

21st
Annual Report
2002-2003

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Chordia Food Products Ltd.

Chordia Food Products Ltd.

TWENTYFIRST ANNUAL REPORT 2002-2003

BOARD OF DIRECTORS :

Hukmichand S. Chordia
Chairman

Pradeep H. Chordia
Managing Director

Dr. Pravin H. Chordia

Hiralal N. Lunkad

Mahendra S. Mehta

Auditors :

M/s. Sunil Shah
Chartered Accountants

Bankers :

ICICI Bank Ltd.
United Western Bank Ltd.

Registered Office :

Plot No. 399 & 400,
Survey No. 398,
Village Sangvi Tal. Shirwal
Dist. Satara - 412 801.

Corporate Office & Share Department :

55, Hadapsar Industrial Estate,
Off. Solapur Road,
Pune - 411 013.

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21ST ANNUAL GENERAL MEETING

Day & Date : Friday 26th September, 2003.

Time : 11.30 A.M.

Place : Plot No. 399 & 400,
Survey No. 398,
Village Sangvi Tal. Shirwal
Dist. Satara - 412 801.

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Shareholders of the Company will be held on Friday, 26th day of September, 2003 at 11.30 A.M. at the Registered Office of the Company at Plot No. 399 & 400, S.No. 398, Village Sangvi, Tal. Shirwal, Dist. Satara 412 801 to transact the following business :-

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2003 and the Profit and Loss Account for the year ended on that date together with the Report of the Directors' and Auditors' thereon.
- 2) To appoint a Director in place of Dr. Pravin Chordia, who retires by rotation, and being eligible, offers himself for reappointment.
- 3) To appoint the Auditors to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Pradeep Hukmichand Chordia as the 'Managing Director' of the Company for a further period of Five Years effective from 1st October, 2003 on the following terms and conditions :-

- A) SALARY :- Rs. 75,000/- per month, for the first year of reappointment, with the annual increment of Rs. 5,000/- per month, with the authority to the Board of Directors of the Company to grant more than one increment and to fix, determine, increase, revise the same from time to time.
- B) PERQUISITES :- In addition to the aforesaid Salary, Mr. Pradeep H. Chordia, Managing Director shall be entitled to perquisites which shall include unfurnished residential accommodation or House Rent Allowance together with gas, electricity and water, reimbursement of Medical Expenses incurred, Leave Travel Assistance for self and family, Club Fees, Premium on Personal accident insurance, contribution to Provident Fund, Super Annuation Fund or Annuity Fund and Gratuity, encashment of leave at the end of the tenure and other benefits and allowances, as may be

determined and fixed by the Board of Directors from time to time, the cost per month, of which to the Company shall not be more than the total Salary as mentioned in (A) above.

- C) The Company shall also provide Car with Driver to the Managing Director for Company's business and also telephone at his residence.
- D) The remuneration comprising Salary, Perquisites and other benefits and allowances of Mr. Pradeep H. Chordia, Managing Director shall be as specified by the Board of Directors from time to time and further, subject to the overall ceilings laid down in Sections 198 and 309 of the Companies Act, 1956 or any modification or re-enactment thereof.
- E) In the event of absence or inadequacy of profits, Mr. Pradeep H. Chordia, Managing Director would be paid the then existing remuneration subject to a ceiling as laid down in Section II, Part II of Schedule XIII of the Companies Act, 1956 as amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things which are necessary and incidental to give effect to the above resolution."

- 5) To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution :-

"RESOLVED THAT pursuant to the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003, the provisions of the Listing Agreement, the provisions of the Companies Act, 1956, Securities Contracts (Regulations) Act, and the SEBI Act, 1982, the Company do seek delisting of its Equity Shares from Pune Stock Exchange Limited and The Stock Exchange, Ahmedabad, with immediate effect.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to initiate the necessary steps/actions for delisting of its securities from the aforesaid Stock Exchanges and to do necessary acts, deeds and things to comply with the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003.

For Chordia Food Products Limited

Place :- Pune
Date :- 30th July, 2003

Hukmichand S. Chordia
Executive Chairman

CHORDIA FOOD PRODUCTS LIMITED**NOTES**

- 1) Notice is also given that the Register of Members and Share Transfer Books in respect of Equity Shares of the Company will remain closed from Wednesday 24th September, 2003 to Friday, 26th September, 2003 (both days inclusive).
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- 3) The instrument appointing proxy should however be deposited at the Corporate Office of the Company at Pune, not less than 48 hours before the commencement of the meeting.
- 4) The relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of Item No. 4 & 5 of the Notice set out above is annexed herewith.
- 5) Members desiring any information on the Accounts are requested to write to the Company atleast one week before the meeting so as to enable the Management to keep the information ready.
- 6) The Equity Shares of the Company are under compulsory Demat Facility. The Members who have so far not availed the demat facility are requested to get their shares Demat at the earliest.
- 7) Members are requested to immediately inform about the change in their addresses, if any, and to address all future correspondence to :-

CHORDIA FOOD PRODUCTS LIMITED
 55 HADAPSAR INDUSTRIAL ESTATE,
 OFF SOLAPUR ROAD,
 PUNE 411 013

EXPLANATORY STATEMENT

(Pursuant to Section 173 (2) of the Companies Act, 1956)

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out the material facts relating to the Special Business mentioned in the accompanying Notice dated 30th July, 2003.

