SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the Fiscal Year Ended November 30, 2001	Commission File Number 2-85538-B

CCA INDUSTRIES, INC.
(Exact Name of Registrant as specified in Charter)

DELAWARE	04-2795439
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

200 Murray Hill Parkway, East Rutherford, New Jersey 07073
(Address of principal executive offices, including zip code)

(201) 330-1400
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: NONE

Securities registered pursuant to Section 12(g) of the Act:
Common Stock, par value $.01 per share
(Title of Class)

Class A Common Stock, par value $.01 per share
(Title of Class)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to filed such reports), and (2) has been subject to such

filing requirement for the past 90 days. Yes_X_. No__.
Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ].

The aggregate market value of the voting stock held by non-affiliates of the Registrant (i.e., by persons other than officers and directors of the Registrant), at the average sales price ($1.63), on February 12, 2002, was as follows:

Class of Voting Stock	Market Value
5,202,697 shares; Common Stock, $.01 par value	$8,480,396

On February 12, 2002 there were an aggregate of 7,045,557 shares of Common Stock and Class A Common Stock of the Registrant outstanding.

CROSS REFERENCE SHEET

Form 10-K Item No.	Headings in this Form 10-K for Year Ended November 30, 2001
11. Executive Compensation	Executive Compensation
12. Security Ownership of Certain Beneficial Owners and Management	Security Ownership of Certain Beneficial Owners and Management
13. Certain Relationships and Related Transactions	Certain Relationships and Related Transactions
14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K	Exhibits, Financial Statement Schedules, and Reports on Form 8-K

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PART I

Item 1. BUSINESS

(a) General

CCA INDUSTRIES, INC. (hereinafter, "CCA" or the "Company") was incorporated in Delaware in 1983.

The Company operates in one industry segment, in what may be generally described as the health-and-beauty aids business, selling numerous products, in several health-and-beauty aids categories. All Company products are manufactured by contract manufacturers, pursuant to the Company's specifications and formulations.

The Company owns registered trademarks, or exclusive licenses to use registered trademarks, that identify its products by brand-name. Under most of the brand names, the Company markets several different but categorically-related products. The brand and trademark names include "Plus+White" (oral health-care products), "Sudden Change" (skin-care products), "Bikini Zone" (after-shave analgesic products for women), "Wash n Curl", "Wash n Straight" and "Pro Perm" (hair-care products), "Mega 14" Balanced Fiber and "Mega T" Green Tea (dietary products), "Nutra Nail" and "Nutra Nail 60" (nail treatments), "Hair Off" (depilatories), "IPR" (foot-care products), "Solar Sense" and "Kid Sense" (sun-care products), "Mood Magic" (lipsticks), "Cloud Dance" and "Cherry Vanilla" (perfumes).

All Company products are marketed and sold to major drug and food chains, mass merchandisers, and wholesale beauty-aids distributors throughout the United States and Canada. In addition, certain of the Company's products are sold to distributors throughout the world.

The Company recognizes sales at the time its products are shipped to customers. However, while sales are not formally subject to any contract contingency, the acceptance of returns is an industry-wide practice. The Company thus estimates 'unit returns' based upon a review of the market's recent-historical acceptance of subject products as well as current market-expectations, and equates its reserves for estimated returns in the sum of the gross profits, in the five preceding months, realized upon an equivalent number of subject-product sales. (See Item 14, Financial Statements, Note 2). Of course, there can be no precise going-forward assurance in respect of return rates and gross margins, and in the event of a significant increase in the rate of returns, the circumstance could have a materially adverse affect upon the Company's operations.

In or about November 2000, the Company contacted its accounts and instructed them to return its "Permathene" and "Mega 16" products, which contain phenylpropanolamine ("PPA"), as a result of a general FDA health-warning concerning PPA (a key ingredient in numerous cold-remedies and appetite suppressants, which had been 'on the market' for some 50 years). The Company's revenues from sales of those now discontinued products, in fiscal 2000, were approximately $2,500,000 (approximately 6.5% of sales). While there can be no assurance of success, the Company expects to ‘replace’ PPA - product revenue through promotion and sale of “Mega 14” Balanced Fiber, an all natural-fiber diet product, and “Mega T” Green Tea.

In October 2000, the Company paid $450,000 to purchase, from Shiara Holdings, Inc., the following trademarks: “Cherry Vanilla”, “Cloud Dance”, “Sunset Café’’, “Vision”, “Mandarin Vanilla” and “Amber Musk.” (Those trademarks had been licensed by the Company since 1998; and, until their purchase, the Company had been committed to paying 5% royalties, and $150,000 *per annum* minimum royalties, for mark-associated product sales.)

The Company's total net-sales in fiscal 2001 were approximately $41,365,000, generating approximately $26,487,000 in gross profits. Foreign sales accounted for approximately 2.85% of sales. The Company experienced a net profit of $2,014,369 for the current fiscal year. Its net worth is $15,924,639. (See the Financial Statements and Notes.)

Including the principal members of management (see Directors and Executive Officers), the Company, at November 30, 2001, had 134 sales, administrative, creative, accounting, receiving, and warehouse personnel in its employ.

(b) Manufacturing and Shipping

The Company creates formulations, chooses colors and mixtures, and arranges with independent contractors for the manufacture of its products pursuant to Company specifications. Manufacturing and component-supply arrangements are maintained with several manufacturers and suppliers. Almost all orders and other product shipments are delivered from the Company's own warehouse facilities, which results in more effective inventory control, more efficient shipping procedures, and the realization of related economies.

(c) Marketing and Advertising

The Company markets its products to major drug, food and mass-merchandise retail chains, and leading wholesalers, through an in-house sales force of employees and independent sales representatives throughout the United States.

The Company sells its products to approximately 450 accounts, most of which have numerous outlets. Approximately 40,000 stores carry at least one Company product.

During the fiscal year ended November 30, 2001, the Company's largest customers were WalMart (approximately 28% of net sales), Walgreen (approximately 12%), CVS, Rite Aid, K-Mart, and Eckerd (approximately 7%, 7%, 6%, and 4%, respectively). The loss of any of these principal customers, or substantial reduction of sales revenues realized from their business, could materially and negatively affect the Company's earnings.

On January 22, 2002, K-Mart filed for bankruptcy under Chapter 11. Sales to K-Mart for the year ended November 30, 2001 were approximately $2.5 million. Accounts receivable from K-Mart at November 30, 2001 were approximately $502,000. A reserve of approximately $300,000 was set up against the receivable, anticipating a possible Chapter 11 filing by K-Mart. From December 1, 2001 through January 22, 2002, we collected $173,000 of the $502,000 balance and invoiced $95,000. As at January 30, 2002, there was $424,000 outstanding against which we maintained a reserve of approximately $300,000 (70 %). Currently, we have no indication what percentage of the payables owed by K-Mart will be paid to its suppliers.

Most of the Company's products are not particularly susceptible to seasonal-sales fluctuation. However, sales of depilatory, sun-care and diet-aids products customarily peak in the Spring and Summer months, while fragrance-product sales customarily peak in the Fall and Winter months.

The Company has an in-house advertising department. The advertising staff designs point-of-purchase displays, including 'blister cards', sales brochures and packaging layouts. The production of displays, brochures, layouts and the like is accomplished through contract suppliers.

The Company primarily utilizes local and national television advertisements to promote its leading brands. On occasion, print and radio advertisements are engaged. In addition, and more-or-less continuously, store-centered product promotions are co-operatively undertaken with customers.

Each of the Company's brand-name products is intended to attract a particular demographic segment of the consumer market, and advertising campaigns are directed to the respective market-segments.

The Company's in-house staff is responsible for the 'traffic' of its advertising. Placement is accomplished directly and through media-service companies.

(d) "Wholly-Owned" Products

The majority of the Company's sales revenues are from sales of the Company's "wholly-owned" product lines (i.e., products sold under trademark names owned by the Company, and not subject to any other party’s interest or license), including "Plus+White", "Sudden Change", "Bikini Zone", "Wash-n-Curl", “Wash n Straight”, "Mood Magic", “Mega T”, and (since the perfume-product trademark purchase from Shiara Holdings in October 2000), “Cloud Dance” and “Cherry Vanilla.”

"Plus + White", “Sudden Change” and “Bikini Zone”, the three best performers among wholly-owned products, accounted for approximately 40 %, 19 % and 10%, respectively, of the Company’s net-sales revenues during fiscal 2001.

Net sales of perfume products were approximately $1,900,000 in fiscal 2001.

(e) License-Agreements Products

i. Alleghany Pharmacal

In 1986, the Company entered into a license agreement with Alleghany Pharmacal Corporation (the "Alleghany Pharmacal License"). Under the terms of the Alleghany Pharmacal License, the Company was granted, and yet retains, the exclusive right to manufacture and market certain products, and to use their associated trademarks, including "Nutra Nail," "Nutra Nail 60," "Pro Perm," "Hair Off," "Permathene" and "IPR".

The Alleghany Pharmacal License requires the Company (a) to pay royalties of 6% *per annum* on net sales of “Pro-Perm” hair-care products, the PPA-based and now discontinued dietary-product "Permathene", “IPR” foot-care products, "Nutra-Nail" nail-enamel products, and "Hair-Off" depilatories; and (b) to pay 1% royalties on net sales of a “Hair-Off” mitten that is a depilatory-product accessory, and “Nutra Nail 60", a fast-acting nail enamel.

The Company is required to pay not less than $360,000 *per annum* in order to maintain exclusive rights under the Alleghany Pharmacal License. (Royalties have always exceeded the minimum; but, if they did not, the Company would be entitled to maintain exclusive license rights by electing to pay the 'difference.' At the same time, the Company would not be required to pay any fee in excess of royalties payable in respect of realized sales if sales did not yield 'minimum royalties' and the Company chose in such circumstance to concede the license rights.)

The Alleghany Pharmacal License agreement provides that if, and when, in the aggregate, $9,000,000 in royalties has been paid thereunder, the royalty-rate for those products now 'charged' at 6% will be reduced to 1%. Through November 30, 2001, the Company had paid or accrued Alleghany-Pharmacal License royalties in the sum of $8,047,405.

The products subject of the Alleghany-Pharmacal License accounted for approximately $11,300,000 or 27% of total sales in the fiscal year ended November 30, 2001. “Nutra Nail” and the “Hair-Off” depilatory were the leaders among all of the Company’s license-agreement products, producing approximately 19% and 8%, respectively, of net sales.

ii. Solar Sense, Inc.

CCA commenced the marketing of its sun-care products line following a May 1998 License

Agreement with Solar Sense, Inc. (the “Solar Sense License”), pursuant to which it acquired the exclusive right to use the trademark names "Solar Sense" and "Kids Sense" (and several other names that it has not been marketed), and the exclusive right to market mark-associated products. The Solar Sense License requires the Company to pay a 5% royalty on net sales of said licensed products until $1 million total royalties are paid and 1%, thereafter; and minimum *per-annum* royalties of $30,000. CCA realized approximately $1,163,970 in net sales of sun-care products, and paid Solar Sense the royalty of $58,199.

iii. The Nail Consultants Ltd.

In October of 1999, the Company entered into a License Agreement with The Nail Consultants, Ltd. for the use of an activator invented in connection with a method for applying a protective covering to fingernails. The Company’s License Agreement with The Nail Consultants, Ltd. is for the exclusive use of the method and its composition in a new product kit packaged and marketed by CCA under its own name, “Nutra Nail Power Gel”. The Company will pay a royalty of 5% of net sales of all products sold under the license, by the Company. The first month of product sales was September 2001. The delay in shipping since October 1999 was due to product packaging concerns.

iv. Alpha Hydroxy

The Company settled a patent infringement claim for the use of Alpha Hydroxy in its Sudden Change exfoliation products for $323,927. The Company paid half in September 2001 and will pay the balance in February 2002. The total expense was expensed in the fiscal year ended November 30, 2001. The Company entered into a license agreement for the future use of Alpha Hydroxy in its beauty aid products. The Company will pay a royalty of 5% of net sales of all products subject to the license.

v. Other Licenses

The Company is not party to any other license agreement that is material to its operations.

(f) Trademarks

The Company's own trademarks and licensed-use trademarks serve to identify its products and proprietary interests and the Company considers these marks to be valuable assets. However, there can be no assurance, as a practical matter, that trademark registration results in marketplace advantages, or that the presumptive rights acquired by registration will necessarily and precisely protect the presumed exclusivity and asset value of the marks.

