

# ANNUAL REPORT

## 1999-2000



**ENJAYES**  
**NATURAL FLAVOURS LIMITED**

Regd. Office. C.C. 7/39 Keta Niwas, Jew Town, Srinagar 2

---

## ENJAYES NATURAL FLAVOURS LIMITED

Regd. Office. C.C. 7/30, Leela Niwas, Jew Town, Cochin-2

<b>Board Of Directors</b>	Mr. John N.S	Chairman & Managing Director
	Mr. Sanil John	Whole-time Director
	Dr. Gimjose chittattu	(Director) Research & Product Dev.
	Mr. Babu E. M.	(Director)
	Mr. Gopalakrishnan Nair T. K.	(Director)
	Mr. Mohana Kurup P. A.	(Director)
	Mr. Salam A. A.	(Director)
	Mr. Thierry Laurent	(Director)
	Mr. Rajan E. M.	(Director)
Mr. Abraham P. V.	(Director)	

**Auditors** M/s. Krishna Moorthy & Co.,  
Chartered Accountants  
Rohini, Lakshmi Nada, Kollam-691 013.

**Bankers** State Bank of Travancore, Pathanamthitta

**Registered Office** C. C. No. 7/30, Leela Nivas  
Jew Town,  
Cochin-682 002

**Factory** Neeli Ammankoil Road  
Karkudy, Shencottaih,  
Tamil Nadu

**Corporate Office** Aban Towers  
3rd Floor,  
Pathanamthitta - 689 645. Kerala.

---

## CONTENTS

Notice to Members	4
Directors' Report	5
Auditors' Report	8
Balance Sheet	11
Profit and Loss Account	12
Schedules	13
Notes to the Balance Sheet	21
Cash Flow Statement	25
Balance Sheet Abstract	27
Proxy Form	29

---

# ENJAYES NATURAL FLAVOURS LIMITED

## NOTICE

NOTICE is hereby given that the Seventh Annual General Meeting of the members of Enjayes Natural Flavours Limited will be held at Hotel Abad, Chullickal Junction, Cochin-682 002, Kerala, on Saturday the 30th day of September, 2000 at 3.30 p.m. to transact the following business :-

### ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March, 2000 and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sanil John who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. T. K. Gopalakrishnan Nair who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr. Gimjose Chittattu who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to authorise the Board to fix their remuneration.

By Order of the Board  
for Enjayes Natural Flavours Ltd.



N.S. JOHN  
Managing Director

Pathanamthitta  
31.08.2000

#### Note:

1. A member entitled to attend and vote at the above meeting may appoint Proxies to attend and to vote instead of himself. The Proxy need not be a member of the company.
2. A Proxy in order to be effective must be lodged with the Company not less than forty eight hours before the meeting.

---

## DIRECTORS' REPORT

TO

The Members,

Your Directors have pleasure in Presenting the Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2000.

### FINANCIAL RESULTS

During the year under review, company suffered a loss of Rs. 51.63 lakhs. The cumulative loss stands at Rs. 73.87 lakhs.

Company is making every efforts to manufacture some value added products thereby the bottomline can be improved. Bank have been approached for a rehabilitation plan.

### ACCOUNTING POLICIES

The Company has complied with the Accounting Standards of the institute of Chartered Accountants of India, and the Accounts have been drawn in conformity with those Accounting Standards

### PROJECTION VS PERFORMANCE

	(Rs. in Lakhs)	
	Projection as per Public Issue prospectus dated 16.2.96	Actual Performance
Total Income	1070.03	149.42
Profit Before Tax	124.60	-51.63
Profit After Tax	124.60	-51.63
EPS (RS.)	2.40	-
Dividend (%)	12%	-

### DIRECTORS

M/s. Sanil John , T. K. Gopalakrishnan Nair and Dr. Gimjose Chittattu retire by rotation and being eligible offers themselves for reappointment.

### PUBLIC DEPOSIT.

During the year under review, Company has not accepted any deposit from public through advertisement.

---

**PARTICULARS REGARDING CONSERVATION OF ENERGY &  
FOREIGN EXCHANGE EARNINGS AND OUTFLOW**

Information as per the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1998 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure- 'A' forming part of this report.

**PERSONNEL**

Pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975, there were no employees during the year under report whose remuneration is not less than Rupees Six Lakhs per annum or Rupees Fifty Thousand per month.

**AUDITORS**

The Auditors M/s. Krishnamoorthy & Co., Chartered Accountants, Kollam, Kerala retire at the forthcoming Annual General meeting, and being eligible, offer themselves for reappointment.

**ACKNOWLEDGEMENT**

Your directors wish to express their sincere appreciation for the support and Co-operation received from the Government of Tamil Nadu, Bankers to the company, Shareholders, Employees and other Stakeholders.

For and on behalf of the Board,

**N.S. JOHN**

Chairman & Managing Director

Pathanamthitta

Date: 31.08.2000



## ANNEXURE- 'A' TO THE DIRECTORS' REPORT

### **A. CONSERVATION OF ENERGY**

Company uses semi-continuous process which not only increases productivity but also conserves Electricity. Capacitors having 90 KVR are installed so as to maintain the power factor at 0.95.

