

8th

ANNUAL REPORT
2001-2002



CARNATION NUTRA – ANALOGUE FOODS LIMITED

Registered Office : A-204 , Samudra , Sardar Patel Nagar,
C.G.Road , Ahmedabad –380 006.INDIA

CARNATION NUTRA - ANALOGUE FOODS LIMITED

Board of Directors

Chairman

Shri Jayantibhai Amin

Managing Director

Shri Ashish Amin

Directors

Shri Manubhai Patel

Shri Kamal Patel

Registered Office

A-204, Samudra,
Sardar Patel Nagar,
C.G.road ,
Ahmedabad-380 006.

Bankers

Central Bank Of India
S.M.Road Branch
Ahmedabad.

Auditors

M/s. Rajendra N.Shah & Co.
Ahmedabad.

Factory

7A, 7B & 8 Saket Industrial Estate ,
Sarkhej Bawla Road, Gam-Moraiya,
Sanand , Dist. Ahmedabad .

EIGHTH ANNUAL GENERAL MEETING

Date : 28th September , 2002

Day : Saturday

Time : 11:00 a.m.

Place : A-204, Samudra,S.P.Nagar,
C.G.Road,Ahmedabad-380 006.

Report  junction.com

EIGHTH ANNUAL REPORT

NOTICE

NOTICE IS HEREBY given that the **EIGHTH** Annual General Meeting of the Company will be held at A-204 , Samudra , Sardar Patel Nagar , C.G.Road ,Ahmedabad –380 006 on Saturday , the 28th September , 2002 at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider , approve and adopt the audited Balance Sheet as at , and the Profit and Loss Account for the Financial Year ended 31st March 2002 , together with the Director's Report and the Auditor's report there on .
2. To appoint a Director in place of Shri Kamal Patel who retires by rotation and , being eligible , offers himself for re-appointment .
3. To appoint M/s. Rajendra N. Shah & Co. Chartered Accountants as Auditors , who shall hold office from the conclusion of this Annual General Meeting and to fix their remuneration .

SPECIAL BUSINESS :

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

"RESOLVED THAT subject to the provisions of sections 198,269,309, schedule XIII and any other provisions, if any of the Companies Act, 1956, approval of members be and is hereby accorded for appointment of Shri Ashish Amin as Managing Director of the Company for a period of 5 (five) years w.e.f. 25.07.2002 on the remuneration and the terms and conditions as are set out in the draft agreement proposed to be entered into between the Company and Shri Ashish Amin."

For and on behalf of the Board

Place : Ahmedabad
Date : 25th July 2002.

JAYANTIBHAI AMIN
Chairman

Registered Office :
A-204 , Samudra ,Sardar Patel Nagar ,
C.G.Road, Ahmedabad-380 006.

Report  junction.com

CARNATION NUTRA ANALOGUE FOODS LIMITED**NOTES**

1. A MEMBER OF THE COMPANY WHO IS ENTITLED TO ATTEND AND VOTE AT THE SAID MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Instrument(s) appointing Proxies , if any , in order to be effective , must be received at the Registered Office of the company , not less than forty eight hours before the commencement of the meeting . Proxies shall not have any right to speak at the meeting .
3. Register of Members and share Transfer Books of the Company will remain closed on 21-09-2002 to 28-09-2002 (both days inclusive).
4. The company's shares are listed with the Ahmedabad & Mumbai Stock Exchanges. The company has paid the listing fees for the year 2002-2003 to both the Stock Exchanges .
5. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting .
6. Members desiring any information as regards the Accounts are requested to write to the Company atleast 15 days before the date of the meeting , as to enable the management to keep the information ready

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT , 1956.**Item No. 4**

Mr. Ashish Amin is a Director on the Company's Board since 1994. He is by profession a B. Pharm (U.S.A) and contributed greatly to the development of the Company and has been instrumental in steering the Company to its present strong position in the market. The Board appointed him as the Managing Director of the Company in its meeting dated 25.07.2002. An abstract and memorandum giving details of appointment of Shri Ashish Amin as required u/s. 302 of the Company's Act, 1956 was sent to the shareholders.

Following are the details of terms of appointment of Shri Ashish Amin as a Managing Director.

I **Term of Appointment : 5 years from 25.07.2002.**

II **Remuneration :**

A) **Salary :** Salary of Rs. 40,000/- Per month with such increase as the Board may from time to sanction, subject to the limit specified in Part – II of the Schedule XIII of the Company's Act, 1956.

B) **Perquisites :**

1. **Provident Fund :** Benefits under Provident Fund scheme in accordance with the Company's Rules and Regulations in force from time to time, subject to the limit specified in Section II of Part II of the Schedule XIII.

EIGHTH ANNUAL REPORT

Where in any financial year during the currency of tenure of the appointment of Shri Ashish Amin, the Company has no profits or its profits are inadequate, the total remuneration payable to Shri Ashish Amin Shall not exceed limits as specified under Section II of Part II of Schedule XIII of the Companies Act, 1956.