(g) Competition

The market for cosmetics and perfumes, and health-and-beauty aids products in general, including patent medicines, is characterized by vigorous competition among producers, many of which have substantially greater financial, technological and marketing resources than the Company. Major competitors such as Revlon, L'Oreal, Colgate, Del Laboratories, Unilever, and Procter & Gamble have Fortune 500 status, and the broadest-based public recognition of their products. Moreover, a substantial number of other health-and-beauty aids manufacturers and distributors may also have greater resources than the Company.

(h) Government Regulation

All of the products that the Company markets are subject or potentially subject to particular regulation by government agencies, such as the U.S. Food and Drug Administration, the Federal Trade Commission, and various state and/or local regulatory bodies. In the event that any future regulation were to require new approval for any in-the-market for product, or should require approval for any planned product, the Company would attempt to obtain the necessary approval and/or license, assuming reasonable and sufficient market expectations for the subject product. However, there can be no assurance, in the absence of particular circumstances, that Company efforts in respect of any future regulatory requirements would result in approvals and issuance of licenses. Moreover, if such license-requirement circumstances should arise, delays inherent in any application-and-approval process, as well as any refusal to approve, could have a material adverse affect upon existing operations (i.e., concerning in-the-market products) or planned operations.

Item 2. PROPERTY

The principal executive offices of the Company are located at 200 Murray Hill Parkway, East Rutherford, New Jersey. There, under a net lease, the Company occupies approximately 62,500 square feet of space. Approximately 45,000 square feet in such premises is used for warehousing and 17,500 for offices. The annual rental is $267,684. The lease expires on March 31, 2005 with a renewal option for an additional five years..

The Company leases 51,000 square feet of warehouse space in Paterson, New Jersey. The Company paid $13,260 per month pursuant to a lease which expired May 31, 2001, and extended the lease at $14,805 per month for such space, through May 31, 2002.

Item 3. LEGAL PROCEEDINGS

The Company is engaged in one potentially-material litigation, pending in the United States District Court for the District of New Jersey. The plaintiff claims to be due approximately $450,000 in total, but paid CCA only (approximately) $170,000 for subject (Plus+White) product purchases. Its essential claim is that the products ‘liquefied,’ and were thus defective. The Company contends that the purchaser (which purchased for delivery to a third party) made no product complaint until one and one-half years after delivery, and that the third-party made additional Plus+White purchases after the purchaser complained); that these circumstances should prevent plaintiff’s ‘proof’ of claim; that the Company has other bases of meritorious defense; and that, in any event, the Company believes the amount claimed by plaintiff as damages due is greatly in excess of any damages it could prove even if its essential claims were substantively provable.

The Company was sued by a former employee in the Superior Court of New Jersey, Bergen County for her termination pursuant to the New Jersey Conscientious Employee Protect Act. The employee alleged that her employment was terminated because she made a complaint to OSHA. The Company denies the allegations. The Company’s position is that her termination was based solely on an undeniably justified business decision. The case is pending. Upon advise of counsel, the Company believes it has a meritorious defense.

The Company settled a patent infringement claim for the use of Alpha Hydroxy in its Sudden Change exfoliation products for $323,927. The Company paid half in September 2001 and will pay the balance in February 2002. The total expense was expensed in the fiscal year ended November 30, 2001. The Company entered into a license agreement for the future use of Alpha Hydroxy in its beauty aid products.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On July 11, 2001, the Company held its annual meeting of shareholders. The actions taken, and the voting results thereupon, were as follows:

(1) David Edell, Ira W. Berman, Jack Polak, and Stanley Kreitman were elected as directors by the holders of Class A Common Stock. (No proxy was solicited therefor, whereas Messrs. Berman, Polak and David Edell own more than 98% of the Class A Common Stock, and they proposed themselves and Mr. Kreitman.)

(2) As proposed by Management, Drew Edell, Dunnan Edell and Rami Abada were elected as directors by the holders of the Common Stock. (Sidney Dworkin died in October 2000.)

(3) The Board's appointment of Sheft Kahn & Company LLP as the Company's independent certified public accountants for the 2001 fiscal year was approved.

The Company has not submitted any matter to a vote of security holders since the 2001 Annual Meeting.

PART II

Item 5. MARKET FOR THE COMPANY'S COMMON STOCK AND RELATED SHAREHOLDER MATTERS

In June 2000, the Company filed a Schedule TO (and an Amendment No.1 thereto) with the Securities And Exchange Commission ("S.E.C."); and, contemporaneously thereafter, presented the tender offer subject of the Schedule to its shareholders. Pursuant thereto, the Company offered to purchase up to 2,500,000 shares of its own Common Stock (but not Class A Common Stock), in exchange for a $2 subordinated debenture, maturing August 1, 2005, with 6% interest, payable semi-annually. In response, 278,328 shares were tendered and accepted for payment. The tender offer closed, as provided in the Schedule TO and the Offer documents presented to all Common Stock shareholders, on July 31, 2000. (A second and final amendment to the Schedule TO, reporting the results of the tender offer, was filed with the S.E.C. on August 1, 2000.)

The Company's Common Stock is traded on the NASDAQ National Market. Because, for some time (a) the Common Stock had traded at less than $1.00 per share, and (b) the total market value of shares available for public trading had been below $5,000,000, NASDAQ notified the Company that its stock was de-listed. The stock is currently trading on the National Market Bulletin Board. The range of high and low sales prices of the Common Stock during each quarter of its 2001 and 2000 fiscal years was as follows:

Quarter Ended	2001	2000
February 29	.93 - .37	1.75-1.12
May 31	1.09 - .62	1.50-0.87
August 31	1.90 - .85	1.28-1.00
November 30	1.56 - .82	1.06-0.59

The high and low prices for the Company's Common Stock, on February 12, 2002 were $1.64 and $1.62 per share.

The Company's only 'sales' of unregistered securities were represented by its issuance, in consequence of the above described tender offer and Schedule TO, of the $2, 5-year promissory notes, 6% interest, subject of the offer's $2 subordinated debenture. (Those securities are unregistered pursuant to an exemption from registration requirements. In any event, and in addition to the form denominated by the S.E.C. as "Schedule TO", with the Schedule TO information, the following documents subject of the tender offer were filed with the S.E.C., prior to commencement of the offering: A Trust Indenture, a form of the eventually-issued Promissory Notes, and the Offering Document that was thereafter transmitted to Common Stock shareholders.)

As at November 30, 2001, there were approximately 220 holders of shares of the Company's equity stock. (There are a substantial number of shares held of record in various street and depository trust accounts, which represent approximately 1,000 additional shareholders.)

The Company has never paid any dividend, and does not expect to pay any dividend in the foreseeable future.

Item 6. SELECTED FINANCIAL DATA

	Year Ended November 30,				
	2001	2000	1999	1998	1997
Statement of Income					
Sales	$41,364,648	$36,990,170	$37,898,563	$41,083,974	$37,708,922
Other income	338,883	186,284	285,469	318,296	293,953
	41,703,531	37,176,454	38,184,032	41,402,270	38,002,875
Costs and Expenses (excluding special charge)	38,522,778	36,658,875	37,370,017	38,570,096	34,730,052
Income Before Special Charge and Provision for Income Taxes	3,180,753	517,579	814,015	2,832,174	3,272,823
Special Charge	-	(1,500,000)	-	-	-
Net Income (Loss) from Continuing Operations	3,180,753	(654,510)	512,504	1,667,973	2,031,494
(Loss) Income from Discontinued Operations	-	-	(803,603)	-	-
Net Income (Loss)	2,014,369	(654,510)	(291,099)	1,667,973	2,031,494
Earnings (Loss) Per Share:					
Basic	$ .29	($ .09)	($ .04)	$ .23	$ .28
Diluted	$ .27	($ .09)	($ .04)	$ .21	$ .25
Weighted Average Number of Shares Outstanding	6,893,232	7,153,013	7,174,203	7,243,956	7,205,904
Weighted Average Number of Shares and Common Stock Equivalents Outstanding	7,526,157	7,153,013	7,660,796	8,075,169	8,108,482

Balance Sheet Data:

	As At November 30,				
	2001	2000	1999	1998	1997
Working Capital	$10,236,977	$12,361,305	$12,291,890	$12,067,263	$11,331,810
Total Assets	20,598,917	20,312,056	21,494,987	24,010,136	19,224,291
Total Liabilities	4,674,278	6,345,508	6,328,905	8,410,687	5,139,769
Total stockholders equity	15,924,639	13,966,548	15,166,082	15,599,449	14,084,522

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

On March 3, 1986, the Company entered into a License Agreement with Alleghany Pharmacal Corporation under the terms of which the Company was granted the exclusive right to use the licensed products & trademarks for the manufacture and distribution of the products subject to the License Agreement. Under the terms of the Alleghany Pharmacal License (see "Business-License Agreements"), the royalty-rate for those Alleghany Pharmacal License products now 'charged' at 6% will be reduced to 1% after the sum of $9,000,000 in royalties has been paid thereunder. (Certain products, subject of the license, are, even now, 'charged' at only 1%. See "Business-License Agreements".)

As at November 30, 2001, the Company had paid or accrued $8,047,405 in royalty payments.

Comparison of Results for Fiscal Years 2001 and 2000

The Company's revenues increased from $37,176,454 in fiscal 2000 to $41,703,531 in the current fiscal year. Gross profit margins were 64% this year as compared to 61.3% last year. Net income was $2,014,369 as compared to a loss of $654,510. Operations on an ongoing basis were similar to last year. Last year the Company incurred a loss of $1,500,000 as a result of the FDA's position with regard to the use of phenylpropanolamine as an appetite suppressant. The Company's Mega 16 diet products contained this ingredient. (See "Comparison of 2000 and 1999".)

For the current fiscal year, advertising, cooperative and promotional allowance expenditures were $8,776,470 as compared to $8,837,665. Advertising expenditures were 21.2% of sales vs. 23.9% last year. SG&A expenses increased 10% to $13,812,890 from $12,557,064 in 2000, but actually decreased slightly as a percentage of current sales. The increase was due mainly to SG&A expenses which vary in relation to additional sales volume (i.e. payroll, freight-out, royalties, etc.). Research and development expenses were increased from $555,462 last year to $687,731 this year. This was due to the additional costs of formulating its "Mega T" brand product as well as a larger budget for their research department. Bad debt expense increased from $249,279 to $299,254 due to the large reserve set up for the K-Mart receivable; but offset by the reduction in its typical reserve due to the overall decrease in the amount of total receivables. Interest expense decreased from $159,477 to $69,012 due to the reduction in the Company's borrowing.

On January 22, 2002, one of our customers, K-Mart, filed for bankruptcy under Chapter 11. Sales to K-Mart for the year ended November 30, 2001 were approximately $2.5 million. Accounts receivable from K-Mart at November 30, 2001 were approximately $502,000. A reserve of approximately $300,000 was set up against the receivable, anticipating a possible Chapter 11 filing by K-Mart. From December 1, 2001 through January 22, 2002, we collected $173,000 of the $502,000 balance and invoiced $95,000. As at January 30, 2002, there was $424,000 outstanding against which we maintained a reserve of approximately $300,000 (70%). Currently, we have no indication what percentage of the payables owed by K-Mart will be paid to its suppliers.

Comparison of Results for Fiscal Years 2000 and 1999

The Company's revenues decreased from $38,184,032 in fiscal 1999 to $37,176,454 in fiscal 2000, primarily due to the discontinuance of most of its FCA subsidiary's product line.

Gross profit margins were 61.3%. as compared to 60.2% in the prior year. Operations were similar to prior years with the following exceptions.

The Federal Drug Administration issued a press release advising that a PPA (phenylpropanolamine) ingredient could be harmful although it has been sold in the market for 51 years in a variety of well known products for decongestion and appetite suppression (Robitussin, Dimetapp, Dexatrim, Alka Seltzer decongestant, etc.). The Company's Mega 16 diet products contained this ingredient.

The Company recorded deductions for an aggregate of approximately $1,500,000 in the fourth quarter for the costs associated with the PPA receivables, future returns, and inventory destruction. The Company advised its accounts that it would accept returns. The FDA was asked to review its decision by the Non-Prescription Drug Manufacturers Association. Revenues were reduced by approximately $1,250,000 due to actual and estimated returns with a corresponding reduction in receivables. Year-end inventory was reduced by approximately $250,000 consisting of PPA finished goods and componentry still on hand at November 30, 2000.

