



CERTIFIED TRUE COPY
For CENTENIAL SURGICAL SUTURE LTD

Authorised Signatory

Annual Report
2007 - 2008

CENTENIAL
SURGICAL SUTURE LTD.

CENTENIAL SURGICAL SUTURE LTD.

Annexure to the Notice

EXPLANATORY STATEMENT (As required by Section 173 (2) of the Companies Act, 1956)

ITEM NO. 5 and 6 :

Mr. Devraj Poojary was appointed as an additional Director w.e.f. January 31, 2008 under Section 260 of the Companies Act, 1956 and was further appointed as Whole Time Director w.e.f. 1st February, 2008. The said Director will hold office upto the date of the Annual General Meeting and it is also necessary to obtain shareholders approval for his appointment as Whole Time Director of the Company. The Company has received a notice in writing from a member proposing the candidature of Mr. Devraj Poojary for the office of the Director under Section 257 of the Companies Act, 1956.

The major terms and conditions proposed to be entered into by the Company with Mr. Devraj Poojary in respect of his appointment, inter alia, contains the following-

MAJOR TERMS AND CONDITIONS OF MR. DEVRAJ POOJARY

I) TERMS AND CONDITIONS:

1. Name & Designation of Director : Mr. Devraj Poojary, Whole Time Director.
2. Date of Appointment : Appointed w.e.f. February 1, 2008.
3. Period : 3 (Three) years.
4. Salary (p.m.) : Rs.25,000/- p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act.
5. Minimum Remuneration : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Devraj Poojary by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Devraj Poojary shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II PERQUISITES:

Mr. Devraj Poojary as a Whole Time Director will be entitled for following perquisites, which shall not be part of the ceiling of remuneration.

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent such contribution either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity: as per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
- c. Children's education allowance: In case of children studying in or outside India, an allowance limited to a maximum of Rs.5, 000/- per month per child or actual expenses incurred, whichever is less such allowance is admissible upto a maximum of two children.
- d. Holiday passage for children studying outside India/family staying abroad: Return holiday passage once in a year by economy class or once in tow years by first class to children and to the members of the family from the place of their study or stay abroad India if they are not residing in India with the managerial person.
- e. Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of any where in India.

III) Salary and perquisites specified herein shall be payable to the Whole Time Director notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.

IV) The Whole Time Director shall not be paid any sitting fee for attending the meetings of the Board of Director or committee thereof.

CENTENIAL SURGICAL SUTURE LTD.

- V) The Whole Time Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VI) The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII the Companies Act, 1956, or any amendment hereafter in that regard.

None of the Directors are concerned or interested in the said resolution except Mr. Devraj Poojary.

These terms and conditions of appointment may be treated as abstract between the Company and Mr. Devraj Poojary pursuant to Section 302 of the Companies Act, 1956.

ITEM NO. 7:

As recommended by the Remuneration Committee and approved by the Board of Directors of the Company, at its meeting held on **July 31, 2008**, Mr. Vijay Majrekar was re-appointed as a Managing Director of the Company for a period 3 (three) years with effect from 1st October, 2008. The remuneration to Mr. Vijay Majrekar, inter alia, includes the payment of salary, perquisites and benefits and is subject to the approval of the members.

Mr. Vijay Majrekar has served as a Managing Director of the Board of the Company and his term is expiring on 30th September, 2008. Hence, Board re-appointed him for the further period of 3(three) years w.e.f. 1st October, 2008.

The major terms and conditions proposed to be entered into by the Company with Mr. Vijay Majrekar in respect of his re-appointment, inter alia, contains the following:

MAJOR TERMS AND CONDITIONS OF MR. VIJAY MAJREKAR.

I) TERMS & CONDITIONS :

1. Name & Designation of Director : Mr. Vijay Majrekar, Managing Director.
2. Date of Appointment : Re-appointed w.e.f. October 1, 2008.
3. Period : 3 (Three) years.
4. Salary (p.m.) : Rs. 1,50,000/- p.m. with power to Board to vary from time to time within the limits of schedule XIII of the Companies Act.
5. Minimum Remuneration : In the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to Mr. Vijay Majrekar by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Mr. Vijay Majrekar shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

II. PERQUISITES :

Mr. Vijay Majrekar as a Managing Director will be entitled to following perquisites, which shall not be part of the ceiling of remuneration.

Commission : Such remuneration by way of commission to the above salary and perquisites, calculated with reference to the net profit of the Company in particular financial year and as may be determined by the Board of Directors for the Company subject to the overall ceilings stipulated under Section 198 and 309 of the Companies Act, 1956. The specific amount payable to Mr. Vijay Majrekar, Managing Director will be payable annually. The overall commission limit not to exceed 1% of the net profit of the Company computed in the manner specified in the Companies Act, 1956 and the actual commission be determined by the Board of Directors of the Company.