### **POWER AND FUEL CONSUMPTION**

	Current year	Previous year
1. Electricity		
a. Purchased Unit	214411	230984
Total amount	1109767	1128005
Rent/Unit	5.88	4.88
b. Own generation		
i. Through Diesel Generator	Nil	Nil
ii. Through Steam Turbine/Generator	Nil	Nil
2. Coal		
Quantity/Total Cost/Average rate	Nil	Nil
Furnace Oil		
Quantity/Total Amount/Average rate	Nil	Nil
4. Others/Internal generation		
Quantity/Total Cost/Rate	Nil	Nil

### **CONSUMPTION PER UNIT OF PRODUCTION**

Product	Kg	1999-2000 Spice Oils & Oleoresines	1998-99 Spice Oils & Oleoresines
Electricity	Unit	16.47	13.07
Furnace Oil		Nil	Nil
Coal		Nil	Nil
Others		Nil	Nil

### **B. TECHNOLOGY ABSORPTION**

The company does not use any Foreign Technology for manufacture of Spice Oils and Oleoresins. However, Company has its own Research and Development programme to add the list of value added Spice Oils and Oleoresins.

### **C. FOREIGN EXCHANGE EARNING AND OUTGO**

	1999-2000	1998-1999
a. Earning-Export Sales	114.72	130.58
b. Outgo	1.47	2.40

For and on behalf of the Board,

**N.S. JOHN**

Chairman & Managing Director

Pathanamthitta

Date: 31.08.2000

---

**M/s. KRISHNAMOORTHY & CO.**

CHARTERED ACCOUNTANTS

T.D. Temple Road,  
**Kollam - 691 013.**  
Ph. 793420, 750211

Date: 31.08.2000

**AUDITORS' REPORT.**

THE SHARE HOLDERS,

M/S. ENJAYES NATURAL FLAVOURS LIMITED  
Cochin.

We have audited the attached Balance sheet of M/s. Enjayes Natural Flavours Limited, as at March, 31st, 2000 and also the Profit and loss account of the Company for the year ended on that date, annexed thereto, and report that:

1. As required by the Manufacturing and other companies (Auditors' Report) order 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956 we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the annexure referred to in paragraph 1 above:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. in our opinion, proper books of account, as required by law, have been kept so far as appears from our examination of the books"
  - c. the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Profit and Loss Account and Balance Sheet comply with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the companies Act, 1956.
  - e. In our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view;
    - i. In the case of the Balance Sheet, of the State of the company's affairs as at March 31, 2000; and
    - ii. In the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.

**FOR M/S. KRISHNAMOORTHY & CO.**  
Chartered Accountants

*sd*

R. Anantha Sankaran  
Partner

Kollam  
31.08.2000



---

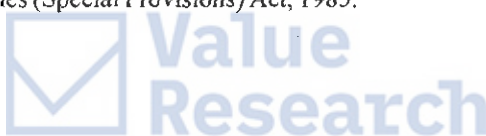
**ANNEXURE, REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT TO MEMBERS OF M/s. ENJAYES NATURAL FLAVOURS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2000.**

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. However the fixed assets, register is being updated.  
(b) According to information and explanations given to us the Company has conducted physical verification of fixed assets during the year under audit. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
2. The fixed assets of the Company have not been revalued during the year.
3. The stocks in hand of finished goods, stores, spare parts and raw materials have been physically verified by the management during the year.
4. In our opinion, and according to the information and explanations given to us, the procedures of verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies between the physical stocks and book stocks, which have been properly dealt with in the books of account, were not material in relation to the size of the Company's operation.
6. On the basis of our examination of stock records we are of the opinion that the valuation of stocks of finished goods, stores, spare parts and raw materials has been fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in pervious year.
7. The company has taken loan from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. The terms and conditions of such loan are not prejudicial to the interest of the Company. In terms of sub-section (6) of Section 370 of the Act, provisions of section 370 are not applicable to a company on or after 31st October, 1998.
8. The company has not granted any loans to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. In terms of sub-section (6) of Section 370 of the Act, provisions of section 370 are not applicable to a company on or after 31st October, 1998.
9. The company has not given any loans or advances in the nature of loans where repayments have been stipulated. Hence regularity of repayment of principal and interest does not apply.
10. In our opinion, internal control procedures are commensurate with the size and the nature of the business of the Company relating to purchase of stores, raw materials including components, plant and machinery, equipment and other similar assets and for the sale of goods.
11. In our opinion, and according to the information and explanations given to us, there are transaction of purchases of goods and materials and sales of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year Rs. 50,000/- or more in value in respect of each party and these have been made at prices which are reasonable having regard to prevailing market prices for such goods.

---

materials, or services or the prices at which transactions for similar goods or services have been made with other parties.

12. As explained to us, the Company has a reasonable procedure for the determination and accounting of unserviceable or damaged stores, raw materials and finished goods.
13. The Company has not accepted any deposit from public within the provisions of Section 58A of the Companies Act, 1956.
14. It is informed to us that the Company has no realisable by-products and scraps.
15. There is no separate internal audit system in the Company.
16. As explained to us, maintenance of cost records have not been prescribed for the company by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
17. The company has not been regular in depositing the Employee Provident fund dues with the appropriate authorities. However the amount due upto March, 2000 has been subsequently deposited with the appropriate authorities. The Company is not registered under the Employees' State Insurance Act.
18. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax., Sales Tax, Custom duty and excise duty were outstanding as at March 31, 2000 for a period of more than six months from the date they become payable.
19. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices we have not come across any personal expenses which have been charged to Profit and Loss Account nor have we been informed of any such case by the management.
20. The company is not a sick Industrial Company with in the meaning of clause (O) of section 3 (1) of the Sick Industrial Companies (Special Provisions) Act, 1985.