In addition, the Company decided to increase its reserves against receivables due to the pressure by our retail customers who had been seeking more and more unauthorized deductions. Although we contested most of these deductions, we thought it might require, with certain of our important accounts, settling some of our disputes in order to keep our relationship with them. We, therefore, decided to increase our accrual for allowances by $400,000.

The result of the items referred to above was an aggregate charge of $1,900,000 against the Company's earnings from continuing operations, and resulted in a net loss of $654,510 for fiscal 2000. In the prior year, the Company took a charge of $803,603 from discontinued operations that resulted in a loss of $291,099.

SG&A expenses decreased from $13,322,081, in fiscal 1999, to $12,557,064 in fiscal 2000, primarily due to the discontinuance of its FCA subsidiary. Advertising costs increased from approximately 21.4% of net sales, to approximately 23.9% of net sales, primarily due to the increase in the Company's Coop advertising and additional promotional allowances of $400,000 accrued for deductions claimed by key customers. Research and development expenses were substantially similar to the prior year ($555,462 vs. $581,340). Bad debt expense ($249,279 vs. $115,569) would also have been similar to the prior year if not for one large write-off of $90,000 from a foreign account.

Liquidity and Capital Resources

As at November 30, 2001, the Company had working capital of $10,236,977 as compared to $12,361,305 at November 30, 2000. The decrease was due to a reallocation of the Company's investments into longer term fixed income instruments. Of course all of the investments can be liquidated at any time. The ratio of total current assets to current liabilities was 3.5 to 1 as compared to a ratio of 3.1 to 1 for the prior year. Stockholders' equity increased to $15,924,639 from $13,966,548 primarily due to the profit from operations.

The Company's cash position and triple A investments at year-end increased to $2,555,938 from $804,508 as at November 30, 2000.

Inventories ($4,783,530 vs. $5,735,427) were down $ 951,897 and accounts receivable ($4,464,991 vs. $6,329,755) decreased $ 1,864,764. Current liabilities ($4,163,622 vs. $5,788,852) decreased by $1,625,230.

As of November 30, 2001, the Company was not utilizing any of the funds available under its $7,000,000 credit line. The Company has issued a security agreement in connection with any bank financing.

Inventory, Seasonality, Inflation and General Economic Factors

The Company attempts to keep its inventory for every product at levels that will enable shipment against orders within a three-week period. However, certain components must be inventoried well in advance of actual orders because of time-to-acquire circumstances. For the most part, purchases are based upon projected quarterly requirements, which are projected based upon sales indications received by the sales and marketing departments, and general business factors. All of the Company's contract-manufacture products and components are purchased from non-affiliated entities. Warehousing is provided at Company facilities, and all products are shipped from the Company's warehouse facilities.

None of the Company's products are particularly seasonal, but sales of its sun-care, depilatory and diet-aid products usually peak during the Spring and Summer seasons, and perfume sales usually peak in Fall and Winter. The Company does not have a product that can be identified as a 'Christmas item.'

Because its products are sold to retail stores (throughout the United States and, in small part, abroad), sales are particularly affected by general economic conditions. Accordingly, any adverse change in the economic climate can have an adverse impact on the Company's sales and financial condition. The Company does not believe that inflation or other general economic circumstance that would negatively affect operations can be predicted at present, but if such circumstances should occur, they could have material and negative impact on the Company's net sales and revenues; and, more particularly, unless the Company were able to pass along related cost increases to its customers, upon gross margins.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company's financial statements (See Item 14) record the Company's investments under the "mark to market" method (i.e., at date-of-statement market value). The investments are, categorically listed, in "Government Obligations" and "Corporate Obligations" (which, primarily, are intended to be held to maturity) and "Equity". $100,000 of the Company's $5.335 million portfolio of investments (approximate, as at Nov. 30, 2001) is invested in the "Equity" category, and all investments in that category are Preferred Stock holdings. Whereas the Company does not take positions or engage in transactions in risk-sensitive market instruments in any substantial degree, nor as defined by SEC rules and instructions, it does not believe that its investment-market risk is material.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Financial Statements are listed under Item 14 in this Form 10-K. The following financial data is a summary of the quarterly results of operations (unaudited) during and for the years ended November 30, 2001 and 2000:

	Three Months Ended			
Fiscal 2001	Feb. 28	May 31	Aug. 31	Nov. 30
Net Sales	$10,068,419	$12,826,521	$10,090,486	$8,379,222
Total Revenue	10,149,975	12,903,126	10,179,808	8,470,622
Cost of Products Sold	4,244,147	4,372,263	3,368,589	2,892,422
Net Income	336,846	1,137,779	304,125	$235,619

	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Earnings Per Share								
Continuing Operations	.05	.05	.17	.16	.04	.04	.03	.03
Discontinued Operations	-	-	-	-	-	-	-	-
Net	.05	.05	.17	.16	.04	.04	.03	.03

	Three Months Ended			
Fiscal 2000	Feb. 28	May 31	Aug. 31	Nov. 30
Net Sales	$8,434,836	$11,641,239	$9,620,165	$7,293,930
Total Revenue	8,497,037	11,711,862	9,709,373	7,261,182
Cost of Products Sold	3,704,031	4,191,877	3,499,660	2,904,360

Net Income (Loss)	(206,122)		750,806		59,034		(1,258,228)	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Earnings Per Share:								
Continuing Operations	(.03)	(.03)	.10	.10	.02	.02	(.18)	(.18)
Discontinued Operations	-	-	-	-	-	-	-	-
Net	(.03)	(.03)	.10	.10	.02	.02	(.18)	(.18)

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The Company did not change its accountants within the twenty-four months prior to the date of the most recent financial statements (nor since), and had no reported disagreement with its accountants on any matter of accounting principles or practices.

PART III

Item 10. DIRECTORS AND EXECUTIVE OFFICERS

The Executive Officers and Directors of the Company are as follows:

NAME	POSITION	YEAR OF FIRST COMPANY SERVICE
David Edell	President and Chief Executive Officer, Director	1983
Ira W. Berman	Chairman of the Board of Directors, Secretary, Executive Vice President	1983
Dunnan Edell	Executive Vice Pres.-Sales, Director	1984
Drew Edell	Vice President-Manufacturing and New Product Development	1983
John Bingman	Treasurer	1986
Stanley Kreitman	Director	1996
Jack Polak	Director	1983
Rami G. Abada	Director	1997

David Edell, age 70, is a director, and the Company's President and Chief Executive Officer. Prior to his association with the Company he was a marketing and financial consultant; and, by 1983, he had extensive experience in the health and beauty aids field as an executive director and/or officer of Hazel Bishop, Lanolin Plus and Vitamin Corporation of America.

Ira W. Berman, age 70, is the Company's Executive Vice President and Corporate Secretary. He is also Chairman of the Board of Directors. Mr. Berman is an attorney who has been engaged in the practice of law since 1955. He received a Bachelor of Arts Degree (1953) and Bachelor of

Laws Degree (1955) from Cornell University, and is a member of the American Bar Association.

Dunnan Edell is the 46 year-old son of David Edell. He has been a director since 1994. A Senior Vice President-Sales, he joined the Company in 1984 and was appointed Divisional Vice-President in 1986. He was employed by Alleghany Pharmacal Corporation from 1982 to 1984, and by Hazel Bishop from 1977 to 1981.

Drew Edell, the 44 year-old son of David Edell, is a graduate of Pratt Institute, where he received a Bachelor's degree in Industrial Design. He joined the Company in 1983, and in 1985 he was appointed Vice President-Product Development and Production.

John Bingman, age 50, received a Bachelor of Science degree from Farleigh Dickenson University in 1973. He is a certified public accountant who practiced with the New Jersey accounting firm of Zarrow, Zarrow & Klein from 1976 to 1986.

Jack Polak, age 89, has been a private investment consultant since April 1982, and holds a tax consultant certification in The Netherlands. He was a director and member of the Audit and Compensation Committee of K.T.I. Industries, Inc., from February 1995 until 1999, when K.T.I., a waste-to-energy business, was 'taken over' by Casella Industries. Since March 2000, he has been a director of Oakhurst Industries, a public company that owns an automotive accessories distributor, a waste-to-energy tire facility, and a road construction company.

Stanley Kreitman, age 70, has been Vice Chairman of the Board of Manhattan Associates, an equity - investment firm, since 1994. He is also a director of Medallion Financial Corp., an SBIC. Mr. Kreitman has been Chairman of the Board of Trustees of the New York Institute of Technology since 1989, and of Crime-Stoppers Nassau County (NY), since 1994. Since February 1999 and June 1999, respectively, he has been a member of the Board of Directors of K.S.W. Corp. and P.M.C.C. Mortgage Corp. He is also a director and/or executive committee member of the following organizations: The New York City Board of Corrections, The New York City Police Foundation, St. Barnabas Hospital, The New York College of Osteopathic Medicine, and the Police Athletic League. From 1975 until 1993, he was President of United States Banknote Corporation, a securities printer.

Rami G. Abada, age 42 is the President and Chief Operating Officer of the publicly-owned Jennifer Convertibles, Inc. He has been its Chief Operating Officer since April of 1994. From 1982 to 1994, he was a Vice President of Operations in the Jennifer Convertibles organization. Mr. Abada, who is Ira Berman's son-in-law, earned a B.B.A. in 1981 upon his graduation from Bernard Baruch College of The City University of New York.

Item 11. EXECUTIVE COMPENSATION

i. Summary Compensation Table

The following table summarizes compensation earned in the 2001, 2000 and 1999 fiscal years by all of the executive officers whose fiscal 2001 compensation exceeded $100,000, including the Chief Executive Officer (the "Named Officers").

		Annual Compensation			Long-Term Compensation	
Name and Principal Position	Year	Salary	Bonus	All Other Annual Compen-sation(1)	Number of Shares Covered by Stock Options Granted(2)	Other Long-Term Compen-sation
David Edell, President and Chief Executive Officer	2001	$514,399	$247,806	$35,985	-	0
	2000	425,372	132,221	12,552	-	0
	1999	401,468	111,546	17,088	-	0
Ira. W. Berman, Secretary and Executive Vice President	2001	$514,399(3)	$247,806	$24,117	-	0
	2000	425,372(3)	132,221	11,775	-	0
	1999	401,468(3)	111,546	16,666	-	0
Dunnan Edell, Executive Vice President - Sales	2001	$232,595	$ 4,231	$ 2,914	-	0
	2000	218,076	4,194	2,723	-	0
	1999	200,000	15,000	7,614	-	0
Drew Edell Vice President Manufacturing	2001	$187,596	$ 3,365	$ 816	-	0
	2000	175,000	3,365	577	-	0
	1999	150,000	12,000	1,468	-	0

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(1) Includes the personal-use value of Company-leased automobiles, the value of Company-provided life insurance, and health insurance that is made available to all employees, plus directors fees paid

to Messrs. David Edell, Ira Berman and Dunnan Edell.

(2) Information in respect of stock option plans appears below in the sub-topic, Employment Contracts/Executive Compensation Program.

(3) Includes $99,396 paid to Ira W. Berman & Associates, P.C.

ii. Fiscal 2001 Option Grants and Option Exercises, Year-End Option Valuation, Option Repricing

No new options were issued to any of the Named Officers in fiscal 2001.

The next table identifies 2001 fiscal-year option exercises by Named Officers, and reports a valuation of their options.

Fiscal 2001 Aggregated Option Exercises
and November 30, 2001 Option Values

	Number of Shares Acquired On Exercise	Value Realized	Number of Shares Covered by Un-exercised Options at November 30, 2001	Value of Unexercised In-the-Money Options at November 30, 2001(1)
David Edell	200,000	$100,000	257,500	$218,875
Ira W. Berman	200,000	$100,000	302,000	$256,700
Dunnan Edell	-	-	75,000	$ 63,750
Drew Edell	-	-	75,000	$ 63,750

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(1) Represents the difference between market price and the respective exercise prices of options at November 30, 2001.

Repriced Options

The following table identifies the stock options held by the Named Officers and all other officers and directors, the exercise prices of which have been reduced during the past 10 years.

