

SINNAR BIDI UDYOG LIMITED

**28th ANNUAL REPORT
2001-2002**

SINNAR BIDI UDYOG LIMITED, MUMBAI

28TH ANNUAL REPORT

2001-2002

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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.

SINNAR BIDI UDYOG LIMITED, MUMBAI

28TH ANNUAL REPORT

2001-2002

BOARD OF DIRECTORS

S.K. SARDA	Chairman & Managing Director
SAU. S. S. SARDA	Executive Director
SAU. K. K. SARDA	Director
R. N. TATIYA	Director
G. B. HEDE	Director



AUDITORS

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



BANKERS

BANK OF BARODA
Nashik - 422 001.

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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 28th Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at 2, Gurukrupa Apartments, N.C. Kelkar Marg, Dadar (West), Mumbai - 400 028 on Friday, the 27th September, 2002 at 2.00 p.m. to transact the following business as Ordinary Business:

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2002 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 Shri R. N. Tatiya, who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint a Director in place of Sau. S. S. Sarda, who retires by rotation and being eligible offers herself for re-appointment.
- 5) To appoint Auditors and to fix their remuneration. In this connection, to consider and if thought fit, to pass following resolution as an Ordinary Resolution.

“RESOLVED THAT Mr. Anand S. Daga, Chartered Accountants, Nashik be and are hereby appointed as Auditors of the Company in the place of retiring Auditors M/s. M. P. Chitale & Co., Chartered Accountants, Pune to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of the next Annual General Meeting and that the Board of Directors be and are hereby authorised to fix their Remueraton in consaltation with auditors plus Service Tax on fees and out of pocket expenses”.

- 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) The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2002 to 27th September, 2002 (both days inclusive).
- 3) The dividend, when declared, will be paid to those members whose names appear on the Register of the Members of the Company on 27th September, 2002 and will be payable on or after 28th September, 2002.
- 4) No Tax will be deducted at source from dividend receivable by a member provided such dividend does not exceed Rs. 2500/- Any member who is entitled to exemption should submit Tax exemption certificate or declaration in form 15 G, in duplicate to the Company on or before 27th September, 2002 in order to receive the dividend without deduction of tax at source.
- 5) Members are requested to intimate to the Company, their Permanent Account Number (PAN) or General Index Register (GIR) Number allotted to them by the Income Tax Department and the Income Tax ward/Range/District where assessed/assessable, as the same is required to be mentioned in the Certificate of tax to be deducted at source from the dividend.
- 6) Members are requested to bring their copy of Annual Report and Accounts to the meeting.
- 7) Members are requested to intimate immediately the changes if any, in their registered address.

By Order of the Board of Directors,

Place : Nashik
Date : 12th August 2002

S. K. SARDA
Chairman & Managing Director

SINNAR BIDI UDYOG LIMITED**DIRECTORS' REPORT**

Gentlemen,

Your Directors have pleasure in presenting their Twenty Eighth Annual Report alongwith the audited statement of accounts for the year ended 31st March, 2002.

FINANCIAL RESULTS

	2001-2002 (Rs. Lacs)	2000-2001 (Rs. Lacs)
Profit Before Tax	26.81	40.36
Less : Provision for Current Tax	7.00	9.00
Add : Provision for Deferred Tax	(8.59)	----
Profit after Tax	28.40	31.36
Add. : Balance from Previous Year	25.67	5.62
	-----	-----
Profit available for Appropriation	54.07	36.98
	-----	-----
Appropriations :		
Proposed Dividend	3.00	3.00
Provision for tax on proposed Dividend	----	0.31
General Reserve No. 1	4.50	3.00
General Reserve No. 2	5.00	5.00
Balance Carried to Balance Sheet	41.57	25.67
	-----	-----
	54.07	36.98
	-----	-----

BUSINESS OPERATIONS

The aggregate sales turnover for the year amounted to Rs.1409 lacs against Rs. 1332 lacs for the earlier year.

Processing of tobacco resulted in revenue of Rs.11.35 lacs, which was Rs.7.67 lacs in the Previous year.

Institute For Learning English And Development established by the Company for imparting education and training in English language and for personality development, has made a progress.

DIVIDEND

The Board is pleased to recommend 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 27th September, 2002.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The information required to be furnished under the Companies (Disclosure of Particulars in the Report of the Board of the 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 Rs.14482/- for Subscription and Rs.24,742/- for Travelling.