Your Directors recommended for your approval of the Resolution of Item No. 4.

No Directors other than Shri Ashish Amin is interested in this resolution

For and on behalf of the Board

Place : Ahmedabad
Date : 25th July, 2002.

JAYANTIBHAI AMIN
Chairman

Registered Office :
A-204 , Samudra ,Sardar Patel Nagar ,
C.G.Road, Ahmedabad-380 006.



CARNATION NUTRA ANALOGUE FOODS LIMITED

DIRECTOR'S REPORT

To,

The Members ,

The Directors have pleasure in submitting their Report for the year ended 31st March 2002.

1. FINANCIAL RESULTS :	Current Year	Previous Year
Sales and Other Income	6,41,61,033	5,69,23,033
Profit Before Interest ,Depreciation & Tax	99,58,208	91,15,410
Less : Interest	6,13,173	1,75,501
Depreciation	38,90,788	40,30,785
Provision For Tax	5,10,000	1,50,000
Profit After Interest , Depreciation And Tax.	49,44,247	47,69,124
Surplus (Deficit) in Profit & Loss Account Brought Forward	(86,74,366)	(1,34,43,490)
Deferred Tax Liability	(2,83,722)	-
BALANCE CARRIED TO BALANCE SHEET	(40,13,841)	(86,74,366)

2. PERFORMANCE :

Inspite of the sluggish economy and adverse market conditions , the company has been able to achieve targeted results. During the year under review the company has strengthened the awareness and presence of its product by appointing different distributors in major cities of the country.

The company is in the process of introducing further new products in the market . Inspite of the achieving targeted sales , the overall profit shows a marginal increase on account of exceptional costs relating to the test production, surveys and certain extra-ordinary expenses incurred for the successful entry of its new products in the coming years.

3. MANAGEMENT DISCUSSION AND ANALYSIS

One of the major threats emerging in the market is the increasing shift towards substitution which is changing the dynamics of the market in terms of pricing and product promotion. However, our customer block believes in quality of your company's products

and the valuable medical advantage of our product being virtually cholesterol free . The management is making every effort to meet the increasing demand of all its products .

Your company has in the last year , took up the test productions of its new products. It is expected that these and other new products in line will drive the growth of the Company in the coming years. Plans are in hand to launch new products for which there is a major market in the country Major investments are planned in advertising and promotion to back these products.

The focus on the profitable brands coupled with rigorous control on expenses and back-office costs is expected to result in an improvement in the performance and profitability of your Company .

4. INTERNAL CONTROL SYSTEMS :

The Company maintains a system of internal control , including suitable monitoring procedures. The Internal Audit Department regularly conducts a review of the financial and operating controls at various locations of the company including in areas such as Intellectual Property , Business Continuity and Disaster Recovery . Any significant issues are required to be brought to the attention of the Audit Committee of the Board.

5. FIXED DEPOSITS :

The company has not accepted any deposits during the year .

6. DIRECTORS :

Shri Kamalbhai Patel , director retires by rotation at the ensuing Annual General Meeting , and being eligible offers himself for reappointment .

Shri Ashish Amin is appointed as the Managing Director of the Company vide Board Meeting on 25-07-2002 for the period of 5 years on the terms & conditions as specified in the explanatory statement.

7. DEMAT :

In terms of the notification issued by the Securities and Exchange Board of India (SEBI) , trading in equity shares of your company is made compulsory for all shareholders in the dematerialized form with effect from 1st January 2001. Your company has entered into an agreement with depositories viz.: National Securities Depositories Ltd. (NSDL) and Central Depository services (India) Ltd. for this purpose.

CARNATION NUTRA -ANALOGUE FOODS LIMITED

8. CAUTIONARY NOTE :

Certain statements in the " Management Discussion and Analysis" section may be forward-looking and are stated as required by the applicable laws and regulations. Many factors may affect results which could be different from what the director's envisage in terms of future performance and outlook.

9. ADDITIONAL DISCLOSURES :

In line with the requirements of the Listing Agreements and the Accounting Standards of the Institute of Chartered Accountants Of India , your company has made additional disclosures in respect of Financial Statements .

10. DIRECTORS' RESPONSIBILITY STATEMENT :

Your director's confirm :

- (i) that in the preparation of the annual accounts , the applicable accounting standards have been followed ;
- (ii) that the appropriate accounting policies have been selected and applied consistently and the directors have 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 the financial year ended 31st March 2002 and of the profit of the Company for that year;
- (iii) that the directors had 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 annual accounts have been prepared on a going concern basis.

11. CORPORATE GOVERNANCE :

Every listed company is required to observe Corporate Governance Code as per the provisions contained in clause 49 of the Listing Agreement . As per the schedule of implementation mentioned in clause 49 of the Listing Agreement, your company is required to fully implement the Corporate Governance Code not later than 31st March, 2003.