisions of the Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof, for the time being in force) read with Schedule XIII of the Act thereto, consent of the Company be and is hereby accorded to the appointment of Mr. Deepakk Goyal as the Executive Director of the Company for a period of 5 years with effect from 1<sup>st</sup> September, 2009 on the terms and conditions including remuneration as set out hereunder with the liberty to Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any committee which the Board may constitute to exercise its powers, including the power conferred by this resolution) to alter and vary the terms and conditions of the said appointment and/or remuneration within the parameters of the applicable laws or any amendment thereto:

Tenure : 5 (five) years with effect from 1<sup>st</sup> September, 2009.

Functions : Shall have powers of management subject to direction, control and superintendence of the Board of Directors.

Remuneration : Subject to overall limit on remuneration payable to all managerial personnel taken together, as laid down in the Companies Act, 1956, read with Schedule XIII thereto, Mr. Deepakk Goyal shall be paid Rs. 3,00,000/- (Rupees Three Lacs only) per month and the above remuneration payable to him shall be exclusive of allowances and perquisites etc. as may be determined by the Board from time to time and may be payable monthly or otherwise provided that the perquisites shall be evaluated as per Income Tax Act and Rules wherever applicable. The remuneration for a part of the year shall be computed on pro-rata basis.

**RESOLVED FURTHER THAT** wherein a financial year during the currency of his tenure, the Company has no profits or its profits are inadequate the remuneration payable to him shall not exceed the ceiling limit prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956, for that year, which will be payable to him as minimum remuneration for that year.

Sitting Fees : Shall not be entitled to any sitting fees.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to increase or revise the remuneration upto Rs. 5,00,000/- (Rupees Five Lacs only) per month, exclusive of any allowances and perquisites, from time to time during the tenure of said five years AND THAT the said increase or revision shall also be subject to overall limit on remuneration payable to all the then managerial personnel taken together, as laid down in the Companies Act, 1956 read with Schedule XIII thereto.

**RESOLVED FURTHER THAT** the Board or any other person authorized by the board in this regard, be and is hereby authorized to do all such acts, deeds and things as may be necessary, desirable or expedient for giving effect to this resolution."

#### 7. Amendment in Capital Clause of the Memorandum of Association 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** pursuant to Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 the existing clause V of the Memorandum of Association of the Company as to the Share Capital be and is hereby deleted and in its place the following clause V be substituted :

"V. The Authorised Share Capital of the Company is Rs.50,00,00,000 (Rupees Fifty Crore only) divided into 4,50,00,000 (Four Crore Fifty Lacs) Equity Shares of Rs.10/- each and 5,00,000 (Five Lacs) Non-cumulative Redeemable Preference Shares of Rs.100/- each with power to increase or reduce the said share capital and to issue any part of its capital original or increased, with or without any preference, priority or special privilege or subject to any postponement of right or to any conditions, restrictions and so that unless the conditions of issue shall otherwise expressly declared, every issue of shares whether declared to be preference or otherwise shall be subject to the power hereinafter contained. The rights of the holders of any class of shares for the time being forming part of the capital of the Company may be modified, affected, varied, extended or surrendered either with the consent in writing of the holders of three fourth of the issued shares of the class or with sanction of special resolution of the members of the class provided by the Memorandum of Association or as altered by Special Resolution."

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or any other person authorised by the Board in this regard be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable or expedient for giving effect to this resolution and to settle any question, dispute or doubt that may arise in relation thereto."

#### 8. Amendment in Articles of Association of the Company :

To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

**"RESOLVED THAT** pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing Article 3 of the Articles of Association of the Company be and is hereby amended to read as follows:

"3. The Authorised Share Capital of the Company is Rs.50,00,00,000 (Rupees Fifty Crore only) divided into 4,50,00,000 (Four Crore Fifty Lacs) Equity Shares of Rs.10/- each and 5,00,000 (Five Lacs) Non-cumulative Redeemable Preference Shares of Rs.100/- each with the rights, privileges and conditions attaching hereto as are provided by the Articles of Association of the Company for the time being with power to increase or reduce the capital and to divide and subdivide the shares into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or as provided by the Articles of Association of the Company for the time being."

