



Report



Report Junction

CCL PRODUCTS (INDIA) LIMITED

ANNUAL REPORT 2007-08





CCL PRODUCTS (INDIA) LIMITED

47th ANNUAL GENERAL MEETING

Tuesday, 30th Day of September, 2008

at 9:30 A.M.

Duggirala 522 330

Guntur Dist.

Andhra Pradesh

INDIA

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CCL PRODUCTS (INDIA) LIMITED

COMPANY INFORMATION

Board of Directors :

Mr. B N Jayasimha IAS (Retd.)
 Mr. Zafar Saifullah IAS (Retd.)
 Mr. I J Rao IRS (Retd.)
 Mr. Vipin K Singal
 Mr. Jonathan T Feuer
 Mr. Ian Breminer
 Mr. Gerard Sierro
 Mr. Challa Srishant, Executive Director
 Mr. Challa Rajendra Prasad, Chairman & Managing Director

Chief Financial Officer
 K.V.L.N. SARMA

Registered Office & Factory:
 Duggirala, Guntur Dist 522 330
 Andhra Pradesh, India
 Ph: 08644 277294 Fax : 08644 277296
 www.cclproducts.com

**Registrars & Shares Transfer Agent
 (Physical & Demat)**

Upto September, 2008

Bigshare Services Pvt Ltd.
 G-10, Left Wing, Amrutha Ville,
 Somajiguda, Hyderabad - 500 082
 Ph : 040-2337 4967, Telefax : 040 2337 0295

From October, 2008

Venture Capital and Corporate
 Investments Pvt. Ltd.,
 # 12-10-167, Bharat Nagar,
 Hyderabad - 500 018
 Ph : 040-2381 8475 / 76, 2386 8257
 Fax : 040- 2386 8024

Company Secretary
 E.T. Shilpa

Statutory Auditors

M. Anandam & Co.,
 7 'A', Surya Towers,
 Sardar Patel Road,
 Secunderabad 500 003

Internal Auditors

Ramesh & Co.,
 H.No. 6-3-661/B/1,
 Sangeeth Nagar,
 Somajiguda,
 Hyderabad - 500 082

Bankers

ICICI Bank Ltd.
 State Bank of India
 Rabo Bank
 State Bank of Hyderabad

Board Committees

Audit Committee

Mr. B N Jayasimha - Chairman
 Mr. I J Rao
 Mr. Vipin K Singal
 Mr. Zafar Saifullah

Shareholders' / Investors' Grievance Committee

Mr. I J Rao - Chairman
 Mr. B N Jayasimha
 Mr. Challa Rajendra Prasad
 Mr. Zafar Saifullah

Remuneration Committee

Mr. B N Jayasimha - Chairman
 Mr. I J Rao
 Mr. Zafar Saifullah

**CCL PRODUCTS (INDIA) LIMITED****NOTICE**

Notice is hereby given that the 47th Annual General Meeting of the Company will be held on the Tuesday, 30th September, 2008 at 9:30 A.M. at the Registered Office of the Company situated at Duggirala, Guntur District, Andhra Pradesh- 522 330 to transact the following items of business:

Ordinary Business:

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended 31st March, 2008 and the Balance Sheet as on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare dividend.
3. To appoint a director in place of Mr. I J Rao who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. B N Jayasimha who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a director in place of Mr. Vipin K Singal who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint M/s. M. Anandam & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

By order of the Board of Directors
For CCL PRODUCTS (INDIA) LIMITED

Sd/-

Challa Rajendra Prasad
Chairman & Managing Director

Hyderabad
28-08-2008



CCL PRODUCTS (INDIA) LIMITED

NOTES FOR MEMBERS

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself and such proxy need not be a member of the Company.
2. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from 22nd September, 2008 to 30th September, 2008 (both days inclusive).
4. M/s. Bigshare Services Pvt. Ltd, G-10 Left wing, Amrutha Ville, Somajiguda, Hyderabad -500 082 is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them upto September, 2008.
5. **The Board of Directors at their meeting held on 28th July, 2008, approved the change in Share Transfer Agent (STA) as M/s. Venture Capital and Corporate Investments Pvt. Ltd., # 12-10-167, Bharath Nagar, Hyderabad- 500 018 from October 2008 onwards. Members are requested to send their queries at the above mentioned address from October 2008 onwards.**
6. Members holding shares in the dematerialized form are requested to notify any changes with respect to their address, email id, ECS mandate and bank details to their Depository Participant.
7. Members holding shares in physical form are informed to furnish their bank account details to the STA to have printed the same on the dividend warrants so as to avoid any possible fraudulent encashment/ misuse of dividend warrants by others.
8. Pursuant to Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India and no payment shall be made from that fund in respect of any such claims.

