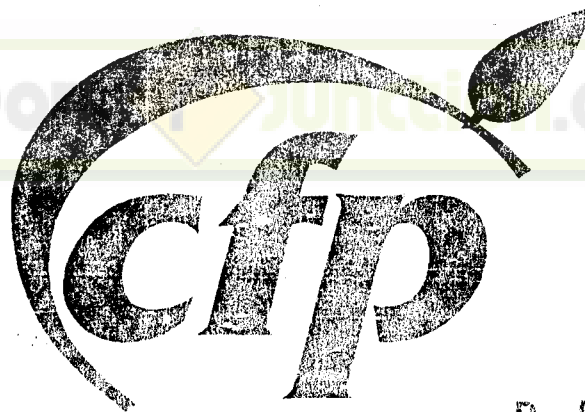


27th

Annual Report

2008-2009



Swad - Har Ghar, Har Pal
BOMBAY
EXCHANGE

Chordia Food Products Ltd.

Chordia Food Products Ltd.

TWENTYSEVENTH ANNUAL REPORT 2008-2009

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 :

Corporation Bank
Camp Branch, Pune

Registered Office :

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

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27TH ANNUAL GENERAL MEETING

Day & Date : Wednesday, 30th September, 2009.

Time : 11.30 A.M.

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

ANNUAL REPORT 2008-2009**NOTICE**

NOTICE is hereby given that the 27th Annual General Meeting of the Shareholders of the Company will be held on Wednesday, 30th September, 2009 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, 2009 and the Profit and Loss Account for the year ended on that date together with the Report of the Director's alongwith the Compliance Certificate and Auditor's Report thereon.
- 2) To appoint a Director in place of Dr. Pravin P.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 a Special Resolution:-

"RESOLVED THAT the consent of the Shareholders of the Company be and is hereby accorded to the Company to keep and maintain its Registers and Index of Members and copies of Annual Returns prepared under Section 159 of the Companies Act, 1956 together with copies of certificates and documents required to be annexed thereto under Section 161 of the Companies Act, 1956 or one or more of them at the Office premises of the Company's Registrar and Share Transfer Agents viz. Satellite Corporate Services Private Limited (R & T Agents) at B - 302 Sony Apartments

Opp. St. Jude High School, Off Andheri Kurla Road, Jarimari Sakinaka, Mumbai 400 072 and/or such other place(s) within the City or suburban of Mumbai where the R&T Agents may shift its Office from time to time and/or at the Registered Office of the Company."

For Chordia Food Products Limited

Place : Pune

Hukmichand S. Chordia

Date : 28th August, 2009

Executive Chairman

NOTES:-

- 1) 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
- 2) The instrument appointing proxy should however be deposited not less than 48 hours before the commencement of the meeting.
- 3) An Explanatory statement pursuant to the provisions of Section 173 of the Companies Act, 1956 in respect of Item No. 4 of the Notice is annexed hereto.
- 4) 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 Tuesday 29th September, 2009 to Wednesday, 30th September, 2009. (Both days inclusive)
- 5) Members desiring any information on the Accounts are requested to write to the Company at least 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.

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 28th August, 2009.

Item No. 4:

As the Members of the Company are aware that the Company has appointed Satellite Corporate Services Private Limited having its Office at B - 302 Sony Apartments Opp. St. Jude High School, Off Andheri Kurla Road, Jarimari Sakinaka, Mumbai 400 072 as the Registrar and Share Transfer Agents. As such the said R&T agents are keeping and maintaining all the required Registers and documents as mentioned in the Resolution.

As per Section 163(1) of the Companies Act, 1956 approval of the Members is required for keeping the afore said records

at a place other than the Registered Office of the Company. Accordingly the approval of the Members is sought by way of Special Resolution as set out at Item No. 4 of the Notice.

The Directors recommend the passing of the Resolution.

None of the Directors of the Company is in any way concerned or interested in this item of business.

