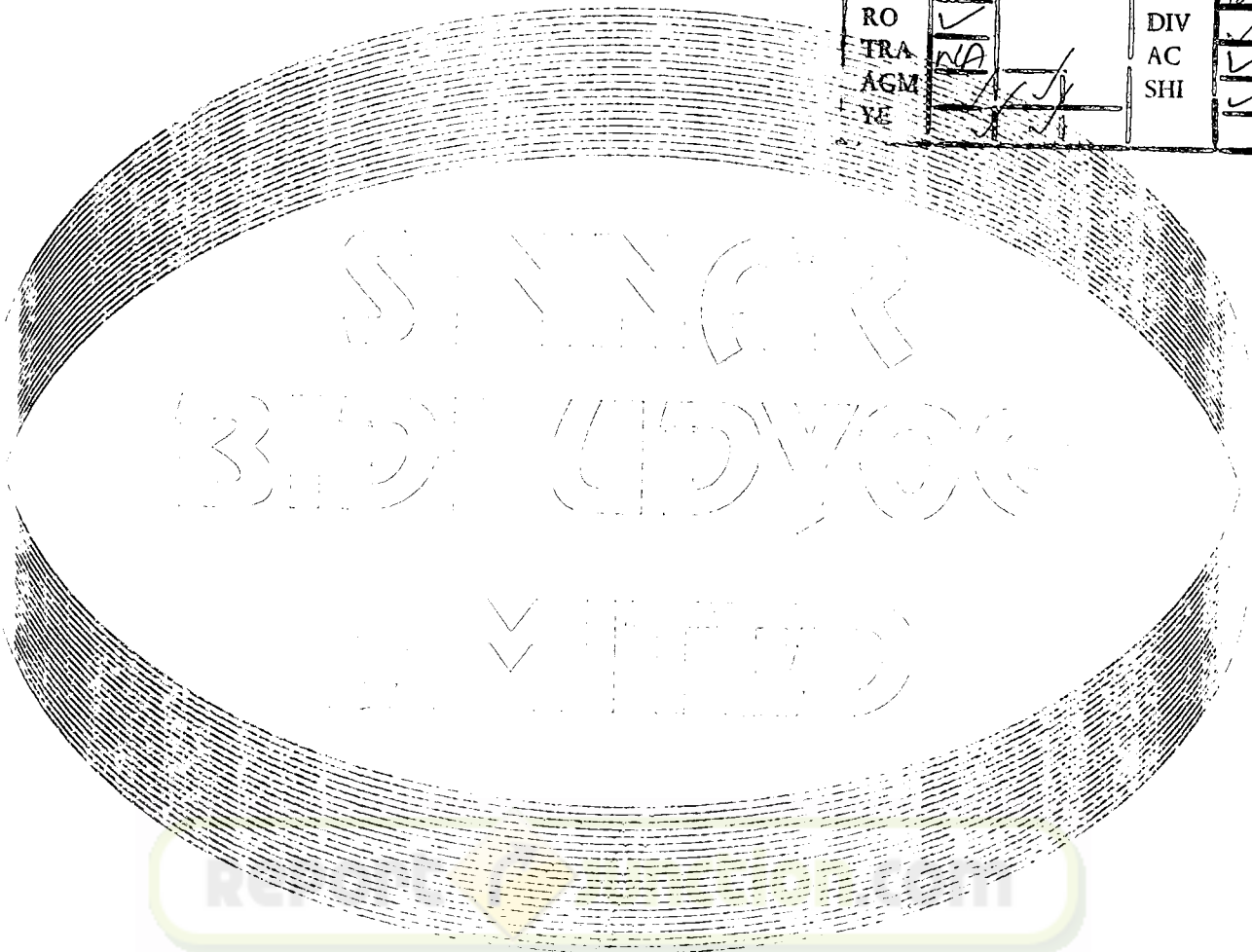


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TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>		SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>			



CERTIFIED TRUE COPY
 For SINNAR BIDI UDYOG LTD.

[Signature]
 DIRECTOR

21/07/2018
 1997/88



SINNAR BIDI UDYOG LIMITED

24TH ANNUAL REPORT

1997-98

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A REQUEST

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. You are, therefore requested to bring your copy of the Annual Report to the Meeting.

CERTIFIED TRUE COPY
For SINNAR BIDI UDYOG LTD.


