

Report  Junction.com

29th ANNUAL REPORT
2002 - 2003

SINNAR BIDI UDYOG LIMITED

SINNAR BIDI UDYOG LIMITED

29th ANNUAL REPORT 2002 - 2003

CONTENTS

| | Page |
|--|-------------|
| Board of Directors | 2 |
| Notice of Meeting | 3 |
| Directors' Report | 6 |
| Auditors' Report | 14 |
| Balance Sheet | 17 |
| Profit and Loss Account | 18 |
| Schedules Forming Part of Balance Sheet | 19 |
| Schedules Forming Part of Profit and Loss Account | 26 |
| Notes on Balance Sheet and Profit and Loss Account | 29 |
| Cash Flow Statement | 38 |

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 of the Meeting.

SINMAR BIDI UDYOG LIMITED

29TH ANNUAL REPORT 2002-2003



BOARD OF DIRECTORS

R. N. TATIYA

DIRECTOR

G. B. HEDE

DIRECTOR

M. D. DESHPANDE

DIRECTOR

H. L. SHINGNE

DIRECTOR



AUDITORS

ANAND S. DAGA

CHARTERED ACCOUNTANTS

NASHIK 422 001.



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 29th 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 Wednesday, the 24th September, 2003 at 2.00 p.m. to transact the following business :

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2003 and the Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
- 2) To declare dividend.
- 3) To appoint a Director in place of Shri. G.B. Hede, who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

- 5) To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution:

"RESOLVED THAT Shri. H. L. Shingne in respect of whom, the Company has

received a Notice pursuant to Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

- 6) To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution:

"RESOLVED THAT Shri. M.D.Deshpande in respect of whom, the Company has received a Notice pursuant to section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

- 7) To consider and if thought fit to pass with or without modification, the following resolution as an ordinary resolution :

"RESOLVED THAT in accordance with the provisions of section 293 (1) (e) and other applicable provisions if any of the companies Act, 1956, the company hereby accords its consent to and confirms the contribution of Rs. 3,05,000/- (Rupees Three Lac Five Thousand Only) made by the Board of Directors during the year ended 31st March, 2003 to Charitable Trusts."

By Order of the Board of Directors,

Place : Nashik
Date : 6th August, 2003

R.N. Tatiya
Director

SINNAR BIDI UDYOG LIMITED

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 member.
- 2) The Register of Members and Share Transfer Book of the Company will remain closed from 19 th September, 2003 to 24th September, 2003 (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 24th September, 2003 and will be payable on or after 25th September, 2003.
- 4) The Company has appointed M/s Intime Spectrum Registry Ltd., C - 13, Pannalal Silk Mills Compounds, LBS Marg, Bhandup (West) Mumbai - 400 078 as its share Transfer Agents w.e.f. 01.04.2003.
- 5) Members are requested to bring their copy of Annual Report and Accounts to the meeting.
- 6) Members are requested to intimate immediately the changes if any, in their registered address.

Report  junction.com

SINNAR BIDI UDYOG LIMITED

Annexure to the Notice

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956

Refer Item No. 4

The Board of Directors appointed Shri. H. L. Shingne as an Additional Director with effect from November 8, 2002. Pursuant to the Provisions of Section 260 of the Companies Act, 1956, he holds office till the ensuing Annual General Meeting. The Company has received a Notice pursuant to Section 257 of the Act, from a shareholder, alongwith a deposit of Rs. 500/- proposing the candidature of Shri. H. L. Shingne for the office of Director. Hence this resolution for appointment of Shri. H. L. Shingne as Director of the Company liable to retire by rotation is placed before the members.

The Boards recommends this resolution for your approval as an Ordinary Resolution.

None of the Directors except Shri. H. L. Shingne is Concerned or interested in the resolution.

Refer Item No. 5

The Board of Directors appointed Shri. M. D. Deshpande as an Additional Director with effect from November 8, 2002. Pursuant to the provisions of Section 260 of the Companies Act, 1956, he holds office till the ensuing Annual General Meeting. The Company has received a Notice pursuant to Section 257 of the Act, from a Shareholder, alongwith a deposit of Rs. 500/- proposing the candidature of Shri. M. D. Deshpande for the office of Director. Hence this resolution for appointment of Shri. M. D. Deshpande as Director of the Company liable to retire by rotation is placed before the members.

The Board recommends this resolution for your approval as Ordinary Resolution.

None of the Directors except Shri. M. D. Deshpande is Concerned or interested in the resolution.

Refer Item No. 6.

Shriman Bastiramji Sarda Sadguru Shri Gangeshwaranandaji Pratisthan, is a public charitable trust, engaged in pursuing activities related to promotion of education, running a school (Vedshala) imparting education in Vedic Science with facilities for food and shelter to the students, provision of medical assistance to needy and deserving persons, relief to poor and activities of like nature. The trust has made an appeal to the company for a donation to be utilised for its various activities.