PERSONNEL

The employer employee relations continued to be cordial 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. R. N. Tatiya, and Sau. S. S. Sarda Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217(2AA) of The Companies Act, 1956, your directors subscribe to the 'Directors Responsibility Statement' and confirm that

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii) appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2002 and the profit of the company for the year ended 31st March 2002.
- iii) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the annual accounts have been prepared on a going concern basis.

COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARY :

Certificate obtained from M/s. J. H. Rande & Associates, Company Secretaries, Thane under section 383A of the Companies Act, 1956 is attached to the Director Report.

AUDITORS

M/s. M.P. Chitale & Co. Chartered Accountants, Pune retire at the forthcoming Annual General Meeting and have expressed their unwillingness for re-appointment as auditors of the Company. The Company has received notice from a member proposing Mr. Anand S. Daga, Chartered Accountants, Nashik for appointment as auditors of the Company. Mr. Anand S. Daga has furnished a certificate of his eligibility for appointment under Section 224 (1) of the Companies Act, 1956. The Board recommends appointment of Mr. Anand S. Daga, as auditors of the Company in place of the retiring auditors.

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 and Financial Institutions.

For and on Behalf of
The Board of Directors,

S. K. SARDA
Chairman & Managing Director

Place : Nashik
Date : 12th August, 2002

ANNEXURE**Forming part of Directors' Report dated 12th August, 2002****J. H. RANADE & ASSOCIATES**

Company Secretaries

24A/25A, Dhanalaxmi Chambers, Off Gokhale Road,

Near Railway Station, Thane (W) - 400 602

Tele/Fax : 544 24 34 Email ID : jhr_asso@vsnl.net

COMPLIANCE CERTIFICATE**(In terms of Section 383A (1) of the Companies Act, 1956)**

Registration No. of the Company 11 - 17734

Nominal Capital : Rs. 20,00 Lacs

The Members,

Sinnar Bidi Udyog Limited

2, Gurukrupa Apartments,

N. C. Kelkar Marg, Dadar (W)

Mumbai - 28.

We have examined the registers, records, books and papers of M/s. Sinnar Bidi Udyog Limited (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended 31st March, 2002, (Financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all Registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the Rules made thereunder and all entries therein have been duly recorded.

2. Except otherwise stated the Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities (wherever applicable) within the time prescribed under the Act and the rules made thereunder.

3. The Company being a Public Limited Company, comments are not required.

4. The Board of Directors duly met 16 (Sixteen) times respectively on 17/04/01, 28/04/01, 30/05/01, 16/06/01, 26/06/01, 30/06/01, 30/07/01, 30/08/01, 28/09/

01, 29/09/01, 20/10/01, 29/10/01, 17/11/01, 15/12/01, 30/01/2002 and 14/03/2002 in respect of which proper notices were given and the proceedings were properly recorded and signed.

5. The Company closed its Register of Members from 21/09/01 to 28/09/01 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.

6. The Annual General Meeting for the Financial Year ended on 31st March, 2001 was held on 28/09/2001 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.

7. No Extra Ordinary General Meeting was held during the Financial Year.

8. The Company has not advanced any loan to its Directors and/or to persons or firms or Companies referred in the Section 295 of the Act.

9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that Section.

10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.

11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or the Central Government.

12. The Company has not issued any duplicate certificates during the Financial Year.

13. (i) The Company has delivered all the certificates on lodgment of securities for transfer/transmission of securities in accordance with the provisions of the Act.

(ii) The Company has deposited the amount of

dividend declared including Interim Dividend in a separate bank account on 1st October 2001 which is within 5 (five) days from the date of declaration of such dividend.

(iii) The Company has paid/posted warrants for Dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with Bank of Baroda, Nashik.

(iv) The Company was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.

(v) The Company has duly complied with the requirements of Section 217 of the Act.

14. The Board of Directors of the Company is duly constituted and there was no appointment of Additional Directors and Directors to fill casual vacancy during the financial year.

15. The appointment of Managing Director has been made in compliance with the provisions of the Act and approval of Central Government has been obtained.

16. The Company has not appointed any Sole-Selling Agents during the Financial Year.

17. The Company obtained approval of the Company Law Board as prescribed under the various provisions of the Act as detailed below :

a) Extension of time for filing Form No. 8 & 13 under Section 141 of the Act vide order dated 21st January, 2002.

18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the Act and the Rules made thereunder.