DIRECTOR

SINNAR BIDI UDYOG LIMITED, MUMBAI



24TH ANNUAL REPORT

1997-98



BOARD OF DIRECTORS

Sou. K. K. SARDA	CHAIRPERSON
S.K. SARDA	MANAGING DIRECTOR
R. N. TATIYA	DIRECTOR
G. B. HEDE	DIRECTOR
M. M. KHAN	DIRECTOR



AUDITORS

M. P. CHITALE & CO.
PUNE - 411 030



BANKERS

BANK OF BARODA
NASHIK - 422 001.



REGISTERED OFFICE

2, GURUKRUPA APARTMENTS,
N. C. KELKAR MARG,
DADAR (W),
MUMBAI - 400 028.



ADMINISTRATIVE OFFICE

CAMEL HOUSE,
NASHIK - PUNE ROAD,
NASHIK - 422 011.

SINNAR BIDI UDYOG LIMITED

Notice of the Meeting

NOTICE IS HEREBY GIVEN THAT the 24th Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at Block No.2, Gurukrupa Apartments, N.C. Kelkar Marg, Dadar (West), Mumbai - 400 028 on Monday, the 28th September, 1998 at 2.00 p.m. to transact the following business :

Ordinary Business :

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1998 and Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
- 2) To declare a dividend.
- 3) To appoint a Director in place of Sou. Kiran K. Sarda, who retire by rotation and being eligible, offers herself for re-appointment.
- 4) To appoint a Director in place of Shri M. M. Khan, who retire by rotation and being eligible offers himself for re-appointment.
- 5) To appoint the Auditors and fix their remuneration.

Special Business :

- 6) To consider and if thought fit to pass, with or without modifications the following resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT under Section 149 (2A) of the Companies Act, 1956, the Company in General meeting hereby approves the commencement of the business of the activities covered by part

'C' of Clause No. III of the Memorandum of Association under the caption "Other Objects", by the Board of Directors as and when they think fit."

- 7) To consider and if thought fit to pass, with or without modifications the following resolution as a SPECIAL RESOLUTION :

RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), after the existing Article 11 of the Articles of Association of the Company, the following new Article 11A be inserted :

11A. The Company shall have power, subject to and in accordance with all applicable provisions of the Companies Act, 1956, if and when any statutory amendment thereto or any re-enactment thereof empowers the Company so to do, to buy-back any of its own shares whether fully paid-up or partly paid up.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters, and things as may be considered necessary, desirable or expedient for giving effect to this resolution."

8. To consider and if thought fit to pass, with or without modifications the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors to buy-back equity

shares of the Company, whether fully paid or equity shares of the Company, whether fully paid or partly paid, on such terms and conditions as it may deem fit, as and when the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) is amended to enable companies to buy-back their own shares, subject to such conditions as may be prescribed from time to time either by law or by the Board of Directors, and that the aggregate

amount to be utilised by the Company for such buy-back shall not exceed any limit that may be prescribed by law in this behalf.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters, and things as may be considered necessary to carry out the aforesaid intention in due compliance of law."

By Order Of The Board Of Directors,

NASHIK

Date : 27th August, 1998

S.K.SARDA

MANAGING DIRECTOR

NOTES :

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER.
- 2) An Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of Item Nos. 6,7 and 8 is annexed hereto.
- 3) The Register of Members and Share Transfer Book of the Company will remain closed from 22nd September, 1998 to 29th September, 1998 (both days inclusive)
- 4) The dividend, when declared, will be paid to those members whose names appear on the Register of the Members of the Company on 28th September, 1998 and will be payable on or after 29th September, 1998.
- 5) Members are requested to bring their copies of Annual Report and Accounts to the meeting.
- 6) Members are requested to intimate immediately the change if any in their Registered Address.

SINNAR BIDI UDYOG LIMITED

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 173 (2) of the Companies Act, 1956.

Re. : Item No. 6

There are various business and commercial opportunities open to the Company as the result of competition and growth in the commercial and business world. The Company wishes to tap such opportunities as and when they present themselves and it is possible for the Company to utilise the same. With the view to achieve this objective, the Company intends to have a mandate of the shareholders.

Section 149 (2A) of the Companies Act, 1956 requires that before commencement of any business mentioned in "Other Objects", a company has to obtain the approval of the shareholders in this connection. Therefore, the resolution is placed for approval of the shareholders as required under the said Section.

None of the Directors is concerned or interested in the Resolution.