**NOTICE**

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/ or any other person authorised by the Board in this regard be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable or expedient for giving effect to this resolution and to settle any question, dispute or doubt that may arise in relation thereto." all such acts, deeds, matters and things as may be necessary, desirable or expedient for giving effect to this resolution and to settle any question, dispute or doubt that may arise in relation thereto."

By order of the Board of Directors

Place : Indore  
Dated : 3<sup>rd</sup> September, 2009

(SURESH CHANDRA SHAHRA)  
Managing 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 a proxy need not be a member of the company. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. Register of Members and Share Transfer Books of the Company will remain closed from 28<sup>th</sup> September, 2009 to 30<sup>th</sup> September, 2009 (both days inclusive).
3. The Company has already notified closure of register of members and transfer books thereof from, 28<sup>th</sup> September, 2009 to 30<sup>th</sup> September, 2009 (both days inclusive) for determining the name of members eligible for dividend, if approved, on equity shares. In respect of shares held in electronic dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the depositories for this purpose.
4. The members holding shares in physical form are requested to intimate to the Registrar and Transfer Agents (R&TA), Sarthak Global Limited, 170/10, Film Colony, R.N.T. Marg, Indore for change of address, if any, at the earliest, quoting their registered folio number, change of address in respect of shares held in demat form is required to be intimated to the concerned Depository Participant.
5. Members are requested to :
  - a. Complete the attendance slip and deliver the same at the entrance of the meeting hall.
  - b. Bring their copies of the Annual Report at the time of attending the Annual General Meeting.
  - c. Send their questions 10 days in advance before the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.
6. All documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
7. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.

By order of the Board of Directors

Place : Indore  
Dated : 3<sup>rd</sup> September, 2009

(SURESH CHANDRA SHAHRA)  
Managing Director



**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.****ITEM NO.5**

Mr. Manish Shahra was re-appointed as Executive Director with effect from 1<sup>st</sup> July, 2006 for a period of 5 years by the members at their Annual General Meeting held on 28<sup>th</sup> December, 2006. The Board of Directors holds the view that his expert knowledge and vision has helped the Company to flourish its business. He has made great contribution to the success of the Company. Therefore it is proposed to entrust more authority and responsibility on him by rewarding by means of upgrading his designation from Executive Director to Joint Managing Director and increase his remuneration w.e.f. 1st September, 2009 for remainder of tenure of his term. This modification or change requires the approval of members in General Meeting and therefore the Board recommends this resolution for the approval of members.

So long as he functions, as Executive Director he shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committees thereof from the date of his re-appointment.

The explanatory statement together with the accompanying Notice should be treated as an abstract of the variation of contract of appointment of Executive Director in terms of the provisions of sub-section (2) of Section 302 of the Companies Act, 1956. The Board of Directors recommends the proposed resolution for your approval. None of the Directors of the Company except Mr. Manish Shahra, Mr. Kailash Chandra Shahra and Mr. Suresh Chandra Shahra is concerned or interested in the said resolution.

**ITEM NO. 6**

Mr. Deepakk Goyal, is a Science Graduate (Electrical Engineer) from University of Rochester, New York and Post Graduate from Indian Institute of Management, Bangalore having more than 15 years of rich experience in diverse industries- Power, Iron & Steel, Insurance, Finance and Natural Resources as a CEO, Leader and an entrepreneur. He has also served to facilitate organization building for International Business in SUN Group, London and Analyze Risk in Deutsche Bank, Global Markets, New York and therefore the Board has decided to appoint him as an Additional Director in their meeting held on 3<sup>rd</sup> September, 2009 and also recommended his appointment as Executive Director of the Company, subject to the approval of the members in General Meeting, on the terms and conditions as mentioned in resolution.

Appointment of Mr. Deepakk Goyal, as Executive Director of the Company is in accordance with the provisions of Schedule XIII to the Companies Act, 1956, which requires approval of the members of the Company.

The Board of Directors recommends the proposed resolution for your approval.