	Number of Shares	Original Grant Date	Original Price	Date Repriced	New Price
David Edell (1)	100,000	Aug. 1, 1997	$2.50	May 24, 2001	.50
Ira W. Berman (1)	100,000	Aug. 1, 1997	2.50	May 24, 2001	.50
Dunnan Edell (1)	50,000	Aug. 1, 1997	2.50	May 24, 2001	.50
Stanley Kreitman (1)	25,000	Aug. 1, 1997	2.50	May 24, 2001	.50
Jack Polak (1)	25,000	Aug. 1, 1997	2.50	May 24, 2001	.50
Rami Abada (1)	25,000	Aug. 1, 1997	2.50	May 24, 2001	.50
Dunnan Edell (1)(2)	25,000	Jun. 10, 1995	4.50	May 24, 2001	.50
Drew Edell (1)(2)	25,000	Jun. 10, 1995	4.50	May 24, 2001	.50

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(1) On November 3, 1998, the full Board of Directors authorized the repricing in consequence of a declining market valuation, inconsistent with the Company's realizable value. The market price of the Common Stock at the date of repricing was $1.00; and, at that date, the original option terms (10 years from August 1, 1997) had approximately 8 years and 10 months to run. When the options were originally issued, on August 1, 1997, the market price of the Company's Common Stock was $2.50. On May 24, 2001, the company repriced the options again when the market price was $.50.

(2) On June 10, 2000, the full Board of Directors authorized the repricing in consequence of a declining market valuation, inconsistent with the Company’s realizable value. The market price of common stock at the date of repricing was $1.10; and at that date the original terms (5 years from June 10, 1995) were extended for an additional 5 years. When the options were originally issued on June 10, 1995, the market price of the Company’s common stock was $3. On May 24, 2001, the Company repriced the options again when the market price was $.50, and changed the expiration date to August 1, 2007.

iii. Compensation of Directors

Each director was paid $2,000 per meeting for attendance of board meetings in fiscal 2001 (without additional compensation for committee meetings). No options were granted to any director.

The full Board of Directors met three times in fiscal 2001.

iv. Executive Compensation Principles;

Audit and Compensation Committee

The Company's Executive Compensation Program is based on guiding principles designed to align executive compensation with Company values and objectives, business strategy, management initiatives, and financial performance. In applying these principles the Audit and Compensation Committee of the Board of Directors, comprised of Ira W. Berman, Stanley Kreitman, Jack Polak and Rami Abada, which met three times in fiscal 2001, has established a program to:

Reward executives for long-term strategic management and the enhancement of shareholder value.

Integrate compensation programs with both the Company's annual and long-term strategic planning.

Support a performance-oriented environment that rewards performance not only with respect to Company goals but also Company performance as compared to industry performance levels.

v. Employment Contracts/Compensation Program

The total compensation program consists of both cash and equity based compensation. The Audit and Compensation Committee (the "Committee") determines the level of salary and bonuses, if any, for key executive officers other than Messrs. David Edell and Ira Berman (whose compensation rights are provided by contract). The Committee determines the salary or salary range based upon competitive norms. Actual salary changes are based upon performance, and bonuses were awarded by the Committee in consideration of the Company's performance during the 2001 fiscal year.

On March 17, 1994, the Board of Directors approved 10-year employment contracts for David Edell and Ira Berman (with Mr. Edell and Mr. Berman abstaining). Pursuant thereto, each is entitled to a base salary of $300,000, with a CPI or 6% increment each year ("base salary"), and an additional sum measured as 2.5% of the Company's pre-tax income, less depreciation and amortization, plus 20% of the base salary.

In February of 1999, the additional sum measurement in the David Edell and Ira Berman employment contracts was amended to provide as follows: 2.5% of the Company's earnings before income taxes, depreciation, amortization, and all expenditures for media and cooperative advertising and promotion in excess of $8,000,000, plus 20% of the base salary.

Long-term incentives are provided through the issuance of stock options.

vi. Stock Option Plans

The Company's 1994 Stock Option Plan covers 1,000,000 shares of its Common Stock.

(The 1984 Stock Option Plan covered 1,500,000 shares of its Common Stock, and the 1986 Stock Option Plan covered 1,500,000 shares of its Common Stock.)

The 1994 Option Plan provides (as had the 1984 and 1986 plans) for the granting of two (2) types of options: "Incentive Stock Options" and "Nonqualified Stock Options". The Incentive Stock Options (but not the Nonqualified Stock Options) are intended to qualify as "Incentive Stock Options" as defined in Section 422(a) of The Internal Revenue Code. The Plans are not qualified under Section 401(a) of the Code, nor subject to the provisions of the Employee Retirement Income Security Act of 1974.

Options may be granted under the Options Plans to employees (including officers and directors who are also employees) and consultants of the Company, provided, however, that Incentive Stock Options may not be granted to any non-employee director or consultant.

Option plans are administered and interpreted by the Board of Directors. (Where issuance to a Board member is under consideration, that member must abstain.) The Board has the power, subject to plan provisions, to determine the persons to whom and the dates on which options will be granted, the number of shares subject to each option, the time or times during the term of each when options may be exercised, and other terms. The Board has the power to delegate administration to a Committee of not less than two (2) Board members, each of whom must be disinterested within the meaning of Rule 16b-3 under the Securities Exchange Act, and ineligible to participate in the option plan or in any other stock purchase, option or appreciation right under plan of the Company or any affiliate. Members of the Board receive no compensation for their services in connection with the administration of option plans.

Option Plans permit the exercise of options for cash, other property acceptable to the Board or pursuant to a deferred payment arrangement. The 1994 Plan specifically authorizes that payment may be made for stock issuable upon exercise by tender of Common Stock of the Company; and the Executive Committee is authorized to make loans to option exercisers to finance optionee tax-consequences in respect of option exercise, but such loans must be personally guaranteed and secured by the issued stock.

The maximum term of each option is ten (10) years. No option granted is transferable by the optionee other than upon death.

Under the plans, options will terminate three (3) months after the optionee ceases to be employed by the Company or a parent or subsidiary of the Company unless (i) the termination of employment is due to such person's permanent and total disability, in which case the option may, but need not, provide that it may be exercised at any time within one (1) year of such termination (to the extent the option was vested at the time of such termination); or (ii) the optionee dies while employed by the Company or a parent or subsidiary of the Company or within three (3) months after termination of such employment, in which case the option may, but need not provide that it may be exercised (to the extent the option was vested at the time of the optionee's death) within eighteen (18) months of the optionee's death by the person or persons to whom the rights under such option pass by will or by the laws of descent or distribution; or (iii) the option by its terms specifically provides otherwise.

The exercise price of all nonqualified stock options must be at least equal to 85% of the fair market value of the underlying stock on the date of grant. The exercise price of all Incentive Stock Options must be at least equal to the fair market value of the underlying stock on the date of grant. The aggregate fair market value of stock of the Company (determined at the date of the option grant) for which any employee may be granted Incentive Stock Options in any calendar year may not exceed $100,000, plus certain carryover allowances. The exercise price of an Incentive Stock Option granted to any participant who owns stock possessing more than ten (10%) of the voting rights of the Company's outstanding capital stock must be at least 110% of the fair market value on the date of grant and the maximum term may not exceed five (5) years.

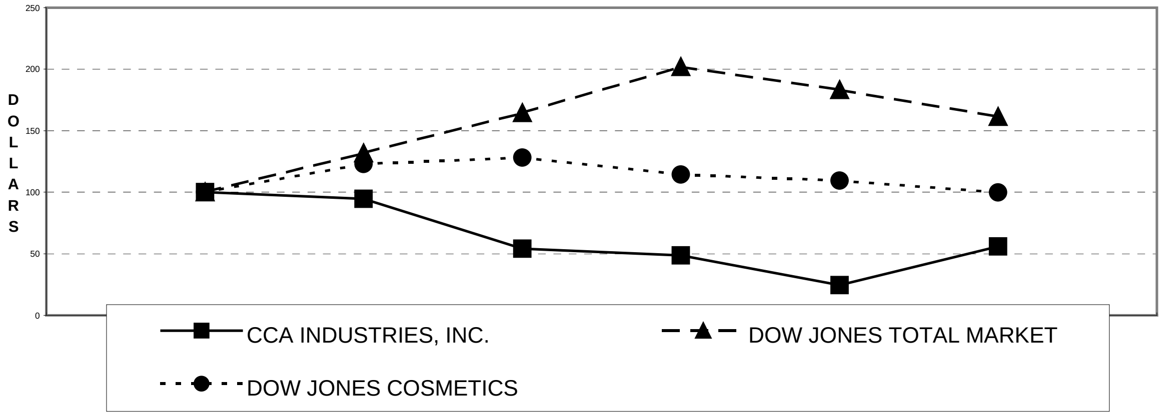
Consequences to the Company: There are no federal income tax consequences to the Company by reason of the grant or exercise of an Incentive Stock Option.

As at November 30, 2001, 784,500 stock options, yet exercisable, to purchase 784,500 shares of the Company's Common Stock, were outstanding.

vii. Performance Graph

Set forth below is a line graph comparing cumulative total shareholder return on the Company's Common Stock, with the cumulative total return of companies in the NASDAQ Stock Market (U.S.) and the cumulative total return of Dow Jones's Cosmetics/Personal Care Index.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
AMONG CCA INDUSTRIES, INC., THE DOW JONES TOTAL MARKET INDEX
AND THE DOW JONES COSMETICS INDEX



* $100 Invested on 12/31/96 in stock or index-
including reinvestment of dividends.
Fiscal year ending December 31.

Cumulative Total Return*

	12/96	12/97	12/98	12/99	12/00	12/01
CCA Industries, Inc.	100	95	54	49	24	56
DJ Equity Market	100	132	165	202	183	161
DJ Cosmetics/Personal Care	100	123	128	114	109	100

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* $100 invested on November 30, 1996 in stock and indices, including reinvestment of dividends.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding the ownership of the Company's Common Stock and/or Class A Common Stock as of February 12, 2002 by (i) all those known by the Company to be owners of more than five percent of the outstanding shares of Common Stock or Class A Common Stock; (ii) each officer and director; and (iii) all officers and directors as a group. Unless otherwise indicated, each of the shareholders has sole voting and investment power with respect to the shares owned (subject to community property laws, where applicable), and is beneficial owner of them.

Name and Address	Number of Shares Owned (1):		"Option Shares" (1)	Ownership, As A Percentage of All Shares Out-Standing/Assuming Option Share Exercise (1)
	Common Stock	Class A (2)		
David Edell c/o CCA Industries, Inc. 200 Murray Hill Parkway East Rutherford, NJ 07073	369,685	484,615	257,500	12.13/15.22%
Ira W. Berman c/o CCA Industries, Inc.	334,745	473,615	302,000	11.47/15.11%
Jack Polak 90 Park Avenue New York, NY 10016	25,000	2,700	25,000	.39/.75%
Rami G. Abada c/o CCA Industries, Inc.	-	-	25,000	-/.35%
Stanley Kreitman c/o CCA Industries, Inc.	-	-	25,000	-/.35%
Dunnan Edell c/o CCA Industries, Inc.	41,250	-	75,000	.59/1.63%
Drew Edell c/o CCA Industries, Inc.	51,250	-	75,000	.73/1.77%

John Bingman c/o CCA Industries, Inc.	-	-	-	-
Officers and Directors as a group (8 persons)	821,930	960,930	784,500	25.30/32.79%

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(1) The number of "Option Shares" represents the number of shares that could be purchased by and upon exercise of unexercised options exercisable within 60 days; and the percentage ownership figure denominated "Assuming Option Share Exercise" assumes, per person, that unexercised options have been exercised and, thus, that subject shares have been purchased and are actually owned. In turn, the "assumed" percentage ownership figure is measured, for each owner, as if each had exercised such options, and purchased subject 'option shares,' and thus increased total shares actually outstanding, but that no other option owner had 'exercised and purchased.'

(2) David Edell, Ira Berman and Jack Polak own over 98% of the outstanding shares of Class A Common Stock. Messrs. David Edell, Dunnan Edell and Ira Berman are officers and directors. Messrs. Bingman and Drew Edell are officers. Messrs. Abada, Kreitman and Polak are directors.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Dunnan Edell (a director and officer) is indebted to the Company, pursuant to its loan, in the principal sum of $20,598. The loan is secured by a second mortgage upon real property, and carries interest at 1% over prime, payable semi-annually.

The Company has retained the law firm of Berman & Murray as its general counsel. Ira W. Berman, a former member of the firm, is the Secretary, Chairman of the Board and a principal shareholder of the Company.