For Chordia Food Products Limited

Place : Pune

Hukmichand S. Chordia

Date : 28th August, 2009

Executive Chairman

CHORDIA FOOD PRODUCTS LIMITED**DIRECTORS' REPORT**

To,

The Members,

The Directors have pleasure in presenting the 27th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2009.

1. FINANCIAL RESULTS

The financial results for the year ended 31st March, 2009 are briefly given below:-

	<u>2008-2009</u>	<u>2007-2008</u>
	(Rs.)	(Rs.)
Turnover	32,71,38,173	29,81,08,643
Gross Profit	3,68,33,872	3,67,75,981
Less:- Depreciation	81,42,580	75,59,798
Interest	73,22,497	52,71,162
Profit before Tax	2,13,68,795	2,39,45,021
Less: Provision for Taxation	51,50,000	42,50,000
Profit after Taxation	1,62,18,795	1,96,95,021
Less: Prior Year adjustment	-	94,79,052
Add: Balance in Profit & Loss Account of Previous Year	5,67,62,163	5,37,76,274
Amount available for appropriation	<u>7,29,80,958</u>	<u>6,39,92,243</u>

2. DIVIDEND

Considering the future business plans and upcoming expansion and modernization programmes and heavy marketing expenditure envisaged by the Company in the years to come, there is a need to plough back the funds of the Company in the business itself.

Considering the same, the Directors do not recommend any Dividend on the Equity Shares of the Company for the Financial Year ended 31st March, 2009.

3. REVIEW OF OPERATIONS

During the year under Report the Sales of the Company were Rs. 3271.38 Lacs as compared to the Sales of Rs.2981.09 Lacs of the previous year. The Profit After Tax was Rs. 162.19 Lacs as compared to the Profit after Tax of Rs.196. 95 Lacs of the previous year.

4. SUBSIDIARY COMPANY

During the Financial Year under review, the Company subscribed to/ acquired 24,99,980 Equity Shares of Rs. 10/- each amounting to Rs. 2,49,99,800/- in Western Agree Food Park Private Limited a SPV executing a Project of setting up of Mega Food Park, with the financial subsidy of Ministry of Food Processing, Government of India.

The Statement pursuant to Section 212 of the Companies Act 1956 containing details of the said Subsidiary Company, forms part of this Annual Report.

5. ISSUE OF WARRANTS

As the Members of the Company are aware the Company has issued & allotted 24,00,000 Warrants at issue Price of Rs. 58.05/- per Warrant, aggregating, to Rs.13,93,20,000/- with an Option to subscribe for one Equity Share of Rs.10/- per Convertible Warrant. All the allottees of the Warrants still have not exercised their option to subscribe for the Equity Shares.

6. AUDITORS

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

7. COMPLIANCE CERTIFICATE

Pursuant to the proviso to Sub-Section (1) of Section 383A of the companies Act, 1956 the Compliance Certificate issued by Shekhar Ghaptpande & Co. Secretaries is attached herewith.

8. DIRECTORS

Dr. Pravin Chordia, Director retires by rotation and being eligible offers himself for reappointment.

9. PERSONNEL

Your Directors wish to place on record their appreciation of the contribution made by the Employees at all levels for the continued growth and prosperity of the Company.

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 has not been furnished since no employee received the remuneration beyond the

limits specified therein.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- A) The Company's operations involve very low energy consumption. Wherever possible energy conservation measures have been implemented and there are no further areas where energy conservation measures can be taken. However, efforts to conserve and optimize the use of Energy through improved Operational methods and other means will continue.
- B) The Company has no collaborations and is engaged in the manufacture of the products by its own developed methods/operations. The Company has setup a Research and Development Center whose emphasis is on product development, product quality, Cost reduction, energy conservation and improvement in process productivity. The Company has also setup Laboratory and Quality Control Department to ensure the quality of different products manufactured.
- C) Particulars relating to Foreign Exchange Earnings and outgo appear in the Notes forming part of the Annual Accounts.