**FOR M/S. KRISHNAMOORTHY & CO.**  
Chartered Accountants

*sd*

**R. Anantha Sankaran**  
Partner

Kollam  
31.08.2000

# M/S. ENJAYES NATURAL FLAVOURS LTD., COCHIN

## BALANCE SHEET AS AT 31st MARCH, 2000

	Sch No.	31.03.2000		31.03.1999	
		Rs.	P.s	Rs.	P.s
<b>I. SOURCE OF FUNDS</b>					
A. Shareholders fund	1	47777000.00		46031000.00	
B. Loan funds	2	24674068.00		23352241.00	
			<u>72451068.00</u>		<u>69383241.00</u>
<b>Total</b>			<u><b>72451068.00</b></u>		<u><b>69383241.00</b></u>
<b>II. APPLICATION OF FUNDS</b>					
A. <u>Fixed Assets</u>	3				
Gross Block		52352908.73		53191215.51	
Less:-Depreciation		5343270.00		2978752.00	
Net Block			47009638.73		50212463.51
B. <u>Capital Work-in Progress</u>	4		3547091.43		3389688.83
C. <u>Investment</u>	5		42000.00		42000.00
<b>D. <u>Current Assets, Loans and Advances</u></b>					
Current Assets	6A	22458895.78		17058551.46	
Loans and Advances	6B	2484980.14		2478378.60	
		24943875.92		19536930.06	
Less: Current Liabilities and provisions	7	10728312.97		6306586.20	
			14215562.95		13230343.86
E. <u>Miscellaneous Expenditure</u> (To the extent not written off or adjusted)					
Preliminary Expenses	8		248888.15		284443.60
F. <u>Profit and Loss Account</u>			7387886.74		2224301.20
<b>Total</b>			<u><b>72451068.00</b></u>		<u><b>69383241.00</b></u>

Schedules 1 to 20 form part of accounts

Sd/ N.S. John Managing Director	Sd/ Dr. Gimjose Chittattu Director	Sd/ Sanil John Director	As per our report attached For M/s. Krishna Moorthy & Co., Chartered Accountants.
---------------------------------------	--	-------------------------------	---

Pathanamthitta  
Date: 31.08.2000

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2000**

Particulars	Schedules	Year Ended	Year Ended
	No	31.03.2000	31.03.1999
<b>INCOME</b>			
Sales	9	14838717.00	13058425.00
Other Income	10	104281.00	79325.15
Increase/Decrease in stock	11	7551879.00	8102614.00
Total		<u>22494877.00</u>	<u>21240364.15</u>
<b>EXPENDITURE</b>			
Raw material consumed	12	16179900.05	12536834.00
Stores consumed	13	307300.25	388711.20
Purchase of finished products	14	1320000.00	-
Manufacturing expenses	15	1860677.26	1817652.55
Salaries, Wages, Amenities to Staff	16	1121522.25	1101340.23
Administrative and other expenses	17	756119.20	662795.03
Selling and Distribution Expenses	18	860554.73	1063618.63
Interest and other finance charges	19	2887870.80	2857408.35
Depreciation		2364518.00	2403656.00
		<u>27658462.54</u>	<u>22832015.99</u>
Profit/(Loss) Before tax		(5163585.54)	(1591651.84)
Less: Provision for taxation.		-	-
Profit/ Loss for the year		(5163585.54)	(1591651.84)
Add: Balance brought forward from previous year		(2224301.20)	(632649.36)
Amount available for appropriation		<u>(7387886.74)</u>	<u>(2224301.20)</u>
Balance transferred to Balance Sheet.		<u>(7387886.74)</u>	<u>(2224301.20)</u>

**Schedules 1 to 20 form part of accounts**

Sd/ N.S. John Managing Director	Sd/ Dr. Gimjose Chittattu Director	Sd/ Sanil John Director	As per our report attached For M/s. Krishna Moorthy & Co., Chartered Accountants.
---------------------------------------	--	-------------------------------	---

Pathanamthitta  
Date: 31.08.2000

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

	31st March, 2000		31st March, 1999	
	Rs.	Ps.	Rs.	Ps.
<b>SCHEDULE 1</b>				
<b><u>Share Capital</u></b>				
<b><u>Authorised Capital</u></b>				
6000000 Equity Shares of Rs. 10/-each	60000000.00		60000000.00	
<b><u>Issued Capital</u></b>				
5200000 Equity Shares of Rs. 10/-each	52000000.00		52000000.00	
<b><u>Subscribed Capital</u></b>				
5200000 Equity Shares of Rs. 10/-each	52000000.00		52000000.00	
Less: Unpaid Allotment money	<u>4223000.00</u>		<u>5969000.00</u>	
<b><u>Paidup Capital</u></b>	<u>47777000.00</u>		<u>46031000.00</u>	
<b>Total</b>	<u><b>47777000.00</b></u>		<u><b>46031000.00</b></u>	

**SCHEDULE 2**

**Loan Funds**

**Secured from Banks**

Terms Loans	6319129.00	8940664.00
Working Capital loans	<u>15403439.00</u>	<u>11509577.00</u>
	21722568.00	20450241.00
<b>Unsecured loan</b>	<u>2951500.00</u>	<u>2902000.00</u>
<b>Total</b>	<u><b>24674068.00</b></u>	<u><b>23352241.00</b></u>

Sd/  
N.S. John  
Managing Director

Sd/  
Dr. Gimjose Chittattu  
Director

Sd/  
Sanil John  
Director

As per our report attached  
For M/s. Krishna Moorthy & Co.,  
Chartered Accountants.