19. The Company has not issued any Shares, Debentures or other Securities during the Financial Year.

20. The Company has not bought-back any shares or debentures during the Financial Year.

21. There was no redemption of Preference Shares or Debentures during the Financial Year.

22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.

23. The Company has Complied with the provisions of Section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 in respect of deposits accepted including unsecured loans taken, amounting to Rs. 20,81,000/- raised by the company during the year and the company has filed the copy of Statement in lieu of Advertisement with the Registrar of Companies, Maharashtra, Mumbai on 11/10/2001 The Company has also filed Return of Deposit with the Registrar of Companies.

24. The amounts borrowed by the Company from Directors, Members, Public, Financial Institutions, Banks and others during the Financial Year ended 31st March, 2002 are within borrowing limits of the Company as per Section 293 (1) (d) of the Act.

25. The Company has made loans and investments or provided Securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.

26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the financial year.

27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the Financial Year.

28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the Financial Year.

29. The Company has not altered the provisions of the Memorandum with respect to Share capital of the Company during the Financial Year.

30. The Company has not altered its Articles of Association during the Financial Year.

31. There were no prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.

32. The Company has not received any money as security from its employees during the Financial Year.

33. The Company has regularly deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

For J. H. Ranade & Associates
Company Secretaries

Place : Thane
Date : 03/07/2002

J. H. Ranade
Proprietor
(C. P. No: 2520)

SECRETARIAL COMPLIANCE CERTIFICATE
In terms of section 383A (1) of the Companies Act, 1956

ANNEXURE : A

Registers as maintained by the Company :

- | | |
|---|--|
| 1. Registered of Charges / Copies of instruments creating charges u/s. 143 and 136. | 11. Register of Investments under section 372 A. |
| 2. Register of Members and Index of Members u/s. 150 and 151. | 12. Register of Renewed and Duplicate Share Certificates as per Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960. |
| 3. Register of Transfers u/s. 154. | 13. Register of fixed Deposits as per Rule 7 of the Companies (Acceptance of Deposits) Rules 1975. |
| 4. Register and Returns u/s. 163. | |
| 5. Books of Accounts u/s. 209. | |
| 6. Register of particulars of Contracts in which Directors are interested u/s. 301. | |
| 7. Register of Directors, Managing Director, Manager, Secretary u/s. 303. | |
| 8. Register of Directors shareholdings u/s. 307. | |
| 9. Register of Directors Attendance. | |
| 10. Minutes books of Board and General Meetings. | |

ANNEXURE : B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2002.

Sr. No.	Form No. Return	Filed Under Section	For	Date of filing	Whether filed within prescribed time (Yes/No)	If delay in filing whether requisit additional Fee paid (Yes/No)
1.	Fixed Deposit Return	58A & 58B	Acceptance of Deposits	14/06/2001	Yes	----
2.	Form No. 23	192	Re-appointment of M.D.	27/07/2001	Yes	---
3.	Form No. 32	303(2)	Re-appointment of M.D.	27/07/2001	Yes	---
4.	Form No. 25 C		Appointment of M.D.	27/07/2001	Yes	---
5.	Form No. 8 & 13	125	Creation of charge	21/08/2001	Yes	---
6.	Form No. 8 & 13 Form	125	Creation of charge	10/09/2001	No	Yes
7.	Balance Sheet	220	For 31/03/2001	11/10/2001	Yes	---
8.	Statement in lieu of Advertisement	Rule 4 of Acceptance Deposits Rules	Acceptance of Deposits	11/10/2001	Yes	---
9.	Compliance Certificate	383A	Compliance Certificate for F.Y. 2000-2001	11/10/2001	Yes	---
10.	Form No. 23	192	Re-appointment of M.D.	18/10/2001	Yes	---
11.	Form No. 32	303(2)	Re-appointment of M.D.	18/10/2001	Yes	---
12.	Annual Return	159	AGM Held on 28-09-2001	08/11/2001	Yes	---
13.	Form No. 21	141	Extension of time for filing Form No. 8 & 13	04/03/2002	Yes	---
14.	Form No. 8 & 13	125	Creation of charge	04/03/2002	No	Yes
15.	Form No. 17 & 13	138	Satisfaction of charge	18/03/2002	Yes	---

For J. H. Ranade & Associates
Company Secretaries

Place : Thane
Date : 03/07/2002

J. H. Ranade
Proprietor
(C. P. No: 2520)