Members who haven't yet encashed their dividend warrants for the financial year 2001-02 onwards are requested to make their claims to the Company without any further delay.
9. An amount of Rs.1,05,031/- (Rupees One lakh Five Thousand and Thirty one only) has been transferred to the Investor Protection and Education Fund from the unclaimed dividend amount for the year 2000-01.



CCL PRODUCTS (INDIA) LIMITED

Details of Directors seeking appointment / retiring by rotation and seeking re-appointment (In pursuance of Clause 49 of the Listing Agreement)

1. Name of the Director	: Mr. I J Rao
Date of Birth	: 19-02-1931
Occupation	: I.R.S. (Retd)
Expertise in specific functional areas	: Customs and Central Excise Laws
Directorships in other Companies	: -NIL-
Committee positions held in other Companies	: -NIL-
Shareholding in the Company	: 500

Brief Profile:

Mr. I J Rao is a Gold Medalist in M.A. (Economics) from Andhra University. He started his carrier as a lecturer in college and thereafter joined the Indian Customs & Excise Service in 1955. He served as the Collector of Central Excise Guntur, Chennai and Kanpur. He also served as the Collector of Customs, Kolkata. He joined as a Member of Customs, Excise, Gold (Control) Appellate Tribunal (CEGAT), New Delhi during March 1983 and retired from CEGAT while serving as the Vice-President of the Tribunal.

He has penned hundreds of short stories and several novels and radio plays. He was Awarded the prestigious Pratibha Puraskaram in the year 1998 for short story/novel by Potti Sriramulu Telugu University, Hyderabad.

Several of his articles on finance, revenue and taxation have been published in prestigious newspapers like the Statesman (Kolkata), Economic Times (Mumbai), Business Standard (Kolkata), Excise Law Times (New Delhi) etc.

He is presently the Chairman for the Shareholders/Investors Grievance Committee and a member of the Audit and Remuneration Committees of the Company.

2. Name of the Director	: Mr. B N Jayasimha
Date of Birth	: 10-05-1928
Occupation	: I.A.S. (Retd)
Expertise in specific functional areas	: Held various senior positions with the Government of India & State of Andhra Pradesh. He has worked as the Managing Director for several Govt. Companies During the tenure of his service.
Directorships in other Companies	: -NIL-
Committee positions held in other Companies	: -NIL-
Shareholding in the Company	: -NIL-



CCL PRODUCTS (INDIA) LIMITED

Brief Profile:

Mr. B N Jayasimha joined the Indian Administration Service (I.A.S) in April 1952 and retired as the Special Chief Secretary to the Government of Andhra Pradesh in the year 1986. During his service, he worked as Collector of District Magistrate; Secretary to Governor of Andhra Pradesh; Managing Director of Nizam Sugar factory; Vice-Chairman and Managing Director of Andhra Pradesh Industrial Investment Corporation; Chairman and Managing Director of Indo-Nippon Prevision Bearings; Company Principal Secretary of Transport and Road & Buildings Department; Principal Secretary of Revenue Department.

While being with the Government of India, he served as Joint Secretary to the Cabinet; Cabinet Secretary; Joint Secretary in Department of Industry; Additional Secretary in Department of Civil Supplies; Development Commissioner of Small Scale Industries; Additional Secretary to Ministry of Defence.

He has the experience of working at policy formulation at Government Levels as well as direct in charge of management of public undertakings in both developmental and manufacturing sectors.

He is currently the Chairman for the Audit Committee and the Remuneration Committee and is a member of the Shareholders/Investors Grievance Committee of the Company.