Pathanamthitta  
Date: 31.08.2000

Sd/  
R. Anantha Sankaran B.Com, FCA  
(Partner)

**SCHEDULE -3**  
**FIXED ASSETS**

**M/S ENJAYES NATURAL FLAVOURS LTD, COCHIN**

Description of Assets	Rate	GROSS BLOCK (AT COST) (RS.)				DEPRECIATION (Rs)			NET BLOCK (Rs.)		
		As on 01.04.99	Additions during the year	Sales/ Adjustment	As on 31.03.2000	As on 1.4.1999	For the Year	Written Back	Upto 31.03.2000	As on 31.3.2000	As on 31.3.1999
Land		1724154.00			1724154.00					1724154.00	1724154.00
Buildings	3.34	9786688.07			9786688.07	379254.00	326875.00		706129.00	9080559.07	9407434.07
Plant & machinery	4.75	34740530.43			34740530.43	1918855.00	1650175.00		3569030.00	31171500.43	32821675.43
Fax	4.75	92773.20			92773.20	13570.00	4407.00		17977.00	74796.20	79203.20
Furniture & Fittings (Adm.)	6.23	620832.66	2100.00		622932.66	141141.00	38771.00		179912.00	443020.66	479691.66
Electricals Installation	6.23	3133889.20	35000.00		3168889.20	223283.00	197422.00		420705.00	2748184.20	2910606.20
Furniture & Fittings	6.23	436932.45	6440.00		443372.45	102813.00	27565.00		130378.00	312994.45	334119.45
Typewriter	4.75	11156.00			11156.00	1796.00	530.00		2326.00	8830.00	9360.00
Superphone	4.75	28775.00			28775.00	4412.00	1367.00		5779.00	22996.00	24363.00
Laboratory Equipments	6.23	2103482.90	5636.22	911983.00	1197136.12	143205.00	74258.00		217463.00	979673.12	1960277.90
Photocopier	4.75	128665.60			128665.60	14336.00	6112.00		20448.00	108217.60	114329.60
Car	9.5	152000.00			152000.00	16847.00	14440.00		31287.00	120713.00	135153.00
Library Books	6.23	5125.00			5125.00	315.00	319.00		634.00	4491.00	4810.00
Weighing Balance	6.23	60474.00			60474.00	4053.00	3768.00		7821.00	52653.00	56421.00
Computer	16.21	96890.00			96890.00	12346.00	15706.00		28052.00	68838.00	84544.00
Borwell	1.63	14972.00			14972.00	451.00	244.00		695.00	14277.00	14521.00
Air Conditioner	4.75	27450.00			27450.00	1521.00	1304.00		2825.00	24625.00	25929.00
Fire Extinguisher	4.75	26425.00			26425.00	554.00	1255.00		1809.00	24616.00	25871.00
Mobile Phone	4.75		24500.00		24500.00				--	24500.00	--
<b>Total</b>		53191215.51	73676.22	911983.00	52352908.73	2978752.00	2364518.00		5343270.00	47009638.73	50212463.51
As on 31.03.1999		52563510.61	627704.90		53191215.51	575096.00	2403656.00		2978752.00	50212463.51	5683133.81

Sd/  
N.S. John  
Managing Director

Sd/  
Dr. Gimjose Chittattu  
Director

Sd/  
Sanil John  
Director

As per our report attached  
For M/s. Krishna Moorthy & Co.,  
Chartered Accountants,

Pathanamthitta  
Date: 31.08.2000

Sd/  
R. Anantha Sankaran B.Com. FCA  
(Partner)

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

	31st March, 2000		31st March, 1999	
	Rs.	Ps.	Rs.	Ps.
<b>SCHEDULE-4</b>				
<b><u>Capital Work-in-Progress</u></b>				
Building under construction	1220599.90		1158756.30	
Plant and Machinery Under Erection	2255027.78		2159758.78	
Pond Construction	71463.75		71173.75	
<b>Total</b>	<b><u>3547091.43</u></b>		<b><u>3389688.83</u></b>	

**SCHEDULE-5**

**Investments**

Quoted shares in State Bank of Travancore (70 Shares of Rs. 100/-each at a premium of Rs. 500/- each fully paid up) (Market value Rs. 264.45-Previous year Rs.225)	42000.00	42000.00
<b>Total</b>	<b><u>42000.00</u></b>	<b><u>42000.00</u></b>

**SCHEDULE-6**

**Current Assets, Loans & Advances**

**A. Current Assets**

**1. Inventories**

Stock-in trade at cost or net realisable value  
which ever is lower as taken, valued and  
certified by Managing Director:-

Raw Materials	3405372.00	6255568.00
Stores	836874.00	420779.00
Finished Goods	14673043.00	7560429.00
Work-inProcess	2092650.00	1653385.00
Fuel	99255.00	75679.00
Packing Material	69410.00	54424.00
Printing & Stationery	12650.00	10250.00
Spare parts	25453.00	7600.00

Sd/ N.S. John Managing Director	Sd/ Dr. Gimjose Chittattu Director	Sd/ Sanil John Director	As per our report attached For M/s. Krishna Moorthy & Co., Chartered Accountants.
---------------------------------------	--	-------------------------------	---

Pathanamthitta  
Date:31.08.2000

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

	31st March, 2000		31st March, 1999	
	Rs.	Ps.	Rs.	Ps.
<b>II. Accrued Interest on Deposits</b>				
	152466.00		90607.00	
<b>III. Cash on hand</b>				
	122055.34		27545.11	
<b>IV. Balance with Schedule Banks</b>				
On Current Accounts	111075.44		152692.35	
On Term deposit accounts	858592.00		749593.00	
<b>Total</b>	<b>22458895.78</b>		<b>17058551.46</b>	
<b>B. Loans and Advances</b>				
<b>(Unsecured and considered good)</b>				
Land Advance	2004075.00		2004075.00	
Rent Advance	24900.00		23900.00	
Prepaid Licence & Taxes	135960.00		129988.00	
Prepaid freight & Insurance	15055.00		--	
Tax deducted at source	101996.00		97460.00	
Advance for Machinery & Building materials	14850.00		57850.00	
Advance for Raw materials	3694.80		3694.80	
Other Advances	184449.34		161410.80	
<b>Total</b>	<b>2484980.14</b>		<b>2478378.60</b>	