11. DISCLOSURE UNDER SEBI CIRCULAR DATED 29TH APRIL, 1988

The Equity Shares of the Company are listed on Bombay Stock Exchange Ltd. and the Directors confirm that the necessary listing Fee of the Stock Exchange for the year 2009-2010 has been paid by the Company.

12. DEMATERIALISATION OF SHARES

As reported earlier the Equity Shares of the Company are dematerialized with effect from 21st June, 2001 and the ISIN No. allotted to the Company is INE975C01011.

The Members who have not yet availed Demat Facility are requested to avail the same immediately.

13. CORPORATE GOVERNANCE

The disclosure of Corporate Governance under Stock Exchange Listing Agreement is necessary for the

Companies having paid up Share Capital of Rs.3/- Crores or more.

Since the paid up Share Capital of the Company is less than the said limit the disclosure under Corporate Governance is not applicable.

14. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) as amended by the Companies (Amendment) Act, 2000 the Directors hereby state :-

- a) that while preparing the Annual Accounts for the year ended 31st March 2009, the applicable accounting standers had been followed along with proper explanations relating to material departures.
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the Profit of the Company for that year.
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors had prepared the Annual Accounts on a going concern basis.

15. APPRECIATION

Your Directors wish to place on record their sincere appreciation of the continued support from the Company's Bankers viz. Corporation Bank, its valued Customers, Distributors, Suppliers, etc.

The Directors are also thankful to the DIC, WMDC and officials of the Government of India, Government of Maharashtra and Tamil Nadu, Local Authorities for their continued help and timely assistance extended to the Company.

For and behalf of the Board of Directors

Place : Pune

Hukmichand S. Chordia

Date : 28th August, 2009

Executive Chairman

CHORDIA FOOD PRODUCTS LIMITED**Compliance Certificate**

To

The Members, Chordia Food Products Limited, Plot No. 399 & 400, S. No. 398, Village Sangvi, Tal. Shirwal, Dist. Satara 412 801.

COMPANY REG. NO: - L15995PN1982PLC026173

I have examined the registers, records, books and papers of Chordia Food Products Limited, having its Registered office at the address mentioned above, (herein after referred to as the Company) as required to be maintained under the Companies Act, 1956, (herein after referred to as the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on 31st March, 2009. In my opinion and to the 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 the rules made there under 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 in case of delay, with the payment of additional filing fees thereon as prescribed under the Act and the rules made there under.
3. The Company is a Public Limited Company within the meaning of the provisions of the Act and as such the comments on prohibition of invitation to public and acceptance of Deposits other than its members, Directors and their relatives are not required. The Company has not accepted any deposits from General Public.
4. The Board of Directors duly met Eight times on :

DATE OF BOARD MEETING	DATE OF BOARD MEETING	DATE OF BOARD MEETING	DATE OF BOARD MEETING	DATE OF BOARD MEETING
1 10 th April, 2008	2 21 st June, 2008	3 26 th July, 2008	4 10 th October, 2008	5 25 th October, 2008
6 23 rd December, 2008	7 31 st January, 2009	8 17 th March, 2009		