PART IV

Item 14. EXHIBITS, FINANCIAL STATEMENTS, SCHEDULES AND REPORTS ON FORM 8-K

Financial Statements:

Table of Contents, Independent Auditors' Report, Consolidated Balance Sheets as of November 30, 2001 and 2000, Consolidated Statements of Income (Loss) for the years ended November 30, 2001, 2000 and 1999, Consolidated Statements of Comprehensive Income (Loss), Consolidated Statements of Shareholders' Equity for the years ended November 30, 2001, 2000 and 1999, Consolidated Statements of Cash Flows for the years ended November 30, 2001, 2000 and 1999, Notes to Consolidated Financial Statements.

Financial Statement Schedules:

Schedule II: Valuation Accounts; Years Ended Nov. 30, 2001, 2000 and 1999

Exhibits:

(3) The Company's Articles of Incorporation and Amendments thereof, and its By-Laws, are incorporated by reference to their filing with the Form 10-K A filed April 5, 1995. (Exhibit pages 000001-23).

(4) The Indenture (and the Promissory note exhibited therewith) defining the rights of former shareholders who tendered Common Stock to the Company for its $2 per share, 5 year, 6% debenture, is filed by reference to the filing of such documents with the Schedule TO filed with the S.E.C., on June 5, 2001.

(10) The Following Material Contracts are incorporated by reference to their filing with the Form 10-KA filed April 5, 1995: Amended and Restated Employment Agreements of 1994, with David Edell and Ira Berman; License Agreement made February 12, 1986 with Alleghany Pharmacal Corporation.

The February 1999 Amendments to the Amended and Restated Employment Agreements of David Edell and Ira Berman (1994) are incorporated by reference to their with the 1998 10-K. (Exhibit pages 00001-00002)

(11) Statement re Per Share Earnings (included in Item 14, Financial Statements)

No Form 8-K was filed during the 2001 fiscal year.

Shareholders may obtain a copy of any exhibit not filed herewith by writing to CCA Industries, Inc., 200 Murray Hill Parkway, East Rutherford, New Jersey 07073. Moreover, exhibits may be inspected and copied at prescribed rates at the Commission's public reference facilities at Judiciary Plaza, 450 Fifth Street, NW, Washington, D.C. 20549; Jacob K. Javits Federal Building, 26 Federal Plaza, New York, New York 10278; and Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies of such materials may also be obtained by mail at prescribed rates from the Public Reference Branch of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and one is available at the Commission's Internet website (http://www.sec.gov).

SIGNATURES

Pursuant to the requirements of Section 13 or 15(A) of the Securities Exchange Act of 1934, the Registrant has duly caused this Annual Report to be signed on its behalf by the undersigned thereunto duly authorized.

CCA INDUSTRIES, INC.

By: s/ David Edell
DAVID EDELL, President

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
s/ David Edell DAVID EDELL	President, Director, Chief Executive Officer, and Chief Financial Officer	February 20, 2002
s/ Ira W. Berman IRA W. BERMAN	Chairman of the Board of Directors, Executive Vice President, Secretary	February 20, 2002
s/ Dunnan Edell DUNNAN EDELL	Vice President, Director	February 20, 2002
s/ Drew Edell DREW EDELL	Vice President, Director	February 20, 2002
s/ Stanley Kreitman STANLEY KREITMAN	Director	February 20, 2002
s/ Rami Abada RAMI ABADA	Director	February 20, 2002
s/ Jack Polak JACK POLAK	Director	February 20, 2002

CCA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

NOVEMBER 30, 2001 AND 2000

C O N T E N T S

INDEPENDENT AUDITORS' REPORT

Board of Directors
CCA Industries, Inc.
East Rutherford, New Jersey

We have audited the consolidated balance sheets of CCA Industries, Inc. and Subsidiaries as of November 30, 2001 and 2000, and the related consolidated statements of income (loss), comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended November 30, 2001. These consolidated financial statements are the responsibility of management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain a 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 and related schedules. 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 audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of CCA Industries, Inc. and Subsidiaries as of November 30, 2001 and 2000, and the consolidated results of their operations and their cash flows for each of the three years in the period ended November 30, 2001, in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplemental schedules listed in the index to Item 14 are presented for purposes of complying with the Securities and Exchange Commission's rules and are not a required part of the basic consolidated financial statements. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic consolidated financial statements taken as a whole.

SHEFT KAHN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

February 1, 2002
Jericho, New York

CCA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

A S S E T S

(Note 7)

	November 30, 2001	November 30, 2000
Current Assets		
Cash and cash equivalents (Note 15)	$ 2,555,938	$ 804,508
Short-term investments and marketable securities (Notes 2 and 6)	355,345	2,648,274
Accounts receivable, net of allowances of $1,295,086 and $1,379,424, respectively	4,464,991	6,329,755
Inventories (Notes 2 and 3)	4,783,530	5,735,427
Prepaid expenses and sundry receivables	401,403	324,980
Prepaid income taxes and refunds due	221,989	777,691
Deferred income taxes (Note 8)	1,617,403	1,529,522
Total Current Assets	14,400,599	18,150,157
Property and Equipment, net of accumulated depreciation and amortization (Notes 2 and 4)	482,261	675,790
Intangible Assets, net of accumulated amortization (Notes 2 and 5)	618,933	641,410
Other Assets		
Marketable securities (Notes 2 and 6)	4,979,758	733,171
Due from officers - Non-current (Note 14)	20,598	21,485
Deferred income taxes (Note 8)	40,105	34,517
Other	56,663	55,526
Total Other Assets	5,097,124	844,699
Total Assets	$20,598,917	$20,312,056

See Notes to Consolidated Financial Statements.

CCA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

LIABILITIES AND SHAREHOLDERS' EQUITY

	November 30, 2001	2000
Current Liabilities		
Notes payable (Note 7)	$ -	$ 1,500,000
Accounts payable and accrued liabilities (Note 10)	4,154,256	4,288,852
Income tax payable	9,366	-
Total Current Liabilities	4,163,622	5,788,852
Subordinated Debentures (Due August 1, 2005) (Note 7)	510,656	556,656
Commitments and Contingencies (Note 12)		
Shareholders' Equity		
Preferred stock, $1.00 par; authorized 20,000,000 shares; none issued	-	-
Common stock, $.01 par; authorized 15,000,000 shares; issued and outstanding 6,242,823 and 6,042,823 shares, respectively	62,428	60,428
Class A common stock, $.01 par; authorized 5,000,000 shares; issued and outstanding and 1,020,930 shares, respectively	10,209	10,209
Additional paid-in capital	3,834,296	3,836,296
Retained earnings	12,315,062	10,300,693
Accumulated other comprehensive income (Note 6)	(50,151)	(64,846)
	16,171,844	14,142,780
Less: Treasury Stock (218,196 and 107,496 shares at November 30, 2001 and November 30, 2000, respectively)	247,205	176,232
Total Shareholders' Equity	15,924,639	13,966,548
Total Liabilities and Shareholders' Equity	$20,598,917	$20,312,056

See Notes to Consolidated Financial Statements.

CCA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

	Years Ended November 30, 2001	2000	1999
Revenues			
Sales of health and beauty aid products, net	$41,364,648	$36,990,170	$37,898,563
Other income	338,883	186,284	285,469
	41,703,531	37,176,454	38,184,032
Costs and Expenses			
Cost of sales	14,877,421	14,299,928	15,095,971
Selling, general and administrative expenses	13,812,890	12,557,064	13,322,081
Advertising, cooperative and promotions	8,776,470	8,837,665	8,112,394
Research and development	687,731	555,462	581,340
Provision for doubtful accounts	299,254	249,279	115,569
Interest expense	69,012	159,477	142,662
	38,522,778	36,658,875	37,370,017
Income before Special Charge and Provision for Income Taxes	3,180,753	517,579	814,015
Special Charge (Note 16)	-	(1,500,000)	-
Income (Loss) before Provision (Benefit) for Income Taxes	3,180,753	(982,421)	814,015
Provision (Benefit) for Income Tax	1,166,384	(327,911)	301,511
Net Income (Loss) from Continuing Operations	2,014,369	(654,510)	512,504
Discontinued Operations:			
(Loss) on abandonment of intangibles (net of income taxes (benefit) of ($514,978) in 1999)	-	-	(803,603)
Net Income (Loss)	$ 2,014,369	($ 654,510)	($ 291,099)
Weighted Average Shares Outstanding			
Basic	6,893,232	7,153,013	7,174,203
Diluted	7,526,157	7,153,013	7,660,796

Earnings Per Common Share (Note 2):	2001 Basic	2001 Diluted	2000 Basic	2000 Diluted	1999 Basic	1999 Diluted
Continuing Operations	$.29	$.27	($.09)	($.09)	$ .07	$ .07
Discontinued Operations	$ -	$ -	$ -	($ -)	($ .11)	($ .11)
(Loss) on Abandoned Intangibles	$ -	$ -	$ -	$ -	($ .04)	($ .04)
Net	$.29	$.27	($.09)	($.09)	($ .04)	($ .04)

See Notes to Consolidated Financial Statements.

CCA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Years Ended November 30,		
	2001	2000	1999
Net Income (Loss)	$2,014,369	($ 654,510)	($ 291,099)
Other Comprehensive Income (Loss)			
Unrealized holding gain (loss) on investments	14,696	86,008	(132,511)
Provision (Benefit) for Taxes	5,555	13,742	(50,166)
Other Comprehensive Income (Loss) - Net	9,141	72,266	(82,345)
Comprehensive Income (Loss)	$2,023,510	($ 582,244)	($ 373,444)
Earnings (Loss) Per Share:			
Basic	$.29	($.08)	($.05)
Diluted	$.27	($.08)	($.05)

See Notes to Consolidated Financial Statements.

CCA INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED NOVEMBER 30, 2001, 2000 AND 1999

	Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Unrealized Gain (Loss) on Marketable Securities	Treasury Stock
Balance - December 1, 1998	7,267,081	$72,670	$4,454,228	$11,246,302	($ 18,343)	($155,609)
Issuance of common stock	75,000	750	(750)	-	-	-
Net (loss) for the year	-	-	-	(291,099)	-	-
Unrealized (loss) on marketable securities	-	-	-	-	(132,512)	-
Purchase of 6,477 shares of treasury stock	-	-	-	-	-	(9,557)
Balance - November 30, 1999	7,342,081	73,420	4,453,478	10,955,203	(150,855)	(165,166)
Issuance of debentures for acquisition of 278,328 shares of common stock	-	-	-	-	-	(19,965)
Purchase of 11,500 shares of treasury stock	-	-	-	-	-	(11,066)
Net income for the year	-	-	-	(654,510)	-	-
Unrealized gain on marketable securities	-	-	-	-	86,008	-
Retirement of treasury stock	(278,328)	(2,783)	(617,182)	-	-	(619,965)
Balance - November 30, 2000	7,063,753	70,637	3,836,296	10,300,693	(64,847)	(176,232)
Issuance of common stock	200,000	2,000	(2,000)	-	-	-
Net income for the year	-	-	-	2,014,369	-	-
Unrealized gain on marketable securities	-	-	-	-	14,696	-
Purchase of 110,700 shares of treasury stock	-	-	-	-	-	(70,973)
Balance - November 30, 2001	7,263,753	$72,637	$3,834,296	$12,315,062	($ 50,151)	($247,205)

See Notes to Consolidated Financial Statements.