**SCHEDULE-7**

**Current Liabilities**

Sundry creditors for expenses	1202457.11	814547.86
Sundry Creditors for Raw materials and advances	9012165.80	4982163.00
Other Liabilities	513690.06	509875.34
<b>Total</b>	<b>10728312.97</b>	<b>6306586.20</b>

Sd/  
N.S. John  
Managing Director

Sd/  
Dr. Gimjose Chittattu  
Director

Sd/  
Sanil John  
Director

As per our report attached  
For M/s. Krishna Moorthy & Co.,  
Chartered Accountants,

Pathanamthitta  
Date: 31.08.2000

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)



**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

	<b>31st March, 2000</b>		<b>31st March, 1999</b>	
	Rs.	Ps.	Rs.	Ps.
<b>SCHEDULE-8</b>				
<b>Preliminary Expenses</b>				
Fee for preparing memorandum of association and Articles of Association	5600.00		6400.00	
Fee for project report etc	221900.00		253600.00	
Registration of company	16520.00		18880.00	
Printing charges of memorandum of association and articles of association	<u>4868.15</u>		<u>5563.60</u>	
<b>Total</b>	<b><u>248888.15</u></b>		<b><u>284443.60</u></b>	

**SCHEDULE-9**

**a. Export Sales**

Black Pepper	5645271.00	2732480.00
Chillies Oleoresin	5826570.00	8992633.00
Ginger Oil	-	1333312.00

**b. Inland Sales**

Chillies Oleoresin	3031560.00	-
Scrap( chilly seeds & Waste)	335316.00	

<b>Total</b>	<b><u>14838717.00</u></b>	<b><u>13058425.00</u></b>
--------------	---------------------------	---------------------------

**SCHEDULE-10**

**Other Income**

Interest received	102531.00	78932.00
Dividend Received	<u>1750.00</u>	<u>393.15</u>
<b>Total</b>	<b><u>104281.00</u></b>	<b><u>79325.15</u></b>

**SCHEDULE-II**

**Increase/Decrease in Stock**

**Stock in Trade**

Finished goods	14673043.00	7560429.00
Work in Process	2092650.00	<u>1653385.00</u>
	<b>16765693.00</b>	<b>9213814.00</b>

**Less: Stock in Trade (At commencement)**

Finished Goods	7560429.00	961200.00
Stock in Process	<u>1653385.00</u>	<u>150000.00</u>

	9213814.00	<u>111200.00</u>
<b>Total</b>	<b><u>7551879.00</u></b>	<b><u>8102614.00</u></b>

Sd/ N.S. John Managing Director	Sd/ Dr. Gimjose Chittattu Director	Sd/ Sanil John Director	As per our report attached For M/s. Krishna Moorthy & Co., Chartered Accountants.
---------------------------------------	--	-------------------------------	---

Pathanamthitta  
Date: 31.08.2000

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

	<b>31st March, 2000</b>		<b>31st March, 1999</b>	
	Rs.	Ps.	Rs.	Ps.
<b>SCHEDULE-12</b>				
<b>Raw Materials Consumed (Sub Schedule No. 1)</b>				
Chillies		10693932.05	8346010.00	
Ginger		--	1210000.00	
Black Pepper		<u>5485968.00</u>	<u>2980824.00</u>	
<b>Total</b>		<b><u>16179900.05</u></b>	<b><u>12536834.00</u></b>	
<b>SCHEDULE-13</b>				
<b>Stores Consumed</b>				
EDC		290048.00	378060.20	
Methanol		733.00	10651.00	
Lab Chemicals		<u>16519.25</u>	<u>--</u>	
<b>Total</b>		<b><u>307300.25</u></b>	<b><u>388711.20</u></b>	
<b>SCHEDULE-14</b>				
<b>Purchases of finished products</b>				
Chillies OR Paprika		<u>1320000.00</u>	<u>--</u>	
<b>Total</b>		<b><u>1320000.00</u></b>	<b><u>--</u></b>	
<b>SCHEDULE-15</b>				
<b>Manufacturing Expenses</b>				
Carriage inwards		166887.00	71669.00	
Electricity charges		1135809.00	1139498.00	
Fuel		254309.75	311384.05	
Insurance		157857.00	179353.00	
Repairs to Machinery		72280.35	20080.30	
Factory Expenses		35259.96	57099.20	
Loading & Unloading Expenses		2212.00	1120.00	
Chilly de-seeding charges		<u>36062.20</u>	<u>37449.00</u>	
<b>Total</b>		<b><u>1860677.26</u></b>	<b><u>1817652.55</u></b>	
<b>SCHEDULE-16</b>				
<b>Salaries, Wages and amenities to staff</b>				
Salaries and allowances		739960.20	740267.85	
Wages		245470.65	197651.85	
Leave encashment		10509.00	5656.00	
Bonus		35791.00	38786.00	
Employees Provident fund		39123.00	10956.00	
Staff Welfare Expenses		<u>50668.40</u>	<u>108022.53</u>	
<b>Total</b>		<b><u>1121522.25</u></b>	<b><u>1101340.23</u></b>	

Sd/ N.S. John Managing Director	Sd/ Dr. Gimjose Chittattu Director	Sd/ Sanil John Director	As per our report attached For M/s. Krishna Moorthy & Co., Chartered Accountants,
---------------------------------------	--	-------------------------------	---