Item No. 4

Mr. Pradeep H. Chordia was appointed as the Managing Director of the Company by the Shareholders in their 16th Annual General Meeting held on Friday, 25th September, 1998. The said appointment is valid for a period of Five Years w.e.f. 1st October, 1998 i.e. upto 30th September, 2003.

Mr. Pradeep Chordia has successfully shouldered the responsibilities as the Managing Director of the Company, which are reflected in the growth and performance of the Company.

Considering the working and future business plans of the Company, it is proposed to reappoint him as the Managing Director for a further period of Five Years w.e.f. 1st October, 2003 on suitable terms and conditions.

Accordingly the resolution as set out in Item No. 4 of the Notice is recommended for your approval.

Mr. Pradeep Chordia, Mr. Hukmichand Chordia and Dr. Pravin Chordia, Directors of the Company may be deemed to be interested and concerned in passing of the aforesaid resolution.

None of the other Directors of the Company are in any way concerned or interested in passing of the said Resolution. The Resolution as set out in the Notice and the aforesaid Explanatory Statement may be treated as an abstract of the terms of appointment and memorandum of Interest under Section 302 of the Companies Act, 1956.

Item No. 5

The Equity Shares of the Company are presently listed on Pune, Mumbai and Ahmedabad Stock Exchanges and the Pune Stock Exchange is the Regional Stock Exchange for the Company. The Company has already paid the Annual Listing Fees of all these Exchanges for the year 2003-2004.

Since its listing on Pune Stock Exchange, the Trading of the Shares of the Company was very thin, which has come down to almost Nil for last several years. Since listing at Stock Exchange, Ahmedabad, there is no trading at all of the Shares of the Company.

As per the new SEBI (Delisting of Securities) Guidelines, 2003, which have been notified recently, the Company can delist its securities from any of the Stock Exchanges voluntarily, including the Regional Stock Exchange i.e. Pune Stock Exchange, without providing an Exit opportunity to the Shareholders of the Company residing in that area, provided that the securities will continue to be listed on a Stock Exchange having nation wide trading terminals i.e. the Stock Exchange Mumbai (BSE), or National Stock Exchange (NSE).

The Company's Equity Shares are listed on The Stock Exchange, Mumbai (BSE) which has the nation-wide trading terminals and it will continue to be listed on BSE.

Hence your Directors recommend the Special Resolution as set out at Item No. 5 of the Notice, for delisting of its securities from Pune and Ahmedabad Stock Exchanges.

None of the Directors of the Company are in any way concerned or interested in passing of the said Resolution.

For Chordia Food Products Limited

Hukmichand S. Chordia

Executive Chairman

Place :- Pune

Date :- 30th July, 2003

DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 21st Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2003.

1. FINANCIAL RESULTS

The financial results for the year ended on 31st March, 2003 are briefly given below :-

	2002-2003 (Rs.)	2001-2002 (Rs.)
Turnover	18,53,28,226	19,25,16,379
Gross Profit	2,65,93,994	2,27,53,303
Less :- Depreciation	72,17,321	51,56,609
Interest	60,12,033	64,03,984
Profit before tax	1,33,64,640	1,11,92,710
Less : Provision for taxation	25,50,000	42,08,000
Profit after taxation	1,08,14,640	69,84,710
Add : Balance in Profit & Loss Account of Previous Year	1,97,58,106	1,27,73,396
Balance Carried over to Balance Sheet	3,05,72,746	1,97,58,106

2. DIVIDEND

To augment the long term resources of the Company and to retain the earnings in the business itself, your Directors have decided not to recommend any Dividend on its Equity Shares for the year under Report.

3. REVIEW OF OPERATIONS & FUTURE OUTLOOK

During the year under Report, the Sales of the Company were Rs. 1853.28 lacs as compared to the Sales of Rs. 1925.16 lacs of the previous year. The Profit after Tax was Rs. 108.15 lacs as compared to the Profit after Tax of Rs. 69.85 lacs of the previous year.

During the year under Report, to cater the all over India market, Company has established its

marketing network in the State of Andhra Pradesh and Rajasthan. The Company has also plans to establish 'Cash & Carry Counters' for all its products in the major cities. The first Cash and Carry Counter is already established in Pune under which all the products of the Company are available under one roof.

During the year under Report, the Company has introduced Bread and other Bakery products in Pune and nearby region. The Bread is marketed under the Brand Name 'Golden Delite' and the response to the same is quite encouraging.

The Company has also plans to enter the market of 'Frozen Food'. The demand for Frozen Food and vegetables is expanding and the Company has plans to enter the said market in a big way.

As you are aware, during the previous year, the Company has set up Wind Mill Project at the total project cost of Rs. 150/- Lacs at Jannewadi (Ghot), Tal. Patan, Dist. Satara, Maharashtra with the Electricity Generation Capacity of 4,50,000 Units per annum.

The entire project was executed by Enercon India Limited and it started generating Electricity w.e.f. December, 2001 and the performance of the same during the year under Report is satisfactory.

4. AWARDS/ ACHIEVEMENTS

During the year under Report, Mr. Pradeep Chordia, Managing Director received the 'National Award to Small Scale Entrepreneurs, 2000'.

5. AUDITORS

The present Auditors M/s Sunil Shah, Chartered Accountants, will retire at the conclusion of the forthcoming Annual General Meeting. They have expressed their willingness to continue for the current year. You are requested to reappoint them and fix their remuneration.