None of the Directors of the Company is concerned or interested in the said resolution.

**ITEM No. 7 & 8**

At present, the Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided into 3,50,00,000 (Three Crores and Fifty Lacs) Equity Shares of Rs.10/- each and 15,00,000 (Fifteen Lacs) Redeemable Non-Cumulative Preference Shares of Rs.100/- each. The existing issued equity capital is Rs.27,75,34,860/- and the issued preference share capital is Nil.

Looking to the diversified business activities the company is engaged in, there may be requirement of further funds from internal as well as external sources. Therefore, to accomplish the said requirement, equity share capital may be subscribed, however there is no plan to issue preference shares by the company in near future. Therefore, it is necessary to increase the present authorised equity capital to accommodate future planning by Rs. 10,00,00,000/- by reclassification of authorised capital

Section 16 of the Companies Act, 1956 read with the provisions of Section 94 of the said act requires any change in the Memorandum of Association, to be approved by the members of the Company by way of ordinary resolution. For any amendment in Articles of Association of the Company, Section 31 of the said Act requires approval of the members of the Company by way of special resolution. The Board of Directors recommends the members to pass the resolution at item no.7 as an ordinary resolution and resolution at item No.8 as a special resolution.

None of the Directors is concerned or interested in the said resolutions.

By order of the Board of Directors

Place : Indore  
Dated : 3<sup>rd</sup> September, 2009

(SURESH CHANDRA SHAHRA)  
Managing Director

**DIRECTORS' REPORT****DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting Thirty Third Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2009.

**Financial Results**

The Performance of the Company for the financial year ended on 31<sup>st</sup> March, 2009 is summarized below:

(Rs.in Lacs)

Particulars	2008-09	2007-08
Sales and other Income	104246.43	75836.81
Gross Profit	1799.76	4004.03
Depreciation	354.49	263.00
Profit before tax	1445.27	3741.03
Provision for Taxation for the year	400.00	1250.00
Provision for Fringe Benefit Tax	19.00	20.00
Provision for Deferred Taxation for the year	120.70	77.26
Income tax adjustments for earlier years	1.59	67.71
Excess Income Tax Provision for the earlier year	174.82	---
Profit after Taxation	1078.80	2326.06
Balance brought forward from previous year	8419.74	6541.47
Amount Available for Appropriation	9498.54	8867.53
Transfer to General Reserve	26.97	58.15
Proposed Dividend on Equity Shares	166.52	333.04
Tax on Dividend	28.30	56.60
Surplus carried to Balance Sheet	9276.75	8419.74
	9498.54	8867.53

**DIVIDEND**

Your Directors are pleased to recommend dividend of 6% (Rs 0.60/- per equity share) for the year ended 31<sup>st</sup> March, 2009 on Equity Share Capital of Rs. 27.75 Cr. involving an outgo of Rs. 166.52 Lacs. Additionally, dividend distribution tax will involve an outlay of Rs. 28.30 Lacs.

**OPERATIONS**

Achieving turnover of Rs. 1042 Crores with 37% growth as compared to previous year is a remarkable achievement by your company when all global businesses were blowing towards recessionary trend. However due to low profit margin, affected by recession, operating profit of the company is decreased by 55% at Rs. 1799.76 Lacs and net profit stood at Rs. 1078.80 Lacs.

Management of the Company under the direction of your Board of Director is continued in achieving the targets of cutting down in the cost of operations and getting efficiency in this area by using better alternat resources/means.



**ANIK INDUSTRIES LIMITED**

Regd. Office : 610, Tulsiani Chambers, Nariman Point, Mumbai - 400 021

33<sup>rd</sup> Annual General Meeting**PROXY FORM**

DP Id.....

Folio No.....

Client Id.....

No. of Shares.....

(Applicable for investors holding shares in electronic form)

I/We.....of

.....In the district of..... being a

Member/Members hereby appoint..... of..... in the

district of..... or failing him.....

of.....in the district of..... as my/our proxy to attend and vote for me /

us on my / our behalf at the Annual General Meeting of the Company to be held on Wednesday, the 30th September, 2009 at Sunville Deluxe

Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai-400 018 at 4.00 p.m., or at any adjournment thereof.