Pathanamthitta  
Date: 31.08.2000

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

	31st March, 2000		31st March, 1999	
	Rs.	Ps.	Rs.	Ps.
<b>SCHEDULE-17</b>				
<b>Administrative and other expenses</b>				
Factory Garden Yard		9917.45		3006.50
Travelling Expenses (Including MD's Travelling Rs. 42560/- previous year-Rs. 20510/-)		207871.45		185786.50
Office Expenses		53730.14		47371.03
Professional fees		15700.00		16400.00
Rent		77100.00		82350.00
Lincence & Taxes		77795.30		67990.00
Telephone Charges		57072.56		45720.20
Printing and Stationery		28641.00		28688.75
Postage and Telegram		9481.15		17258.70
Audit fee (including statutory audit fee Rs. 25000/-)		35250.00		30000.00
Subscriptions		2582.85		1598.80
Sundry Expenses (Including donation Rs. 5,000/- Previous year 2000)		19951.25		4496.50
Annual Maintenance Charge (Photo copier)		4750.00		9500.00
Directors Sitting fee		3900.00		3750.00
Vehicle Expenses		62785.60		26093.75
Listing fee		51750.00		51750.00
Annual general meeting expenses		1285.00		5478.85
Preliminary expenses writtern off		35555.45		35555.45
Registration Fee		1000.00		-
<b>Total</b>		<b><u>756119.20</u></b>		<b><u>662795.03</u></b>

**SCHEDULE-18**

**Selling and Distribution Expenses**

Clearing and forwarding charges		87381.50		75237.00
Packing & forwarding charges		40774.00		22447.50
Packing materials		65656.16		167927.88
Freight and insurance		403303.07		447063.25
Sale commission		231823.00		305802.00
Advertisement		5665.00		21841.00
Carriage outward		20015.00		23300.00
Loss in exchange fluctuation		4437.00		-
Sales Promotion expense		1500.00		-
<b>Total</b>		<b><u>860554.73</u></b>		<b><u>1063618.63</u></b>

Sd/	Sd/	Sd/	As per our report attached
N.S. John	Dr. Gimjose Chittattu	Sanil John	For M/s. Krishna Moorthy & Co.,
Managing Director	Director	Director	Chartered Accountants.
			Sd/
Pathanamthitta			<b>R. Anantha Sankaran B.Com, FCA</b>
Date:31.08.2000			(Partner)

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

	<b>31st March, 2000</b>		<b>31st March, 1999</b>	
	Rs.	Ps.	Rs.	Ps.
<b>SCHEDULE-19</b>				
<b>Interest and finance charges</b>				
Bank Charges		80310.50		70789.50
<u>Bank Interest</u>				
On term loans		1354993.00		1562279.25
On others		1452567.30		1224339.60
<b>Total</b>		<u><b>2887870.80</b></u>		<u><b>2857408.35</b></u>
<b>SUB SCHEDULE NO. 1</b>				
<b>A. Raw Material Consumed</b>				
Opening stock				Nil
Chillies		3454600.00		1024000.00
Ginger		-		990000.00
Pepper		2800968.00		2980824.00
<b>Total</b>		<u><b>6255568.00</b></u>		<u><b>4994824.00</b></u>
<b>B. Add: Purchases</b>				
Chillies		10644704.05		10776610.00
Ginger		-		220000.00
Pepper		2685000.00		2800968.00
<b>Total</b>		<u><b>13329704.05</b></u>		<u><b>13797578.00</b></u>
<b>C. Less: Closing Stock</b>				
Chillies		3405372.00		3454600.00
Ginger		-		-
Pepper		-		2800968.00
<b>Total</b>		<u><b>3405372.00</b></u>		<u><b>6255568.00</b></u>
<b>Raw Material consumed (A+B-C)</b>				
Chillies		10693932.05		8346010.00
Ginger		-		1210000.00
Pepper		5485968.00		2980824.00
<b>Total</b>		<u><b>16179900.05</b></u>		<u><b>12536834.00</b></u>

Sd/ N.S. John Managing Director	Sd/ Dr. Gimjose Chittattu Director	Sd/ Sanil John Director	As per our report attached For M/s. Krishna Moorthy & Co., Chartered Accountants.
---------------------------------------	--	-------------------------------	---

Pathanamthitta  
Date:31.08.2000

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)

---

M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN

**SCHEDULE-20**

**Notes on Accounts**

**1. Significant Accounting policies**

- a. The financial statements are prepared under the historical cost convention using the Accrual method and based on all the applicable accounting standards as prescribed u/s 211 (3C) of the Companies Act, 1956. Accounting policies not referred to otherwise, are consistent with generally accepted accounting principles.
- b. Fixed Assets are stated at cost less depreciation. The company provides depreciation on straight line basis at the rates specified in Schedule XIV of the Companies Act, 1956.
- c. Inventories are valued as under:
  - i. Raw materials and stores are valued at average cost/at cost
  - ii. Stock in process at average cost
  - iii. Finished goods at lower of cost/net realisable value
- d. Investments are stated at cost.
- e. The Company has not yet started any Group Gratuity scheme, as the liability for Gratuity has not yet arisen.
- f. Revenue of sale of products is recognised on delivery and/or on passage of title risk to the customers.
- g. Foreign Currency Transactions-Sales in foreign Currency are accounted for at equivalent Rupee value converted at the rates prevailing at the time of negotiating the bill.
- h. Miscellaneous Expenditure
  - a. Preliminary expenses are to be amortised over a period of ten successive years commencing from the year 1997-98.