CCA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED NOVEMBER 30,

	2001	2000	1999
Cash Flows from Operating Activities:			
Net income (loss)	$2,014,369	($ 654,510)	($ 291,099)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	374,953	372,881	344,198
Amortization of bond discount	-	-	1,884
Loss (gain) on sale of securities	5,559	119,877	(10,914)
(Increase) in deferred income taxes	(93,469)	(343,495)	(118,366)
Loss on abandonment of intangibles	-	-	418,612
Decrease in accounts receivable	1,864,764	1,041,777	506,468
Decrease in inventory	951,897	499,843	2,137,022
(Increase) decrease in prepaid expenses and sundry receivables	(76,423)	497,836	(505,698)
Decrease (increase) in prepaid income taxes and refunds due	555,702	(62,856)	(642,322)
(Increase) in miscellaneous assets	(1,137)	(537)	(100)
(Decrease) in accounts payable and accrued liabilities	(134,596)	(640,053)	(1,331,062)
Increase (decrease) in income taxes payable	9,366	-	(600,720)
Decrease in net assets from discontinued operations	-	-	752,729
Net Cash Provided by Operating Activities	5,470,985	830,763	660,632
Cash Flows from Investing Activities:			
Acquisition of property and equipment	(134,247)	(283,863)	(157,047)
Acquisition of intangible assets	(24,700)	(496,734)	(468,274)
Purchase of available for sale securities	(7,036,015)	(2,682,631)	(1,744,204)
Proceeds from sale of available for sales securities	5,068,493	2,567,555	2,126,189
Proceeds of money due from officers	887	36,433	7,332
Net Cash (Used in) Investing Activities	(2,125,582)	(859,240)	(236,004)
Cash Flows from Financing Activities:			
Proceeds from borrowings	-	3,900,000	4,050,000
Payment on debt	(1,500,000)	(3,800,000)	(4,200,000)
Proceeds from issuance of stock	(23,000)	-	-
Purchase of treasury stock	(70,973)	(74,375)	(9,557)
Net Cash (Used in) Provided by Financing Activities	(1,593,973)	25,625	(159,557)
Net Increase (Decrease) In Cash	1,751,430	(2,852)	265,071
Cash at Beginning of Year	804,508	807,360	542,289
Cash at End of Year	$2,555,938	$ 804,508	$ 807,360

See Notes to Consolidated Financial Statements.

CCA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED NOVEMBER 30,

	2001	2000	1999
Supplemental Disclosures of Cash Flow Information:			
Cash paid during the year for:			
Interest	$ 69,958	$161,895	$ 119,664
Income taxes	801,950	97,629	1,152,883

See Notes to Consolidated Financial Statements.

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

CCA Industries, Inc. ("CCA") was incorporated in the State of Delaware on March 25, 1983.

CCA manufactures and distributes health and beauty aid products.

CCA has several wholly-owned subsidiaries (CCA Cosmetics, Inc., CCA Labs, Inc., Berdell, Inc., Nutra Care Corporation, and CCA Online Industries, Inc.), all of which are currently inactive.

In March of 1998 CCA acquired 80% of the newly organized Fragrance Corporation of America, Ltd. (FCA) which manufactured and distributed perfume products. In 1999, the Company adopted a formal plan to discontinue the operations of the subsidiary. As of November 30, 2001, the Company had completed its plan of dissolution.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation:

The consolidated financial statements include the accounts of CCA and its majority-owned subsidiaries (collectively the "Company"). The minority interest in the discontinued consolidated subsidiary is no longer reflected in the financial statements. All significant inter-company accounts and transactions have been eliminated.

Use of Estimates:

The consolidated financial statements include the use of estimates, which management believes are reasonable. The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Short-Term Investments and Marketable Securities:

Short-term investments and marketable securities consist of corporate and government bonds and equity securities. The Company has classified its investments as Available-for-Sale securities. Accordingly, such investments are reported at fair market value, with the resultant unrealized gains and losses reported as a separate component of shareholders' equity.

Statements of Cash Flows Disclosure:

For purposes of the statement of cash flows, the Company considers all highly liquid instruments purchased with an original maturity of less than three months to be cash equivalents.

During fiscal 1999, two officers/shareholders exercised in the aggregate 100,000 options in exchange for previously issued common stock of 25,000. The common shares were put into treasury and were subsequently cancelled.

CCA INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Statements of Cash Flows Disclosure (Continued):

During fiscal 2000, the Company repurchased 278,328 shares of common stock in exchange for the issuance of subordinated debentures totaling $556,656. The total cost of the acquisition (including associated costs incurred of $63,309) was charged to capital upon its retirement.

During fiscal 2001, two officers/shareholders exercised in the aggregate 400,000 options in exchange for previously issued common stock of 200,000. The common shares were put into treasury and were subsequently cancelled.

Inventories:

Inventories are stated at the lower of cost (first-in, first-out) or market.

Product returns are recorded in inventory when they are received at the lower of their original cost or market, as appropriate. Obsolete inventory is written off and its value is removed from inventory at the time its obsolescence is determined.

Property and Equipment and Depreciation and Amortization

Property and equipment are stated at cost. The Company charges to expense repairs and maintenance items, while major improvements and betterments are capitalized. When the Company sells or otherwise disposes of property and equipment items, the cost and related accumulated depreciation are removed from the respective accounts and any gain or loss is included in earnings.

Depreciation and amortization are provided on the straight-line method over the following estimated useful lives or lease terms of the assets:

Machinery and equipment	7-10 Years
Furniture and fixtures	5-7 Years
Tools, dies and masters	2-7 Years
Transportation equipment	7 Years
Leasehold improvements	7-10 Years or life of lease, whichever is shorter

Intangible Assets:

Intangible assets are stated at cost. Patents and trademarks are amortized on the straight-line method over a period of 17 years.

Financial Instruments:

The carrying value of assets and liabilities considered financial instruments approximate their respective fair value.

Income Taxes:

Income tax expense includes federal and state taxes currently payable and deferred taxes arising from temporary differences between income for financial reporting and income tax purposes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax credits, when present, are accounted for using the flow-through method as a reduction of income taxes in the years utilized.

Earnings Per Common Share:

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings Per Share" in 1998. Basic earnings per share is calculated using the average number of shares of common stock outstanding during the year. Diluted earnings per share is computed on the basis of the average number of common shares outstanding plus the effect of outstanding stock options using the "treasury stock method" and convertible debentures using the "if-converted" method. Common stock equivalents consist of stock options.

Revenue Recognition:

The Company recognizes net sales upon shipment of merchandise. Net sales comprise gross revenues less expected returns, trade discounts, customer allowances and various sales incentives. Although no legal right of return exists between the customer and the Company, it is an industry-wide practice to accept returns from customers. The Company, therefore, records a reserve for returns equal to its gross profit on its historical percentage of returns on its last five months sales.

Reclassifications

In 1999, the Company formalized a plan to discontinue the operations of FCA, terminated all FCA employees, closed its Chicago facility, abandoned the majority of its inventory and discontinued almost all of the marketing of its product line. However, in 2000, after noting that there was still demand for the "Cherry Vanilla" and "Cloud Dance" perfumes, the Company decided to retain those product lines and purchased the trademarks owned by Shiara Holdings, Inc. Therefore, in accordance with EITF 90-16, certain prior year amounts have been reclassified to conform to the 2000 presentation.

In accordance with EITF 00-14, the Company has accounted for certain sales incentives offered to customers by charging them directly to sales as opposed to "advertising and promotional" expense. Prior years' amounts have been reclassified to conform to the 2001 presentation. Had EITF 00-14 not been adopted, sales for the years ended November 2001, 2000 and 1999 would have been $42,527,229, $38,451,980 and $39,028,936, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising Costs:

The Company's policy for fiscal financial reporting is to charge advertising cost to operations as incurred.

Shipping Costs:

The Company's policy for fiscal financial reporting is to charge shipping cost to operations as incurred. For the years ended November 30, 2001, 2000 and 1999, included in selling, general and administrative expenses is shipping costs amounting to $2,296,585, $2,047,656 and $1,721,218, respectively.

NOTE 3 - INVENTORIES

At November 30, 2001 and 2000, inventories consist of the following:

	2001	2000
Raw materials	$2,225,814	$4,262,298
Finished goods	3,610,432	2,523,843
	$5,836,246	$6,786,141

At November 30, 2001 and 2000, the Company had a reserve for obsolete inventory of $1,052,716 and $1,050,714 respectively. In addition, the Company had $519,986 and $748,331, respectively, of old FCA inventory which it had completely written off but had not yet disposed of.

NOTE 4 - PROPERTY AND EQUIPMENT

At November 30, 2001 and 2000, property and equipment consisted of the following:

	2001	2000
Machinery and equipment	$ 168,421	$ 323,233
Furniture and equipment	741,414	922,386
Transportation equipment	10,918	10,918
Tools, dies, and masters	550,825	1,972,830
Leasehold improvements	162,283	169,820
	1,633,861	3,399,187
Less: Accumulated depreciation and amortization	1,151,600	2,723,397
Property and Equipment - Net	$ 482,261	$ 675,790

Depreciation and amortization expense for the years ended November 30, 2001, 2000 and 1999 amounted to $327,777, 347,801 and $283,982, respectively.

During the year ended November 30, 2001, the Company wrote off and disposed of all of their obsolete and fully depreciated property and equipment.

NOTE 5 - INTANGIBLE ASSETS

Intangible assets consist of the following at November 30, 2001 and 2000:

	2001	2000
Patents and trademarks	$750,256	$738,330
Less: Accumulated amortization	131,323	96,920
Intangible Assets - Net	$618,933	$641,410

Amortization expense for the years ended November 30, 2001, 2000 and 1999 amounted to $47,176, $25,080 and $60,216 ($49,662 from discontinued operations), respectively.

On October 26, 2000, the Company acquired certain trademarks. See Note 12.

NOTE 6 - SHORT-TERM INVESTMENTS AND MARKETABLE SECURITIES

Short-term investments and marketable securities, which consist of stock and various corporate and government obligations, are stated at market value. The Company has classified its investments as Available-for-Sale securities and considers as current assets those investments which will mature or are likely to be sold in the next fiscal year. The remaining investments are considered non-current assets. The cost and market values of the investments at November 30, 2001 and 2000 were as follows:

	2001		2000	
Current:	COST	MARKET	COST	MARKET
Corporate obligations	$ -	$ -	$ 536,000	$ 534,590
Mutual Funds	159,805	107,015	148,465	111,930
Government obligations (including mortgage backed securities)	247,330	248,330	1,998,756	2,001,754
Total	407,135	355,345	2,683,221	2,648,274
Non-Current:				
Corporate obligations	2,416,846	2,434,080	-	-
Government obligations	2,311,273	2,294,058	150,510	146,723
Preferred stock	250,000	251,620	612,561	586,448
Total	4,978,119	4,979,758	763,071	733,171
Total	$5,385,254	$5,335,103	$3,446,292	$3,381,445

The market value at November 30, 2001 was $5,335,103 as compared to $3,381,445 at November 30, 2000. The gross unrealized gains and losses as at November 30, 2001 and 2000 were $35,542 and ($85,693) for 2001 and $1,588 and ($66,435) for 2000, respectively. The cost and market values of the investments at November 30, 2001 were as follows:

CCA INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 - SHORT-TERM INVESTMENTS AND MARKETABLE SECURITIES (CONTINUED)

COL. A			COL. B	COL. C	COL.D
Name of Issuer and Title of Each Issue	Maturity Date	Interest Rate	Number of Units-Principal Amount of Bonds and Notes	Cost of Each Issue	Market Value of Each Issue at Balance Sheet Date
CORPORATE OBLIGATIONS:					
GMAC Smartnotes	10/15/03	4.600%	250,000	$ 250,000	$ 251,578
GMAC Smartnotes	10/15/03	4.750	325,000	325,000	323,606
GMAC Smartnotes	1/15/03	5.550	250,000	250,000	254,445
GMAC Smartnotes	2/15/03	5.750	140,000	140,000	142,876
GMAC Smartnotes	6/15/03	4.750	300,000	300,000	302,520
GMAC Smartnotes	7/15/03	4.650	200,000	200,000	201,354
GMAC Smartnotes	8/15/03	4.250	499,000	499,000	498,965
International Business Machines	9/22/03	5.370	100,000	102,040	103,450
Colgate-Palmolive	12/1/03	5.270	100,000	100,860	103,506
Ford Motor Credit	3/20/04	6.125	245,000	249,946	251,780
				2,416,846	2,434,080

NOTE 6 - SHORT-TERM INVESTMENTS AND MARKETABLE SECURITIES (CONTINUED)

COL. A			COL. B	COL. C	COL. D	COL. E
Name of Issuer and Title of Each Issue	Maturity Date	Interest Rate	Number of Units-Principal Amount of Bonds and Notes	Cost of Each Issue	Market Value of Each Issue at Balance Sheet Date	Amount at Which Each Portfolio Of Equity Security Issues and Each Other Security Issue Is Carried in Balance Sheet
GOVERNMENT OBLIGATIONS:						
FHLMC 1628-N	12/15/2023	6.500%	26,605	$ 26,043	$ 27,112	$ 27,112
FNMA 93-224-D	11/25/2023	6.500	59,350	59,807	59,776	59,776
FNMA 92-2-N	1/25/2024	6.500	7,184	6,159	7,175	7,175
FHLB	9/15/2003	5.125	255,000	266,200	264,603	264,603
FHLB	11/15/2005	4.250	750,000	753,004	747,075	747,075
US Treasury Note	11/15/2003	4.250	200,000	199,891	205,437	205,437
US Treasury Note	11/15/2003	4.250	250,000	250,169	256,797	256,797
US Treasury Bill	4/18/2002	2.160	250,000	247,330	248,330	248,330
FNMA	11/6/2009	4.250	250,000	250,000	242,028	242,028
FNMA	11/6/2009	4.250	500,000	500,000	484,055	484,055
				2,558,603	2,542,388	2,542,388

