



**SINNAR
BIDI
UDYOG
LIMITED**

**30 TH
ANNUAL REPORT
2003 - 2004**

SINNAR BIDI UDYOG LIMITED**30th ANNUAL REPORT 2003-2004****CONTENTS**

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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 of the Meeting.

SINNAR BIDI UDYOG LIMITED

30th ANNUAL REPORT 2003-2004



BOARD OF DIRECTORS

G. B. HEDE	DIRECTOR
M. D. DESHPANDE	DIRECTOR
H. L. SHINGNE	DIRECTOR
B. S. PAWAR	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 30th 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 Thursday, the 23rd September, 2004 at 2.00 p.m. to transact the following business :

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2004 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 H. L. Shingne, 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 B. S. Pawar 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."

By Order of the Board of Directors,

Place: Nashik

Date: 19th August, 2004

M. D. DESHPANDE

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 a member.**

LBS Marg, Bhandup West, Mumbai
400 078 as its Share Transfer Agents.
- 2) The Register of Members and Share Transfer Book of the Company will remain closed from 16th September, 2004 to 23rd September, 2004 (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 23rd September, 2004 and will be payable on or after 24th September, 2004.
- 4) The Company has appointed M/s Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compounds,

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.

7) The Unclaimed dividend for F.Y. 1996 - 1997 is due for transfer to the Central Governments Investor Education And Protection Fund on 10th November 2004, Pursuant to Section 205 C of the Section 205C of the Companies Act, 1956.

The Shareholders whose dividends in F.Y. 1996-97 are unpaid, are requested to lodge their claims on or before 9th November 2004.

SINNAR BIDI UDYOG LIMITED

ANNEXURE TO THE NOTICE

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

Refer Item No. 5

The Board of Directors appointed Shri. B.S. Pawar as an Additional Director on 19th August, 2004. 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 B. S. Pawar for the office of Director. Hence this resolution for

appointment of Shri B. S. Pawar as Director of the Company liable to retire by rotation is placed before the members.

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

None of the Directors except Shri. B. S. Pawar is concerned or interested in the resolution.

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By Order of the Board of Directors,

Place: Nashik

Date: 19th August, 2004

M. D. DESHPANDE

Director

SINNAR BIDI UDYOG LIMITED

Directors' Report

Financial Results

Gentlemen,

Your Directors have pleasure in presenting their Thirtieth Annual Report alongwith the audited statement of accounts for the year ended 31st March, 2004.

	2003 - 2004 (Rs. Lacs)	2002 - 2003 (Rs. Lacs)
Profit Before Tax	41.11	39.62
Less : Provision for Current Tax	11.50	11.20
Provision for Deferred Tax	4.75	6.60
Prior Year Tax Adjustment	(2.89)	2.23
Profit after Tax	27.75	19.59
Add : Balance from Previous year	48.27	41.57
Profit available for Appropriation	76.02	61.16
Appropriations:		
Proposed Dividend	3.00	3.00
Provision for tax on proposed Dividend	0.39	0.39
General Reserve No. 1	4.50	4.50
General Reserve No. 2	5.00	5.00
Balance Carried to Balance Sheet	63.13	48.27
	76.02	61.16

Business Operations

The aggregate sales turnover for the year amounted to Rs.1403 lacs against Rs.1419 lacs for the earlier year.

Processing of tobacco resulted in revenue of Rs-3.75 lacs, which was Rs. 7.60 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 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 23rd September, 2004.

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.

SINNAR BIDI UDYOG LIMITED

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.

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 B. S. Pawar has been appointed as Additional Director, Shri R. N. Tatiya expressed his inability to continue as Director due to health factor and tendered their resignation.

Shri H. L. Shingne, Director, retires by rotation and being eligible, offers himself for reappointment.

Shri B. S. Pawar, being additional director holds office upto the ensuing Annual General Meeting. A notice pursuant to section 257 of the Companies Act, 1956 have been received proposing his appointment as Director of the Company.

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 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, 2004 and the profit of the company for the year ended 31st March 2004;

- 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.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.

Acknowledgments

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,

M. D. Deshpande
Director

Place : Nashik
Date : 19th August, 2004

J. H. RANADE & ASSOCIATES

Company Secretaries

24A/25A, Dhanalaxmi Chambers, Off Gokhale Road, Near Railway Station, Thane (W) - 400 602.

Tele/Fax: 2544 24 34 Email ID: jhr_asso@rediffmail.com

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 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, 2004, 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 the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Maharashtra, Mumbai 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 18 (Eighteen) times respectively on 11/04/2003, 30/04/2003, 01/06/2003, 17/06/2003, 30/07/2003, 06/08/2003, 28/08/2003, 20/09/2003, 24/09/2003, 29/10/2003, 12/12/2003, 31/12/2003, 16/01/2004, 30/01/2004, 23/02/2004, 06/03/2004, 27/03/2004 & 30/03/2004 in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 19/09/2003 to 24/09/2003 (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, 2003 was held on 24/09/2003 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 Board of Directors has approved the issue of duplicate certificates during the Financial Year.
13. The Company has
 - i) delivered all the certificates on lodgment of securities for transfer & transmission of securities in accordance with the provisions of the Act.
 - ii) deposited the amount of dividend declared in a separate bank account on 25th September, 2003 which is within 5 (five) days from the date of declaration of such dividend.
 - iii) 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 City Branch, Nashik on 24th October, 2003.
 - iv) transferred the amounts in unpaid dividend account, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
- v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of Director, who was originally appointed as Additional Director has been duly made during the financial year.
15. The Company has not appointed any Managing Director/ Whole-Time Director/ Manager during the financial year.
16. The Company has not appointed any Sole-Selling Agents during the Financial Year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the provisions of 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 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.