Re.: Item Nos. 7 and 8

The Companies Act, 1956 presently restricts the purchase of its own shares by a company unless the same is done with a view to reduce its capital. As the members may be aware,

the Companies Act, 1956, is proposed to be amended shortly by incorporating a provision enabling companies to buy-back their own shares subject to certain conditions as may be prescribed under the proposed amendment. The amendment is likely to prescribe limit for the aggregate amount to be utilised by the Company for such buy-back. Such buy-back shall be either for reduction of capital or for re-issue of shares, as the Board of Directors may decide from time to time, provided that such re-issue shall not be made before the expiry of any minimum period from the date of the last buy-back of the shares as may be legally prescribed.

As your Directors are of the opinion that the buy-back of shares has advantages including improvement in the intrinsic worth of the equity shares and is considered beneficial to the shareholders, the proposed resolution is placed before you for your approval.

In order to enable the Company to buy-back its own shares, whether fully paid or partly paid, it is necessary to substitute a new article therefor in the Articles of Association, as set out at Item No. 7 of the Accompanying Notice.

None of the Directors of the Company is in any way concerned or interested in either of the above resolutions, save and except to the extent of their shareholdings in the Company.

By Order Of The Board Of Directors,

NASHIK
Date : 27th August, 1998

S.K.SARDA
MANAGING DIRECTOR

SINNAR BIDI UDYOG LIMITED

DIRECTORS' REPORT

Gentlemen,

Your Directors have pleasure in presenting their Twenty Fourth Annual Report alongwith the audited statement of accounts for the year ended 31st March, 1998.

FINANCIAL RESULTS	1997-98 RUPEES	1996-97 RUPEES
Profit Before Tax	16,54,067	26,13,852
Less : Provision for Taxation	8,30,000	14,25,000
Profit After Tax	8,24,067	11,88,852
Add. : Balance from Last Year	5,21,054	5,72,106
Less. : Adjustment Relating to Earlier Year (Net)	67,800	2,204
	-----	-----
	12,77,321	17,58,754
	-----	-----

Appropriations :

Proposed Dividend	3,00,000	3,00,000
Provision for tax on proposed Dividend	30,000	30,000
General Reserve No. 1	1,00,000	1,61,700
General Reserve No. 2	3,00,000	7,46,000
Balance Carried to Balance Sheet	5,47,321	5,21,054
	-----	-----
	12,77,321	17,58,754
	-----	-----

BUSINESS OPERATIONS

The aggregate sales turnover of bidies for the year amounted to Rs.1162.50 lacs against Rs. 1049.97 lacs for the earlier year.

DIVIDEND

The Board recommends for your approval, payment of dividend to Rs. 1.50 per Equity Share (i.e.15%). The dividend, if approved by the members at the ensuing Annual General Meeting, will be paid to those

members whose names appear in the Register of members of the company on 28th September, 1998.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The information required to be furnished under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

The activities of the Company are carried on with the aid of human labour. The manufacturing process does not require

power (electrical energy) and offers no scope for absorption of technology.

There were no foreign exchange earnings however outgo of foreign exchange was for Rs. 10076/- for subscription, Rs. 86784/- for travelling.

PERSONNEL

The employer employee relation continued to be co-ordial during the year and we wish to place on record our appreciation for the services rendered by employees and staff at all the levels. None of the employees received emoluments exceeding the limits set out under section 217 (2A) of the Companies Act, 1956

DIRECTORS

Shri. A.P.Shah resigned from the office of Managing Director of the Company with effect from 1st July, 1998. The Board places on record its appreciation for valuable services rendered by him during period of his holding the office.

The Board of Directors have redesignated Shri. S.K. Sarda as a Managing Director,

instead of Joint-Managing Director, with effect from 1st July 1998.

Sau. K.K. Sarda and Shri. M.M. Khan, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

AUDITORS REPORT

As regard remarks of the Auditors regarding shortfall in provisions for gratuity liability the relevant note on accounts is self explanatory.

AUDITORS

Messers M. P. Chitale & Co. Chartered Accountants, retire and are eligible for re-appointment

ACKNOWLEDGEMENT

Your Directors take opportunity to place on record their appreciation of the devoted Services of the employees at all levels throughout the year. Your Directors also wish to place on record their appreciation of the assistance and continued co-operation extended by Bankers, Government Authorities.

For and on Behalf of
The Board of Directors,

Nashik
Date : 27th August, 1998

S. K. SARDA
Managing Director