---

Sd/ N.S. John Managing Director	Sd/ Dr. Ginjose Chittattu Director	Sd/ Sanil John Director	As per our report attached For M/s. Krishna Moorthy & Co., Chartered Accountants,
---------------------------------------	--	-------------------------------	---

Pathanamthitta  
Date:31.08.2000

Sd/  
R. Anantha Sankaran B.Com, FCA  
(Partner)

---

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

**NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2000  
AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31.03.2000**

2. Estimated contracts remaining to be executed on capital account and not provided for amounts to Rs. 10 lakhs.  
(Previous year Rs. 25 lakhs)

3. **Contingent Liability**

	31.03.2000		31.03.1999	
	Rs.	Ps.	Rs.	Ps.
i. Bill discounted with Schedule Bank	11.04	Lakhs	25.75	Lakhs
ii. Bank Guarantee	0.93	Lakhs	2.93	Lakhs
iii. Income Tax		Nil		Nil
iv. Claims Against the company not Acknowledged as debt		Nil		Nil

4. Raw material consumed includes cost of sale in the case of pepper.

	31.03.2000		31.03.1999	
	Rs.	Ps.	Rs.	Ps.
5. Value of imports on CIF-Basis		Nil		Nil
6. Payment to whole-time Directors				
A. Salary Paid/payable		206900		117900
B. Contribution to Provident and Other Funds		Nil		Nil
7. Directors sitting Fee		3900		3750

8. **Loans from Bank**

The term loans from State Bank of Travancore, Pathanamthitta are secured by equitable mortgage of land together with all buildings and machinery existing and or to be constructed/installed. Working Capital loan is secured by hypothecation/pledge of stocks of raw materials, Packing material, consumable stores and spares, stock in process, finished goods, book debts, receivables, goods in transit and held by shipping agents and other current assets/letter of credit/confirmed order and equitable mortgage of land.

9. In the opinion of the management, Current Assets, Loans and Advances shall realise the value as disclosed in the Balance Sheet.

10. **Auditors's Remuneration**

Statutory audit	Rs. 25000/-
Other Services	Rs. 10500/-

11. Previous years figures have been regrouped wherever necessary.

---

Sd/ N.S. John Managing Director	Sd/ Dr. Gimjose Chittattu Director	Sd/ Sanil John Director	As per our report attached For M/s. Krishna Moorthy & Co., Chartered Accountants,
---------------------------------------	--	-------------------------------	---

Pathanamthitta

Date:

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

**12 ADDITIONAL INFORMATION REQUIRED UNDER PART II OF THE SCHEDULE VI OF THE COMPANIES ACT, 1956.**

**A. Licenced and installed capacity as on 31.03.2000**

Product	Unit	Licensed Capacity	Installed Capacity	Actual production	
				31.03.2000	31.03.99
Chillies Oleoresin	Kgs	Not fixed	Not fixed	13017	17170
Ginger Oil	Kgs	Not fixed	Not fixed	Nil	500

**B. Details of Products sales**

	31.03.2000		31.03.1999	
	Qty Kgs.	Amount Rs.	Qty Kgs	Amount Rs.
1. Inland Sales	4855	3031560	-	-
2. Export Sales				
i. Black Pepper	29960	5645271	14980	2732480
ii. Chillies Oleoresin	4800	5826570	10420	8992633
iii. Ginger Oil	-	-	500	1333312
<b>C. Earnings in Foreign Exchange</b>				
FOB value of goods Exported		Rs. 108.48 Lakhs	123.71 Lakhs	

**D. Export incentive - Nil**

**E. Details of Raw materials consumed (Excluding cost of Sales of Pepper)-fully indigenous**

	31.03.2000		31.03.1999	
	Qty Kgs.	Amount Rs.	Qty Kgs	Amount Rs.
a. Chillies	357202.500	10693932.05	339555	8346010
b. Ginger	-	-	22000	1210000
<b>Stores</b>				
a. EDC	20500	290048.00	20387	378060.20
b. Methanol	50	733	720	10651
c. Others	331307	254309.75	296822.55	311384.05
Sd/ N.S. John Managing Director	Sd/ Gimjose Chittattu Director	Sd/ Sanil John Director	As per our report attached For M/s. Krishna Moorthy & Co., Chartered Accountants.	

Pathanamthitta  
Date:31.08.2000

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)

---

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

**F. Opening Stock and Closing  
Stock of goods produced**

	Opening Stock	Closing Stock	Opening Stock	Closing Stock
a. Chillies Oleoresin	7950 Kgs	12312 Kgs	1200 Kgs	7950 Kgs.
b. Ginger Oil				
<b>Stock of Goods Traded</b>				
a. Pepper	15724 Kgs	Nil	15000 Kgs.	15724 Kgs.

**G. Total Number of foreign Tour** Nil

---

Sd/  
N.S. John  
Managing Director

Sd/  
Dr. Gimjose Chittattu  
Director

Sd/  
Sanil John  
Director

As per our report attached  
For M/s. Krishna Moorthy & Co.,  
Chartered Accountants.

Pathanamthitta  
Date:31.08.2000

Sd/  
**R. Anantha Sankaran B.Com, FCA**  
(Partner)



**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2000.**

	31.03.2000		31.03.1999	
	Rs.	P.s	Rs.	Ps.
<b>A. Cash flow from operating Activities</b>				
Net loss before tax and extra ordinary items		(5163586.00)		(1591652.00)
Adjustments for:-				
Depreciation	2364518.00		2403656.00	
Other Income	(104281.00)		(79325.00)	
Foreign Exchange				
Investments				
Interest Paid	2807560.00		2786619.00	
Preliminary Expenses	35555.00		35555.00	
		<u>5103352.00</u>		<u>5146505.00</u>
		(60234.00)		3554853.00
<b>Operative Profit before working Capital changes</b>				
Adjustment for:-				
Trade and other receivables	(61859.00)		(72057.00)	
Inventories	(5176593.00)		(9565018.00)	
Trade payables	4421727.00		2645847.00	
Loans and advances	(6602.00)	<u>(823,327.00)</u>	258082.00	<u>(6733146.00)</u>
Cash generated from operations		(883561.00)		(3178293.00)
Interest paid		(2807560.00)		(2786619.00)
Direct Taxes paid				
Cash flow before extra ordinary items		(3691121.00)		(5964912.00)
Extra ordinary Items				
Net Cash from operating activities		<u>(3691121.00)</u>		<u>(5964912.00)</u>