CENTENIAL SURGICAL SUTURE LTD.

Notice to Members

Notice is hereby given that the Thirteenth Annual General Meeting of the members of CENTENIAL SURGICAL SUTURE LTD. will be held on Saturday the September 27, 2008 at 3.30 p.m. at Registered Office of the Company situated at F-29, MIDC, Murbad, Thane - 421401 to transact the following business:

A. Ordinary Business

1. To receive, consider and adopt the audited accounts for the year ended **March 31, 2008** along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. S. H. Jain**, Director of the company who retires by rotation & being eligible offers himself for re-appointment.
3. To appoint a Director in place of **Mr. B. S. Limaye**, Director of the company who retires by rotation & being eligible offers himself for re-appointment.
4. To appoint Auditors & to fix their remuneration. In this connection, to consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution.

"RESOLVED THAT M/s. Vipul N. Shah & Associates, Chartered Accountants, be and are hereby appointed as the Auditors of the Company to hold such office until the conclusion of the next Annual General Meeting at a remuneration and reimbursement of out-of-pocket expenses incurred by them for the purpose of the audit of the Company's accounts as may be approved by the Board of Directors of the Company."

B. Special Business

5. To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary resolution.

"RESOVLED THAT Mr. Devraj Poojary, who was appointed as an additional Director w.e.f. January 31, 2008, and who holds office upto the date of the 13th Annual General Meeting, but who is eligible for the re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 be and is hereby re-appointed as a Director."

6. To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary resolution.

"RESOLVED THAT pursuant to the provision of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any amendment or modification thereof, consent of the members be and is hereby accorded to the appointment of Mr. Devraj Poojary as a Whole Time Director of the Company with effect from February 1, 2008 for the period of 3 (Three) years on the terms and conditions including remuneration as placed before this meeting, with liberty to the Board of Directors (hereinafter referred to "the Board" which term shall be deemed to include Remuneration Committee constituted by the Board) to alter and vary the terms of the said appointment and/or remuneration and/or the terms and conditions as agreed between the Director and the Board.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Whole Time Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Whole Time Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient, to give effect to this resolution."

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For CENTENIAL SURGICAL SUTURE LTD**

(i)


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CENTENIAL SURGICAL SUTURE LTD.

7. To consider and if thought fit to pass, with or without modification, the following resolution as a Special resolution.

“RESOLVED THAT pursuant to the provision of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any amendment or modification thereof, consent of the members be and is hereby accorded to the re-appointment of Mr. Vijay Majrekar as a Managing Director of the Company with effect from October 1, 2008 for the period of 3 (Three) years on the terms and conditions including remuneration as placed before this meeting, with liberty to the Board of Directors (hereinafter referred to “the Board” which term shall be deemed to include Remuneration Committee constituted by the Board) to alter and vary the terms of the said re-appointment and/or remuneration and/or agreement.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, (a) subject to the approval of the Central Government, the remuneration payable to the Managing Director by way of salary and perquisites shall not be reduced and (b) if the approval of the Central Government as stated in (a) is not received, the remuneration payable to the Managing Director shall be the maximum amount permitted as per Schedule XIII, as amended from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient, to give effect to this resolution.”

Notes:

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
- b) The proxies, in order to be effective should be deposited with the Company not less than 48 hours before the time fixed for the commencement of the meeting.
- c) Members are requested to notify any changes in their addresses to the Company’s registered office.
- d) Any member requiring further information on accounts at the meeting is requested to send their queries in writing to the Managing Director of the Company before September 20, 2008.
- e) The Register of Members and Share Transfer Register shall remain closed from Saturday, the September 20, 2008 to Saturday, the September 27, 2008 (*both days inclusive*).
- f) The relevant explanatory statement under Section 173(2) of the Companies Act, 1956 in respect of the business under item No. 5, 6 and 8 as set above is annexed hereto.
- g) Members are requested to bring their copy of Annual Report for 2007-2008 to the Annual General Meeting.
- h) Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
- g) Members who are holding shares in identical order or names in more than one folio are requested to write to the Company to enable the Company to consolidation their holdings in one folio.

Registered Office:
F-29, MIDC, Murbad, Thane 421 401

Murbad, Thane
July 31, 2008

For and on behalf of the Board of Directors
CENTENIAL SURGICAL SUTURE LTD.

Vijay Majrekar
Chairman cum Managing Director

CENTENIAL SURGICAL SUTURE LTD.

Perquisites : The Managing Director shall be entitled to the following perquisites as classified into three Categories A, B & C.