- in respect of which meetings, proper Notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from Tuesday, 23rd September, 2008 to Friday, 26th September, 2008 (Both days inclusive) and the Advertisement as required under Section 154 of the Act was published.
6. The Annual General Meeting for the financial year ended on 31st March, 2008 was held on Friday, 26th September, 2008 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minute Book maintained for the purpose.
7. That during the financial year under Report, no Extra Ordinary General Meeting of the Shareholders of the Company was held.
8. The Company during the Year under Report, has not advanced any loans to its Directors and/or persons or firms or companies referred in Section 295 of the Act.
9. As reported to us, during the Financial Year under Report, there are no transactions with the Directors/Director's Relatives/ Firms in which Director or Relative is a Partner or a Private Company of which the Director is a Member or a Director, and as such the provisions of Section 297 of the Act in respect of contracts specified in that Section did not apply. However the Company has entered into Contracts for purchase/sale and supply of services with the Public Limited Company in which Directors are interested, which are outside the purview of the scope of that Section.
10. The Company has duly maintained the Register required to be maintained u/s 301 of the Act.
11. The Company has not employed any person falling within the purview of Section 314 of the Act and as such the question of obtaining any approvals from the Board of Directors, members or Central Government did not arise.
12. The Board of Directors or duly constituted Committee of Directors has issued duplicate Share Certificates during the financial year under Report, on the completion of necessary procedure by M/s Satellite Corporate Services Pvt Ltd. the SEBI approved R & T Agents.
13. (i) The Company during the year under Report has not issued and allotted any shares. The Equity Shares of the Company are listed on The Bombay Stock Exchange Ltd. Mumbai and the Company has appointed M/s Satellite Corporate Services Pvt Ltd. the SEBI approved R & T Agents to look after the Share Transfer work. The Equity Shares of the Company are also allowed for Dematerialisation and Transfers are also effected in Demat Form. All the Share Transfer Work during the Year under Report was looked after by M/s Satellite Corporate Services Pvt Ltd. the SEBI approved R & T Agents.
- 13 (ii) During the Financial Year under Report, the Company had declared Dividend @ 15% on its Equity Shares, for the Financial Year ended as on 31st March, 2008 and the same was declared by the Shareholders in the Annual general Meeting held on 26th September, 2008.
- 13 (iii) That there was no unclaimed or unpaid dividend which was required to be transferred to Unpaid Dividend Account of the Company.
- 13 (iv) That the Company is having balance of Unpaid Dividend Account, but there is no application money due for refund, matured Deposits, matured Debentures and the Interest accrued thereon which have remained unclaimed or unpaid for a period of Seven Years and which are required to be transferred to Investor Education and Protection Fund. The Company is advised to take necessary steps for transfer of the balance of the unclaimed Dividend.
- 13 (v) That the Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. During the year under Report there was no change in the constitution of the Board of Directors of the Company.
15. The Board of Directors of the Company is duly constituted. During the year under Report there was no change in the constitution of the Board of Directors of the Company.
16. The Company has not appointed any Sole Selling Agents during the financial year under Report.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other Authorities prescribed under the various provisions of the Act during the financial year under Report.
18. 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 there under.
19. During the year under report the Company has not issued and allotted any shares.
20. During the year under report the Company has not bought back any shares.
21. The Company has not issued and allotted any Preference Shares and hence the question of redemption of Preference Shares during the financial year under report does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act.
24. The Company has availed additional borrowings from its Bankers viz. Corporation Bank during the Year under Report, and necessary Form Nos. 8 for modification of Charges have been filed and are registered by The Registrar of Companies, Maharashtra.
25. During the Financial Year under Report, Company has made investments in the Equity Shares of Western Agri Food Park Private Limited to the extent of 99.99% of its Equity. Accordingly the said Western Agri Food Park Pvt Ltd. has become the subsidiary of the Company.

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The Company has not made any loans and, or given guarantees or provided securities to other bodies corporate. The Investments so made along with the Investments and Loans already made by the Company are well within the limits prescribed by the provisions of Section 372A of the Companies Act, 1956.