3. Name of the Director	: Mr.Vipin Kumar Singal
Date of Birth	: 25-01-1949
Occupation	: Business
Expertise in specific functional areas	: Rich experience in the field of business and management as he has been in the business of traveling & tourism since several decades.
Directorships in other Companies	: Delhi Express Travels Pvt. Ltd
Committee positions held in other Companies	: -NIL-
Shareholding in the Company	: 500

Brief Profile:

Mr. Vipin Kumar Singal is a Graduate in Agricultural Engineering from the Punjab Agricultural University and heads the Delhi Express Travels Group, engaged in International Air Ticketing, Business & Leisure, Incentives, Inbound Tourism, Outbound Holidays, Cruises, distribution of Hotels & Resorts in India, Domestic Tourism and promotion & marketing of Eurail in India. His association with the travel and tourism industry spans over 3 decades.

He is currently a member of the Audit Committee of the Company.



CCL PRODUCTS (INDIA) LIMITED

Directors' Report

Your directors submit their report for the financial year ended 31.03.2008:

	(Rs.in Lakhs)	
	2007-08	2006-07
Gross Income	24555.43	21679.21
Gross Profit (before Interest, Depreciation & Tax)	5583.18	5303.61
Less:		
Interest	809.66	607.51
Depreciation and other write - offs	1195.70	667.02
Provision for Taxation	58.67	271.59
Net Profit	3519.15	3757.49
Balance available for appropriation	4918.51	4662.62
Provision for dividend	665.14	665.14
Provision for dividend tax	113.04	113.04
Transfer to General Reserve	2300.00	2485.00
Transfer to Exchange Fluctuation Reserve	500.00	-
Net Profit c/f to Balance sheet	1340.41	1399.44

Company Performance

During the year under review the production and sales of Instant Coffee were 9,863 M.T. and 9,535 M.T. respectively as against 8,868 M.T. and 8,580 M.T. respectively in the previous year. Turnover of the Company has grown to Rs. 24,555 lakhs from Rs. 21,679 lakhs registering moderate growth. The net profit of the Company is Rs. 3,523 lakhs as against to Rs.3,757 lakhs during the previous year mainly due to additional depreciation and interest costs.

Dividend

Your directors are pleased to recommend a dividend of Rs. 5/- per equity share of Rs.10/- each for the year subject to the approval of shareholders.

Expansion

Your Company has recently completed Freeze Dried and Spray Dried capacities which will be available for full production from the current year onwards. Company is also in the process of wrapping up the expansion of 5000 tonnes of Freeze Concentrate Coffee during the current year, which will provide Company with more opportunities to venture into European and Far East markets, where the demand for such coffee is more. Your Company is also undertaking a few line balancing measures whereby total equipment capacity is properly correlated and full scale production is obtained.

Wholly Owned Subsidiary

Your Company has promoted a wholly owned subsidiary company by the name Jayanti Pte. Ltd. in Singapore with the primary objective of making investments into coffee related businesses. Since this



CCL PRODUCTS (INDIA) LIMITED

Company is yet to commenced its financial operations, accounts for the said Company are not forming part of this Annual Report.

Service to the Community

To propagate its philosophy of responding to social welfare causes and philanthropic activities in the areas of education, sports, cultural and natural calamities, your company has donated Rs.22.48 Lakhs for the above said causes during the year under review.

Statutory Auditors

The present Statutory Auditors, M/s. M. Anandam & Co., Chartered Accountants, Secunderabad, the auditors of the Company retire at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

Internal Auditors

Your Board of Directors appointed M/s.Ramesh & Co., Chartered Accountants, Hyderabad as Internal Auditors. The Internal Auditors are submitting their reports on quarterly basis.

Directors

In accordance with the provisions of the Company's Articles of Association, Mr. I J Rao, Mr. B N Jayasimha and Mr. Vipin K Singal, Directors of your company, retire by rotation and being eligible, offers themselves for re-appointment.

Fixed Deposits

Your company has not accepted any fixed deposits and as such no amount of principal or interest was outstanding as on the date of Balance Sheet.

Fire Accident

Members are aware that there was a fire accident in the Freeze Dried Coffee Plant during the second quarter of the financial year. After the fire broke out, the company team worked hard to bring back the FD-1 plant to production levels within one month. FD-2 plant capacity was brought back to normal production levels within four months.

On refurbishment, the FD has achieved full capacity utilization levels right within a months time. The claims in respect of material damage and consequential loss of profits were settled by insurance company. Your Directors' place on record their appreciation and thanks for all the efforts put in by the employees, Insurance Surveyors and Insurance Company in enabling a faster come back to your Company.