Signed this..... day of....., 2009

For office use :

Proxy No. :..... Date of Receipt :..... No. of Shares :..... N.B. : The

instrument appointing proxy shall be deposited at the Secretarial Department of the Company not later than 48 hours before the commencement of the meeting.

affix a
Rs. 1
Revenue
Stamp

**ANIK INDUSTRIES LIMITED**

Regd. Office : 610, Tulsiani Chambers, Nariman Point, Mumbai - 400 021

33<sup>rd</sup> Annual General Meeting**ATTENDANCE SLIP**

DP Id.....

Folio No.....

Client Id.....

No. of Shares.....

(Applicable for investors holding shares in electronic form)

Name of the Member.....

No. of Shares held.....

Name of the Proxy.....

(to be filled only when a proxy attends the meeting)

I hereby record my presence at the 33rd Annual General Meeting of the Company on Wednesday, the 30th September, 2009 at Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai-400 018 at 4.00 p.m.

Signature of Member/ Proxy

\*This slip may please be handed over at the entrance of the meeting hall.

**BUSINESS EXPANSION & DIVERSIFICATION****Mining Business:**

Looking into the prominent future in metal mineral and natural stone base minerals like iron ore, manganese ore, bauxite, granite, quartz, marble, silica sand, dolomite, limestone stone etc.; your company has taken initiatives of diversification in the mining business and very keen in setting up mineral based industries. The results of such initiative has started to come in the form of State and Central Govt. approvals for few mines in the state of M.P., further procedural formalities are in process. However, mining activities needs time to prove its results. It is expected that in due course of time those efforts will be fruitful and will generate lots of revenue for your company.

**Real Estate Business**

Mahakosh Property Developers a partnership firm where in your company is a partner with 30% stake has launched its integrated township project named 'Active Acres' at Kolkata in 2008 is getting good response from all over side in the form of bookings even in the recession period in real estate is a good sign of your Company's reputation and sustainability which will result in good profits in the years to come.

**New Dairy Plant**

With great opportunities of exports available in Milk Powder business your company is setting up a Milk Powder Plant at Dewas. The plant will have capacity to produce 30 tons milk powder per day by processing 4 lacs liter milk daily with the total project cost of around Rs. 3000 lacs. The commercial production from the said plant is expected to start from December 2009.

Newly established Milk processing plant at Bhopal is successfully running and catering daily needs of pasteurized milk of Bhopal city with increasing demand.

**FOREIGN EXCHANGE EARNINGS**

Your company remains committed to enlarge foreign exchange earnings. During the year under review, your company's earnings from export of goods on FOB basis was Rs. 2656.31 lacs earned through export of SMP, Soyabean meal and Sesame Seed.

Company is targeting other countries for additional dairy products and agri-commodities on opportunity basis to increase its foreign earnings.

**PUBLIC DEPOSITS**

The Company has not accepted any deposits from the public during the year under review.

**INSURANCE**

All properties and insurable interests of the Company including Building and Plant & Machinery have been adequately insured.

**PARTICULARS OF EMPLOYEES**

Statement of particulars of employees as required by the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and forming part of the Directors Report is annexed herewith as Annexure 'A'.

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

Information as per section 217(1)(e) read with Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 are given in the Annexure 'B' forming part of this Report.

**HUMAN RESOURCE & INDUSTRIAL RELATIONS**

Industrial relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the co-operation extended by all employees in maintaining cordial relations.

**SEBI REGULATION AND LISTING FEES**

Since SEBI has stipulated electronic filing of Annual Report, Corporate Governance Report, Share holding pattern, etc on website [www.sebidifar.nic.in](http://www.sebidifar.nic.in) statements of your company can also be accessed at this website.

The Annual Listing Fees for the year under review has been paid to The Bombay Stock Exchange Ltd., Mumbai (BSE) and The National Stock Exchange of India Ltd. Mumbai (NSE) where your company's shares are listed.