26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under report.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under report.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under report.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under report.
30. The Company has not altered the provisions of the Articles of Association during the financial year under report.
31. On verification of the records of the Company and as informed to me there was no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the Company.
32. The Company has not received any money as security from its employees during the financial year under report.
33. The Company has deposited both employees' and employers' contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

FOR SHEKHAR GHATPANDE & CO
Company Secretaries
Shekhar Ghatpande
Proprietor
FCS: 1659 CP: 782

Place : Pune
Date : - 28/08/2009

Annexure A

Registers as maintained by the Company

01. Register of Investments u/s 49 of the Act.
02. Register of Charges u/s 143 of the Act.
03. Register of Members u/s 150 and Index of Members u/s 151 of the Act.
04. Minutes Book of the Board of Directors.
05. Minutes Book of the General Meetings.
06. Books of Accounts u/s 209 of the Act.
07. Register of particulars of Contracts u/s 301 of the Act.
08. Register of Directors u/s 303 of the Act.
09. Register of Director's Shareholding u/s 307 of the Act.
10. Register of Investments or loans made, guarantees given or security provided u/s 372A of the Act.
11. Register of Transfers
12. Register of Director's Attendance
13. Register of Shareholder's Attendance
14. Register of Proxies
15. 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, 2009.

A) To the Registrar of Companies :

Sr. No	FORM NO.	PARTICULARS	CHALLAN/ SRN NO. /DT	DATE OF PAYMENT OF CHALLAN AND NAME OF THE BANK
1	Form No. 8	Availment/ Restructuring of credit facility	A44585487 dt. 09/09/2008	11/09/2008 Punjab National Bank
2	Form No. 23AC/ACA	Annual Accounts 31/03/2008	P22243299 dt. 27/09/2008	01/10/2008 Punjab National Bank
3	Form No. 23	Filing of Resolutions passed in the AGM held on 26/09/2008.	A46351318 dt. 07/10/2008	08/10/2008 Punjab National Bank
4	Form No. 23	Filing of Board Resolutions in respect of re-appointment of Mr. Pradeep Chordia.	A46350674 dt. 07/10/2008	08/10/2008 Punjab National Bank
5	Form No. 25C	In respect of Mr. Pradeep Hukmichand Chordia	A46369658 dt. 07/10/2008	08/10/2008 Punjab National Bank
6	Form No. 23B	Consent to act as Auditor	A 46762597 dt. 13/10/2008	Directly filed by the Auditors.
7	Form No. 20B	Annual Return of 2008	P29571692 dt 17/01/2009	21/01/2009 Punjab National Bank
8 (*)	Form No. 8	Enhancement of Loan from Rs. 605/- Lacs to Rs. 705/- lacs Modification dated 21/03/2009	A61183026 dt 04/05/2009	06/05/2009 Punjab National Bank

B) To Central Government/Regional Director/Central Government – **NIL**

(*) **NOTE:** Event of Current Financial Year filed in next Financial Year i.e. 2009-2010

CHORDIA FOOD PRODUCTS LIMITED**AUDITORS' REPORT**

To,

The Members,

Chordia Food Products Limited.

1. We have audited the attached Balance Sheet of Chordia Food Products Limited, as at 31st March, 2009 and also the Profit & Loss Account and Cash Flow Statement 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 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, (the order) 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 & 5 of the said Order.
4. Further to our comments in the 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 purpose of our audit;
 - (b) In our opinion proper books of account as required by the law, have been kept by the

Company so far as appears from our examination of those books:

- (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- (d) In our opinion the Balance Sheet and Profit & Loss Account and the Cash Flow Statement 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) On the basis of the written representation received from all the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the said Directors are disqualified as on 31st March, 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 principle generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - (ii) in the case of the Profit & Loss Account, of the Profit for the year ended on that date.

M/s. SUNIL SHAH
Chartered Accountants

Sunil Shah
Proprietor
Membership No. 37483

Place : Pune
Date : 27th June, 2009

ANNEXURE TO THE AUDITOR'S REPORT

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The major portion of fixed assets have been physically verified by the management during the year. In our opinion the frequency of physical verification of fixed assets by the management is

reasonable having regard to the size of the Company and nature of its assets. The discrepancies noticed have been properly dealt with in the books of account.

- (c) The Assets disposed off during the year are not significant and therefore do not affect the going concern assumption.