CCA INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 - SHORT-TERM INVESTMENTS AND MARKETABLE SECURITIES (CONTINUED)

COL. A			COL. B	COL. C	COL. D	COL. E
Name of Issuer and Title of Each Issue	Next Call Date	Dividend Rate	Number of Shares	Cost of Stock	Market Value of Stock at Balance Sheet Date	Amount at Which Each Portfolio Of Equity Security Issues and Each Other Security Issue Is Carried in Balance Sheet
EQUITY:						
Preferred Stock:						
Merrill Lynch Trust	9/30/08	7.28%	6,000	$ 150,000	$ 151,620	$ 151,620
Other Equity Investments:						
Aberdeen Asia Pacific Income Fund				100,000	100,000	100,000
Dreyfus Premier Limited Term High Income CL B		3.8*	13,495	159,805	107,015	107,015
				409,805	358,635	358,635
				$5,385,254	$5,335,103	$5,335,103

*Estimated

NOTE 6 - SHORT-TERM INVESTMENTS AND MARKETABLE SECURITIES (Continued)

During the years ended November 30, 2001, 2000 and 1999, available-for-sale securities were liquidated and proceeds amounting to $ 5,068,493, $2,567,555 and $2,126,189 were received, with resultant realized gains (losses) totaling ($28,559), ($119,877) and $10,914, respectively. Cost of available-for-sale securities includes unamortized premium or discount.

NOTE 7 - NOTES PAYABLE AND SUBORDINATED DEBENTURES

The Company has an available line of credit of $7,000,000. Interest is calculated on the outstanding balance at prime minus 1% or Libor plus 150 basis points. The line of credit is collateralized by all the Company's assets. As of November 30, 2001 and 2000, the Company was utilizing $ 0 and $1,500,000, respectively, of its available line. The interest rate charged at November 30, 2000 was 8.5%.

On August 1, 2000, the Company repurchased (pursuant to a tender offer) 278,328 shares of its outstanding common stock by issuing subordinated debentures equal to $2 per share, which accrue interest at 6% and are due to mature on August 1, 2005. The interest is payable semi-annually.

During the year 2001, the Company repurchased $46,000 of debentures for $23,000 resulting in a gain of $23,000.

NOTE 8 - INCOME TAXES

CCA and its subsidiaries file a consolidated federal income tax return. No returns have been examined by the Internal Revenue Service.

At November 30, 2001 and 2000, respectively, the Company has temporary differences arising from the following:

November 30, 2001

Type	Amount	Deferred Tax	Classified As Short-Term Asset (Liability)	Classified As Long-Term Asset (Liability)
Depreciation	$ 98,139	$ 40,105	$ -	$40,105
Reserve for bad debts	481,399	196,729	196,729	-
Reserve for returns	813,686	332,521	332,521	-
Reserve for obsolete inventory	1,052,716	430,203	430,203	-
Section 263A costs	370,741	151,507	151,507	-
Deferred tax benefit from discontinued operations	519,986	212,497	212,497	
Charitable contributions	719,293	293,946	293,946	-
Net deferred income tax		$1,657,508	$1,617,403	$40,105

NOTE 8 - INCOME TAXES (Continued)

		November 30, 2000		
			Classified As	
Type	Amount	Deferred Tax	Short-Term	Long-Term
			Asset (Liability)	
Depreciation	$ 86,741	$ 34,517	$ -	$34,517
Reserve for bad debts	323,257	128,634	128,634	-
Reserve for returns	1,056,167	420,280	420,280	-
Reserve for obsolete inventory	1,050,714	418,110	418,110	-
Section 263A costs	235,609	93,756	93,756	-
Charitable contributions	254,492	101,270	101,270	-
Deferred tax benefit from discontinued operations	1,204,950	367,472	367,472	-
Net deferred income tax		$1,564,039	$1,529,522	$34,517

Income tax expense (benefit) is made up of the following components:

	November 30, 2001		
	Federal	State & Local	Total
Current tax expense	$976,295	$170,755	$1,147,050
Tax credits	(35,000)	-	(35,000)
Deferred tax expense	(77,369)	131,703	54,334
	$863,926	$302,458	$1,166,384

NOTE 8 - INCOME TAXES (Continued)

November 30, 2000

	Federal	State & Local	Total
Current tax benefit	($229,509)	($35,097)	($264,606)
Deferred tax benefit	(54,416)	(8,889)	(63,305)
($283,925)	($43,986)	($327,911)	

November 30, 1999

	Federal	State & Local	Total
Current tax expense	$438,605	$131,664	$570,269
Deferred tax expense	(237,345)	(31,413)	(268,758)
$201,260	$100,251	$301,511	

Prepaid income taxes and refund due are made up of the following components:

	Federal	State & Local	Total
November 30, 2001	$ 88,210	$133,779	$221,989
November 30, 2000	$599,564	$178,127	$777,691

Income taxes payable are made up of the following components:

	Federal	State & Local	Total
November 30, 2001	$ 4,803	$4,563	$ 9,366
November 30, 2000	$ -	$ -	$ -

NOTE 8 - INCOME TAXES (Continued)

A reconciliation of income tax expense (benefit) computed at the statutory rate to income tax expense at the effective rate for each of the three years ended November 30, 2000 is as follows:

	2001		2000		1999	
	Amount	Percent Of Pretax Income	Amount	Percent of Pretax Income	Amount	Percent of Pretax Income
Income tax expense (benefit) at statutory rate	$1,081,456	34.00%	($334,023)	(34.00%)	$276,765	34.00%
Increases (decreases) in taxes resulting from:						
State income taxes, net of federal income tax benefit	199,622	6.27	(58,355)	(5.94)	51,333	6.31
Non-deductible expenses and other adjustments	(79,694)	(2.50)	64,467	6.56	(26,587)	(3.27)
Utilization of tax credits	(35,000)	(1.10)	-	-	-	-
Income tax expense (benefit) at effective rate	$1,166,384	36.67%	($327,911)	(33.38%)	$301,511	37.04%

NOTE 9 - STOCK OPTIONS

On November 15, 1984, the Company authorized the granting of incentive stock options as well as non-qualified options. The plan was amended in 1986 and again in 1994. The following summarizes the stock options outstanding under these plans as of November 30, 2001:

Date Granted	Number Of Shares	Per Share Option Price	Expiration
January 1988 (6)	2,000	.50	2007
March 1989 (1)(6)	157,500	.50	2007
January 1990 (2)(6)	200,000	.50	2007
June 1995 (3)(6)	50,000	.50(4)(6)	2007
August 1997 (6)	375,000	.50(5)(6)	2007
	784,500		

(1) These options were originally scheduled to expire March 1999 but were extended for an additional five years.

(2) These options were originally scheduled to expire January 2000 but were extended for an additional five years.

(3) These options were originally scheduled to expire June 2000 but were extended for an additional five years.

(4) These stock options were repriced from $4.50 to $1.50 in June of 2000 when they were extended.

(5) These stock options were repriced from $2.50 on November 3, 1998.

(6) On May 24, 2001, the Board of Directors repriced all the outstanding options to $.50 and changed their expiration date to August 1, 2007.

The following summarizes the activity of shares under option for the two years ended November 30, 2001:

	Number Of Shares	Per Share Option Price	Value
Balance - November 30, 1999	1,184,500	$.50 - $4.50	$1,259,875
Granted	-	-	-
Repriced	-	(3.00)	(150,000)
Exercised	-	-	-
Expired	-	-	-
Cancelled	-	-	-
Balance - November 30, 2000	1,184,500	$.50 - $1.50	$1,109,875
Granted	-	-	-
Repriced	-	(.05) - (1.00)	(517,125)
Exercised	400,000	(.50)	(200,000)
Expired	-	-	-
Cancelled	-	-	-
Balance - November 30, 2001	784,500	$.50	$ 392,250

NOTE 9 - STOCK OPTIONS (Continued)

Pro Forma Disclosure

The Company has adopted the disclosure-only provisions of Statement of Financial Accounting Standards No. 123, “Accounting for Stock Based Compensation”, issued in October 1995. Accordingly, compensation cost has been recorded based on the intrinsic value of the option only. The Company recognized no compensation cost in 1999 and 1998, respectively, for stock-based employee compensation awards. The pro forma compensation cost for stock-based employee compensation awards was \$.5 million, \$.8 million and \$1.3 million in 2001, 2000 and 1999, respectively. If the Company had elected to recognize compensation cost based on the fair value of the options granted at grant date as prescribed by SFAS No. 123, net income and earnings per share would have been changed to the pro forma amounts indicated in the table below:

	2001		2000		1999	
	As Reported	Pro Forma	As Reported	Pro Forma	As Reported	Pro Forma
Net income	\$2,014,369	\$1,470,083	(\$654,510)	(\$1,447,726)	(\$291,099)	(\$1,606,582)
Diluted earnings per share	\$.27	\$.20	(\$.09)	(\$.20)	(\$.04)	(\$.22)

The above pro forma amounts, for purposes of SFAS No. 123, reflect the portion of the estimated fair value of awards earned in 2001, 2000 and 1999. For purposes of pro forma disclosures, the estimated fair value of the options is amortized over the options’ vesting period (for stock options). The effects on pro forma disclosures of applying SFAS 123 are not likely to be representative of the effects on pro forma disclosures of future years.

NOTE 9 - STOCK OPTIONS

The Company used the Black-Scholes model to value stock options for pro forma presentation. The assumptions used to estimate the value of the options included in the pro forma amounts and the weighted average estimated fair value of options granted are as follows:

	Stock Option Plan Shares		
	2001	2000	1999
Average expected life (years)	5.67	3.76	3.78
Expected volatility	204.59%	193.18%	213.55%
Risk-free interest rate	4.25%	6.3%	5.6%
Weighted average fair value at grant - Exercise price equal to market price	$.69	$.66	$1.20

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options which have no vesting restrictions and are fully transferable. In addition, the Black-Scholes model requires the input of highly subjective assumptions, including the expected stock price volatility and option life. Because the Company's stock options granted to employees have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, existing models do not necessarily provide a reliable measure of the fair value of its stock options granted to employees. For purposes of this model, no dividends have been assumed.

NOTE 10 - ACCRUED EXPENSES AND OTHER ACCOUNTS PAYABLE

The following items which exceeded 5% of total current liabilities are included in accounts payable and accrued liabilities as of:

	November 30, 2001	November 30, 2000
	(In Thousands)	
Media advertising	$ 424	$ *
Coop advertising	392	242
Accrued returns	301	983
Vacation accrual	254	*
Accrued bonuses	510	*
	$1,881	$1,225

All other liabilities were for trade payables or individually did not exceed 5% of total current liabilities.

* under 5%

NOTE 11 - OTHER INCOME

Other income was comprised of the following:

	November 30, 2001	2000	1999
Interest income	$265,240	$222,459	$213,335
Dividend income	16,057	42,461	50,657
Realized gain on sale of securities and debentures	25,342	6,262	11,211
Realized (loss) on sale of securities	(30,901)	(126,139)	(297)
Royalty income	57,385	37,500	-
Miscellaneous	5,760	3,741	10,563
	$338,883	$186,284	$285,469

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Leases

The Company leases approximately 62,500 square feet of office and warehouse space at an annual rental of $267,684 plus CAM charges. This lease on the Company's premises expires March 31, 2005, but has a renewal option for an additional five years. The Company leases an additional 51,000 square feet of warehouse space in Paterson, NJ on a net lease basis at a rental of approximately $13,000 per month, which matured May 31, 2001. The Company extended the lease through May 31, 2002 at a monthly cost of approximately $15,000.

The Company has entered into various operating leases with expiration dates ranging through July 2004.

Rent expense for the years ended November 30, 2001, 2000 and 1999 was $531,062, $498,227 and $449,051, respectively.