Sd/  
N.S. John  
Managing Director

Sd/  
Dr. Gimjose Chittattu  
Director

Sd/  
Sanil John  
Director

Pathanamthitta  
Date: 31.08.2000

**M/S. ENJAYES NATURAL FLAVOURS LTD, COCHIN**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2000.**

	31.03.2000		31.03.1999	
	Rs.	P.s	Rs.	Ps.
<b>B. Cash flow from Investing Activities</b>				
Capital work in progress	(157402.00)		(1157015.00)	
Purchase of fixed assets-	(73676.00)		(627704.00)	
Changes in Investments				
Interest received	102531.00		78932.00	
Charges in loans and advances				
Dividend received	1750.00		393.00	
Net cash used in Investing activities		(126797.00)		(1705394.00)
<b>C. Cash flow from financing Activities</b>				
Proceeds from issue of Share capital	1746000.00		2672000.00	
Proceeds from Long and short term borrowing	1321827.00		5159953.00	
Subsidy from Government	911983.00			
Deferred payment liabilities including Current liabilities				
Dividend paid				
Net Cash flow from Financing activities		3979810.00		7831953.00
Net changes in cash and cash Equivalent (A+B+C)		<u>161892.00</u>		<u>161647.00</u>
Cash and Cash Equivalents				
As at 1st April (Opening)		929830.00		768183.00
Cash & Cash equivalents				
As at march (Closing)		1091722.00		929830.00

**Notes:**

1. Figures in Brackets represented cash outflows
2. Previous year figures are regrouped wherever applicable

For and on behalf of the Board

Place: Pathanamthitta  
Date: 31.08.2000

(N.S. John)  
Managing Director

**AUDITORS' REPORT**

We have verified the attached Cash Flow Statement of Enjayes Natural Flavours Ltd, derived from the audited financial statements and the books and records maintained by the Company for the year ended 31st March, 2000 and 31st March 1999 and found the same in agreement therewith.

For M/s. Krishna Moorthy & Co.,  
Chartered Accountants,

Place: Kollam  
Date: 31.08.2000

Sd/  
R. Anantha Sankaran B.Com, FCA  
(Partner)

**BALANCE SHEET ABSTRACT AND  
COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details

State Coe 

0	9
---	---

Registration No. 

			0	7	5	7	5
--	--	--	---	---	---	---	---

Balance Sheet Date 

3	1	0	3	2	0	0	0
---	---	---	---	---	---	---	---

II. Capital raised during the year (amount in Rs. Thousand)

Public Issue

N	I	L					
---	---	---	--	--	--	--	--

Right Issue

N	I	L					
---	---	---	--	--	--	--	--

Bonus Issue

N	I	L					
---	---	---	--	--	--	--	--

Private Placement

N	I	L					
---	---	---	--	--	--	--	--

III. Position of Mobilisation and Deployment of funds (amount in Rs. Thousands)

Total Liabilities

			7	2	4	5	1
--	--	--	---	---	---	---	---

Total Assets

			7	2	4	5	1
--	--	--	---	---	---	---	---

**Source of Funds**

Paid-up-Capital

			4	7	7	7	7
--	--	--	---	---	---	---	---

Reserves & surplus

						N	I	L
--	--	--	--	--	--	---	---	---

Secured Loans

			2	1	7	2	3
--	--	--	---	---	---	---	---

Unsecured Loans

				2	9	5	1
--	--	--	--	---	---	---	---

**Application of funds**

Net Fixed Assets

			5	0	5	5	7
--	--	--	---	---	---	---	---

Investments

							4	2
--	--	--	--	--	--	--	---	---

Net Current Assets

			1	4	2	1	6
--	--	--	---	---	---	---	---

Misc. Expenditure

						2	4	8
--	--	--	--	--	--	---	---	---

Accumulated Loss

						7	3	8	8
--	--	--	--	--	--	---	---	---	---

IV Performance of Company (amount in Rs Thousands)

Turnover  

			1	4	8	3	9
--	--	--	---	---	---	---	---

Total Expenditure  

			2	7	6	5	8
--	--	--	---	---	---	---	---

+ - Profit/Loss Before Tax  

-					5	1	6	4
---	--	--	--	--	---	---	---	---

+ - Profit/Loss After Tax  

-					5	1	6	4
---	--	--	--	--	---	---	---	---

(Please tick Appropriate box + for Profit, - for loss)

Earning per share in Rs.  

				N	I	L
--	--	--	--	---	---	---

Dividend Rate %  

				N	I	L
--	--	--	--	---	---	---

V Generic Name of Three Principle Products/Service of Company ( as per monetary terms)

Item Code No. (ITC Code)  

1	3	0	1	9	0	-	4	9
---	---	---	---	---	---	---	---	---

Product Description  

S	P	I	C	E		O	I	L		A	N	D		O	L	E	O	R	E	S	I	N		

Item Code No. (ITC Code)  

1	3	0	1	9	0	-	5	2
---	---	---	---	---	---	---	---	---

Product Description  

O	L	E	O	R	E	S	I	N	P	A	P	R	I	K	A									
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--

Item Code No. (ITC Code)  

N	I	L						
---	---	---	--	--	--	--	--	--

Product Description  

N	I	L																						
---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Sd/  
 N.S. John  
 Managing Director

Sd/  
 Dr. Gimjose Chittattu  
 Director

Sd/  
 Sanil John  
 Director

Pathanamthitta  
 Date:31.08.200