The Board of Directors appreciated the laudable objects and decided to donate a sum of Rupees Three Lac only to Shriman Bastiramji Sarda Sadguru Shri Gangeshwaranandaji Pratisthan to pursue the aforesaid object. The Board of Directors have also donated a sum of Rupees Five Thousand only to the Institute of Engineer, (India), during the year.

As per provision of section 293 (1) (e) of the Companies Act, 1956 during the financial year ended 31st March, 2003, the Board of Directors of the Company can contribute to charitable and other funds sums not exceeding 5% of the average net profits of the Company for the three financial years immediately preceding. As per calculation made the Board of Directors can contribute to the aforesaid purposes sum of the order of Rs. 1.36 lac. Since the donation of Rs. 3,05,000/- exceeds the limit placed on the power of the Board of Directors to Contribute to charitable funds it is necessary to regularise the payment of donation by obtaining approval of the Company under the provisions of section 293(1) (e) of the Companies Act, 1956. Your approval, though belated is now sought by placing for your consideration, the proposed resolution.

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

By Order of the Board of Directors,

R.N. Tatiya
Director

Place : Nashik
Date : 6th August, 2003

SINNAR BIDI UDYOG LIMITED

Director's Report

Financial Results

Gentlemen,

Your Directors have pleasure in presenting their Twenty Ninth Annual Report alongwith the audited statement of accounts for the year ended 31st March, 2003.

| | 2002-2003 (Rs. in Lacs) | 2001-2002 (Rs. in Lacs) |
|---|----------------------------|----------------------------|
| Profits Before Tax | 39.62 | 26.81 |
| Less : Provision for current Tax | 11.20 | 7.00 |
| Prior Year tax adjustment | 2.23 | Nil |
| Provision for Deferred Tax | 6.60 | -8.59 |
| Profit after Tax | 19.59 | 28.40 |
| Add : Balance from Previous year | 41.57 | 25.67 |
| Profit available for Appropriation | 61.16 | 54.07 |
| Appropriations : | | |
| Proposed Dividend | 3.00 | 3.00 |
| Provision for tax on proposed dividend | 0.39 | Nil |
| General Reserve No. 1 | 4.50 | 4.50 |
| General Reserve No. 2 | 5.00 | 5.00 |
| Balance Carried to Balance Sheet | 48.27 | 41.57 |
| | 61.16 | 54.07 |

Business Operations

The Aggregate sales turnover for the year amounted to Rs. 1419 lacs against Rs. 1409 lacs for the earlier year.

Processing of tobacco resulted in revenue of Rs. 7.60 lacs, which was Rs.11.35 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 at 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 24th September, 2003.

SINNAR BIDI UDYOG LIMITED

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 Rs. 22254/- for Subscription and Rs. 12030/- 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

During the year, Shri. H. L. Shingne and Shri. M. D. Deshpande were appointed as Additional Directors. Shri. S. K. Sarda, Managing Director, tendered his resignation due to his other preoccupations. Sau. S. S. sarda and Sau. K. K. Sarda also expressed their inability to continue as directors and tendered their resignations.

Shri. G. B. Hede, Director, retire by rotation and being eligible, offers himself for reappointment.

Shri. H. L. Shingne and Shri. M. D. Deshpande, additional directors hold office upto the ensuing Annual General Meeting. Notices pursuant to Section 257 of the Companies Act, 1956 have been received proposing their appointment as Directors of the Company.

Director's Responsibility Statement

At 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 judgments 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, 2003 and the profit of the company for the year ended 31st March, 2003,
- 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 safe guarding 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. Ranade & Associates, Company Secretaries, Thane under section 383A of the Companies Act, 1956, is attached to the Director Report.

Auditors

Mr. Anand S. Daga, Chartered Accountant, Nashik retires at the forthcoming Annual General Meeting and 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 auditor of the Company.

SINNAR BIDI UDYOG LIMITED

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 & continued co-operation extended by Bankers, Government Authorities and Financial Institutions.

For and on Behalf of
The Board of Directors

Place : Nashik
Date : 6th August, 2003

R.N. Tatiya
Director

Report  junction.com

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

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 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, 2003, (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. The Company has duly filed 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 rules made thereunder.
3. The Company being a Public Limited Company, comments are not required.
4. The Board of Directors duly met 14 (fourteen)

times respectively on 22 / 4 / 02, 29 / 4 / 02, 29/06/02, 12/08/02, 07/09/02, 27/09/02, 30/10/02, 08/11/02, 13/11/02, 31/12/02 30/01/03, 14/02/03 and 22/03/03 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 20/09/2002 to 27/09/2002 (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 31 st March, 2002 was held on 27/ 09 / 2002 after giving due notice to the members of the Company and there solutions 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