Future commitments under noncancellable operating lease agreements for each of the next five (5) years and in the aggregate are as follows:

Year Ending November 30,	
2002	$ 423,175
2003	318,142
2004	289,503
2005	89,228
2006	-
Total	$1,120,048

Royalty Agreements

On March 3, 1986, the Company entered into a License Agreement (the "Agreement") with Alleghany Pharmacal Corporation ("Alleghany") under the terms of which the Company was granted the exclusive right to use the licensed products and trademarks for the manufacture and distribution of the products subject to the license. Under the terms of the Agreement, on July 5, 1986, the Company paid to Alleghany a non-refundable advance payment of $1,015,000. The license runs for an indeterminate period. An additional $525,000 non-refundable advance payment was paid to Alleghany on July 5, 1987.

NOTE 12 - COMMITMENTS AND CONTINGENCIES (Continued)

From the period March 3, 1986 to June 3, 1986, the Company was required to pay a 7% royalty on all net sales. Thereafter, it is required to pay a 6% royalty on net sales but no less than $360,000 per annum to maintain its license. After the sum of $9,000,000 in royalties has been paid to Alleghany, the royalty is reduced to 1% of net sales. The Company has expanded the lines licensed from Alleghany and pays only 1% royalty on various new products created by the Company. As of November 30, 2001, $8,047,405 of royalties have been paid or accrued and only $952,595 still remains until the $9,000,000 level is reached.

In March 1998, the Company entered into a License Agreement with Shiara Holdings, Inc., pursuant to which the Company acquired exclusive license to use the trademark names used by Fragrance Corporation of America, Ltd. (FCA). The Shiara-Holdings, Inc. license requires the Company to pay royalties of 5% per annum on net sales of all products sold under the "Cherry Vanilla", "Mandarin Vanilla", and "Cloud Dance" trademarks until royalties totaling $2,000,000 are paid, and royalties of one-half of 1% thereafter. (No royalties are payable in respect of sales of products under these Shiara license trademarks: "Vision", "Sunset Cafe", and "Amber Musk".) A minimum of $100,000 was required to be paid for the period from commencement (April 1998) through June 1999, and a minimum of $150,000 for each subsequent twelve-month period, in order to retain the exclusive license-rights.

On October 26, 2000, the Company purchased the Trademarks of Shiara Holding, Inc. for $450,000. Effectively, any future royalties which would have been payable under the FCA License agreements above were cancelled. See Note 5.

In May of 1998, the Company entered into a License Agreement with Solar Sense, Inc. for the marketing of sun care products under trademark names. The Company's License Agreement with Solar Sense, Inc. is for the exclusive use of the trademark names "Solar Sense" and "Kids Sense", in connection with the commercial exploitation of sun care products. The Company will pay a royalty until a total of $1 million of royalties have been paid and 1%, thereafter. If minimum royalties of $30,000 do not result, the license may be terminated unless the Company chooses to pay the "difference" between realized royalties and $30,000.

In October of 1999, the Company entered into a License Agreement with The Nail Consultants, Ltd. for the use of an activator invented in connection with a method for applying a protective covering to fingernails. The Company's License Agreement with The Nail Consultants, Ltd. is for the exclusive use of the method and its composition in a new product kit packaged and marketed by CCA under its own name, "Nutra Nail Power Gel". The Company will pay a royalty of 5% of net sales of all licensed product sold by the Company. The first month of product sales was September 2001. The delay in shipping since October 1999 was due to product packaging concerns.

The Company settled a patent infringement claim for the use of Alpha Hydroxy in its Sudden Change exfoliation products for $323,927. The Company paid half in September 2001 and will pay the balance in February 2002. The total expense was expensed in the fiscal year ended November 30, 2001. The Company entered into a license agreement for the future use of Alpha Hydroxy in its beauty aid products. The Company will pay a 5% royalty of net sales of all such licensed product sold by the Company.

NOTE 12 - COMMITMENTS AND CONTINGENCIES (Continued)

The Company has entered into various other License Agreements, none of which materially affect the Company's sales, financial results, financial condition, or should materially affect its future results of operations.

Employment Contracts

During fiscal 1994, the Board of Directors approved 10-year employment contracts for two officers/shareholders. Pursuant thereto, each was provided a base salary of $300,000 in fiscal 1994, with a year-to-year CPI or 6% increment, and each is paid 2 1/2% of the Company's pre-tax income, less depreciation and amortization, plus 20% of the adjusted base salary, as a bonus. During 1998 the contracts were amended, commencing in fiscal 1999, to limit the amount of advertising expense charged against pre-tax income for purposes of the 2 1/2% calculation to $8,000,000.

Collective Bargaining Agreement

On December 1, 1998, the Company signed a collective bargaining agreement with Local 734, L.I.U. of N.A., AFL-CIO. Other than standard wage, holiday, vacation and sick day provisions, the agreement calls for CCA to provide certain medical and dental benefits and to contribute to the Local 734 Educational Fund $.01 per hour for each hour the employees are paid. The agreement expires on November 30, 2001. A new collective bargaining agreement with similar provisions is in effect for December 1, 2001 through November 30, 2004.

Litigation

There are various matters in litigation that arose out of the normal operations of the Company which, in the opinion of management, will not have a material adverse effect on the financial condition of the Company.

The Company is a defendant in an action pending in the United States District Court for the District of New Jersey. The suit claims damages of $450,000 for the alleged sale of defective merchandise for which the Company was paid approximately $170,000. Outside counsel has advised that at this stage in the proceedings they cannot offer an opinion as to the probable outcome. The Company believes the suit is without merit and intends to vigorously defend its position.

NOTE 13 - PENSION PLANS

The Company has adopted a 401(K) Profit Sharing Plan that covers most of their non-union employees with over one year of service and attained Age 21. Employees may make salary reduction contributions up to twenty-five percent of compensation not to exceed $10,500 (increasing to $11,000 in 2002) and may make additional discretionary contributions. The Plan provides for partial vesting after two years and full vesting after six years of service for all earnings and losses. The Company is not obligated to, nor has it matched any of the employees' contributions.

NOTE 14 - RELATED PARTY TRANSACTIONS

The Company has retained the law firm of Berman & Murray as its general counsel. Ira W. Berman, a former member of the firm, is the Secretary, Chairman of the Board and a principal shareholder of the Company.

The Company has outstanding loans of $20,598 from its Vice President in charge of Sales; which was made to aid him in obtaining a first mortgage on his home. The loan is secured by a second mortgage and carries an interest rate at 1% over prime. Interest is payable semi-annually. The Vice President is the son of Mr. David Edell, the President of the Company.

NOTE 15 - CONCENTRATION OF RISK

All of the Company's products are sold to major drug and food chains merchandisers, and wholesale beauty-aids distributors throughout the United States and Canada.

During the years ended November 30, 2001, 2000 and 1999, certain customers each accounted for more than 5% of the Company's net sales, as follows:

Customer	2001	2000	1999
A	28%	26%	27%
B	12	13	11
C	7	6	5
D	5	6	6
E	4	6	5
F	7	6	8
Foreign Sales	2.85%	2.50%	4.50%

The loss of any one of these customers could have a material adverse affect on the Company's earnings and financial position.

During the years November 30, 2001, 2000 and 1999, certain products accounted for more than 10% of the Company's net sales as follows:

Product	2001	2000	1999
Plus+White	40%	36%	36%
Sudden Change	19	19	20
Hair-Off	*	*	10
NutraNail	19	14	10
Bikini Zone	10	10	*

* under 10%

NOTE 15 - CONCENTRATION OF RISK

The Company maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $100,000. In addition, the Company maintains accounts with several brokerage firms. The accounts contain cash and securities. Balances are insured up to $500,000 (with a limit of $100,000 for cash) by the Securities Investor Protection Corporation.

NOTE 16 - SPECIAL CHARGE

During the fourth quarter of 2000, the Company contacted its accounts and instructed them to return its “Permathene” and “Mega 16" products, which contain phenylpropanolimine (“PPA”), as a result of a general FDA health-warning concerning PPA (a key ingredient in numerous cold-remedies and appetite suppressants, which had been “on the market” for some 50 years). The Company’s revenues from sales of those now discontinued products, in fiscal 2000, were approximately $2,500,000 (6.5% of sales).

In conjunction with the recall, the Company recorded $1,500,000 in costs ($255,000 for inventory on hand and $1,245,000 for returns, allowances, and other costs related to the recall).

NOTE 17 - DISCONTINUED OPERATIONS

On March 19, 1998, the Company formed a majority-owned subsidiary, Fragrance Corporation of America, Ltd. (FCA). FCA was primarily engaged in the manufacture and distribution of perfume products. The results of operations of FCA are included in the accompanying financial statements.

CCA advanced FCA approximately $3,000,000 during fiscal 1998 for working capital and the initial purchase of the existing inventory of Shiara, Inc. in the amount of $1,141,711. In conjunction with the purchase of inventory, FCA entered into a license agreement with Shiara Holdings, Inc. for the right to sell the products acquired. Former accounts of Shiara have attempted to offset obligations due to FCA as a result of Shiara’s obligations which FCA did not assume. An agreement was entered into in February 1999 between Shiara Holdings, Inc. and FCA whereby all royalties due as of February 1, 1999 were deemed off-set by these contingent holdbacks.

NOTE 17 - DISCONTINUED OPERATIONS (CONTINUED)

Net sales of perfume products were approximately $3,700,000 during fiscal 1998, but decreased to $2,100,000 in fiscal 1999. In February of 1999, employment agreements with FCA's minority shareholders (included in the 1998 Shareholders Agreement) were replaced by short-term consulting agreements, which were terminated in October of 1999. Contemporaneously, the Company formalized a plan to discontinue the operations of FCA, terminated all FCA employees, closed its Chicago facility, abandoned the majority of its inventory, and discontinued the marketing of all of its products except "Cherry Vanilla" and "Cloud Dance." (See "License Agreement-Shiara") The marketing of those perfumes has been assumed by CCA.

In 1999, the Company credited FCA with the tax benefit to be received from the loss incurred by it. This resulted in reducing the intercompany advances from approximately $3 million to approximately $2.15 million. However, in 2000, after noting that there was still a demand for the "Cherry Vanilla and "Cloud Dance" perfumes the Company decided to retain those product lines and purchased the trademarks owned by Shiara Holdings, Inc. Therefore, in accordance with EITF 90-16, the only items presented as a "Loss from Discontinued Operations" are those assets which were abandoned or deemed worthless.

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NOTE 18 - EARNINGS PER SHARE

Basic earnings per share is calculated using the average number of common shares outstanding. Diluted earnings per share is computed on the basis of the average number of common shares outstanding plus the effect of outstanding stock options using the "treasury stock method".

Year Ended November 30,	2001	2000
Net income (loss) available for common shareholders, basic and diluted	$2,014,369	($654,510)
Weighted average common stock outstanding- Basic	6,893,232	7,153,013
Net effect of dilutive stock options	632,925	*
Weighted average common stock and common stock equivalents - Diluted	7,526,157	7,153,013
Basic earnings per share	$.29	($.09)
Diluted earnings per share	$.27	($.09)

*Antidilutive

SCHEDULE II

CCA INDUSTRIES, INC. AND SUBSIDIARIES

VALUATION ACCOUNTS

YEARS ENDED NOVEMBER 30, 2001, 2000 AND 1999

COL. A	COL. B	COL. C	COL. D	COL. E
Description	Balance at Beginning Of Year	Additions Charged To Costs and Expenses	Deductions	Balance At End Of Year
Year Ended November 30, 2001:				
Allowance for doubtful accounts	$ 323,257	$ 299,254	$ 141,112	$ 481,399
Reserve for returns	$1,056,167	$2,833,405	$3,075,886	$ 813,686
Reserve of inventory obsolescence	$1,050,714	$ 548,815	$ 546,813	$1,052,716
Year Ended November 30, 2000:				
Allowance for doubtful accounts	$ 327,919	$ 249,279	$ 253,941	$ 323,257
Reserve for returns	$ 855,657	$4,758,078	$4,557,568	$1,056,167
Reserve for inventory obsolescence	$1,056,709	$ 839,702	$ 845,697	$1,050,714
Year ended November 30, 1999:				
Allowance for doubtful accounts	$ 273,982	$ 115,569	$ 61,632	$ 327,919
Reserve for returns	$1,044,203	$4,866,293	$5,054,839	$ 855,657
Reserve for inventory obsolescence	$ 836,805	$ 380,454	$ 160,470	$1,056,789