CATEGORY 'A'

Housing facility, medical reimbursement, club fees, personal accident insurance, children's education allowance, holiday passage and leave travel concession. These will be provided as under.

- Housing : The Managing Director will be provided with furnished company accommodation.
- Medical Reimbursement : Expenses incurred for the Managing Director and the family subject to a ceiling of one month's salary over a period of three years.
- Club Fees : Fees of club subject to a maximum of three clubs. This will not include admission and life membership fees.
- Personal Accident Insurance : Premium not to exceed Rs. 4,000/- per annum.
- Children's Education Allowance : In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000/- per child or actual expenses incurred whichever is less. Such allowance is admissible upto a maximum of two children.
- Leave Travel Concession : Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in the home country instead of anywhere in India.

Explanation : For the purpose of Category 'A', "Family" means the spouse and the dependent children of the Managing Director.

CATEGORY 'B'

1. Contribution to Provident Fund will not be included in the computation of the ceiling on remuneration to the extent these, either singly or put together, are not taxable, under the Income Tax Act.
2. Gratuity payable will not exceed half a month's salary for each completed year of service.
3. Encashment of leave at the end on the tenure.

CATEGORY 'C'

Provision of car with driver and also provision of telephone at residence will not be considered as perquisites.

OTHER BENEFITS

Apart from the aforesaid remuneration, the Managing Director shall be entitled to reimbursement of expenses incurred in connection with the business of the Company. The Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.

MINIMUM REMUNERATION

Notwithstanding anything to the contrary therein, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profit or its profits are inadequate, the remuneration payable by way of salary and perquisites shall not exceed Rs.24,00,000 per annum or Rs.2,00,000/- Per month. The Board of Directors recommend the resolution as set out in the notice for your approval.

None of the Directors of the Company, except Mr. Vijay Majrekar is considered to be interested or concerned in this resolution.

These terms and conditions of re-appointment may be treated as abstract between the Company and Mr. Vijay Majrekar pursuant to Section 302 of the Companies Act, 1956.

Registered Office:

F-29, MIDC, Murbad, Thane 421 401

Murbad, Thane
July 31, 2008

**For and on behalf of the Board of Directors
CENTENIAL SURGICAL SUTURE LTD.**

**Vijay Majrekar
Chairman cum Managing Director**

CENTENIAL SURGICAL SUTURE LTD.

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BOARD OF DIRECTORS

Vijay Majrekar – *Chairman cum Managing Director*

Shyam R. Kingar – *Executive Director*

C. R. Rawale – *Whole time Director*

Devraj Poojary – *Executive Director*

N. M. Birje - *Independent Non Executive Director*

S. H. Jain - *Independent Non Executive Director*

B. S. Limaye - *Independent Non Executive Director*

S. S. Laud - *Independent Non Executive Director*

Registered Office

F-29, MIDC, Murbad, Thane - 421401.

Bankers

Canara Bank

Co-operative Bank of Ahmedabad

HDFC Bank Ltd.

Kotak Mahindra Bank Ltd.

Parsik Janata Sahakari Bank Ltd.

Manufacturing Site & Facilities

Village Dhavale, Ulhasnagar, Thane.

F-29; B-17, MIDC, Murbad, Thane - 421401.

Auditors

Vipul N. Shah & Associates

Chartered Accountants

Registrar and Transfer Agent

Purva Sharegistry India Pvt, Ltd.

33, Printing House, 28-D Police Court Lane,

Fort, Mumbai - 400 001.

Thirteenth Annual Report

2007 – 2008

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For CENTENIAL SURGICAL SUTURE LTD

Authorised Signatory

CENTENIAL SURGICAL SUTURE LTD.

Annual Report 2007 - 2008

Chairman *cum* Managing Director's Report**To the Shareholders,**

The Directors have pleasure in submitting the Thirteenth Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2008.

Financial Performance

Financial Results of the Company's operation for the year under review are as follows:

	For the year ended 31.3.2008	For the year ended 31.3.2007
Net Profit before Depreciation and Taxation	3,11,01,770	2,81,78,012
Less : Depreciation	74,42,761	80,47,813
Provision for Deferred Taxation	2,49,089	5,24,849
Provision for Taxation	1,00,99,911	94,22,000
Net Profit/ (Loss)	1,33,10,012	101,83,350
Add : Balance from Last Year	3,11,94,903	2,10,11,553
<i>Prior Period Profit adjustments</i>		
Less : Appropriation	-	-
Transfer to Reserves / Loss carried to Balance Sheet	4,45,04,915	3,11,94,903

Operations

During the business year 2007 – 2008, your company continued to make progress in terms of diversification and broadening of its product portfolio and extending its operational reach into new markets. The sales of the Company increased from Rs. 3685.41 lakhs in the business year 2006 – 2007 to Rs. 4126.86 lakhs in the business year 2007 – 2008.

Many established surgeons have tried our products and started using them continuously and the trends are encouraging. Overall, considerable increases in the production and sales of the Company can be foreseen. The technical functioning of our plant as indicated by the above-mentioned results, the capacity utilisation's was quite satisfactory and production levels were selectively improved as required. Even with a noticeably better performance during the current year, the Directors regret that they are still not in a position to recommend a dividend.

ISO 9001 : 2000 Certification

Your company is ISO 9001 : 2000 certified. The stringent ISO 9001 : 2000 system means effective control over every step to achieve true quality assurance for customers. Further the Company has obtained CE Certification for sutures. The CE symbol and the reference number of the notified body denote that the product fulfils the basic requirements in accordance with the Medical Device Directive (MDD) 93 / 42 / EEC.

Research and Development

Your Company strongly believes that sustained growth in this suture industry can be achieved through continuous pursuit for innovation. Maintaining World Class Quality Standards is an obsession with top management that percolates to every level, making CENTENIAL facilities and products a landmark. Everyday Surgeon's expectations continually increase. The Company's research & development activities continue to be directed towards upgradation of technology and development of new products. Your company's commitment is to meet and exceed those expectations.

CENTENIAL SURGICAL SUTURE LTD.

Annual Report 2007 - 2008

People and Safety

Industrial relations in the company were cordial throughout the business year under review. Your Company believes the most valuable asset of every company is its human resource. CENTENIAL values all our employees and makes effort through Quality of work life to help their growth. Your Company has always placed emphasis on our people and safety at workplace. This year's results were possible due to the excellent individual and team efforts of our employees. The Board of Directors take this opportunity to thank them for their efforts and for those that will come this business year. The Board of Directors wish to place on record their sincere appreciation for the continued support and excellent work of all the employees.

Dividend

The Directors do not recommend dividend for the year under review in view of expansion for better future.

Director's

During the year, Mr. S. H. Jain and Mr. B. S. Limaye, Directors of the company are retiring by rotation and being eligible offer themselves for re-appointment. Mr. Vijay Majrekar, Managing Director is re-appointed w.e.f. October 1, 2008. Ms. Anuradha Kashikar resigned w.e.f. January 31, 2008 and Mr. Devraj Poojary is appointed as Whole Time Director w.e.f. February 1, 2008.

Directors Responsibility Statement

As required u/s 217 A (2AA) of the Companies Act, 1956 we hereby state :

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

Deposits

The Company has not accepted any deposits under section 58-A of the Company's Act, 1956 during the year.

Particulars of employees

In accordance with section 217 (2-A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 as amended, your Directors have to report that during the year under review there has been no employee in the service of the company drawing a salary of Rs.2,00,000 per month or where employed for the whole year remuneration aggregating Rs.24,00,000 p.a. or above.

Conservation of energy, technology absorption, foreign exchange earning and out goings

Conservation of energy continues to be a priority area for the Company and efforts are directed to reduce energy costs. Information required under Section 217 (1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, is given in the annexure to this report.

Environment and safety

The Company accords the highest priority for maintaining safety standards and a pollution-free environment.

CENTENIAL SURGICAL SUTURE LTD.**Annual Report 2007 - 2008****Subsidiaries**

Since the Company has no subsidiaries, Section 212 of the Companies Act, 1956 does not apply.

Auditors

Auditors Messrs. Vipul N. Shah & Associates, Chartered Accountants, retire and being eligible offers themselves for reappointment. Members are requested to appoint them for the current year and to fix their remuneration. The report of auditors is self-explanatory and hence does not require any explanation from the Board as such.

Acknowledgment

Your Directors place on record their grateful thanks for the assistance, co-operation and continued support extended to the Company by the Medical Profession, Food and Drug Administration, Drugs Control Authorities, Bankers, Suppliers, Government Agencies, Business Associates, Stockists, Collaborators and to all esteemed Shareholders of the Company for their confidence, faith and understanding. The support and Co-operation extended by the local citizens is heartening and needs special mention. With our range of products, services and a team of dedicated employees, we are confident of a steady and consistent performance in the coming business year. Finally, I would like to thank my colleagues on the Board for their wisdom, guidance and advice.

Registered Office :

F-29, MIDC, Murbad, Thane 421 401

Murbad, Thane
July 31, 2008

For and on behalf of the Board of Directors
CENTENIAL SURGICAL SUTURE LTD.

Vijay Majrekar
Chairman cum Managing Director

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