

36th
ANNUAL
REPORT
2009-2010

SINNAR
BIDI UDYOG LIMITED

**36th ANNUAL REPORT
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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

36th ANNUAL REPORT 2009-10

BOARD OF DIRECTORS

- V.S.Maydeo Executive Director
- N.L.Patil Director
- M.D.Deshpande Director
- B.S.Pawar Director
- D.P. Devhad Director
- S.P.Baheti Director

AUDITORS

- **ANAND S DAGA**
Chartered Accountants
Nashik 422 001

BANKERS

- **IDBI BANK LTD**
Nashik 422 001

REGISTERED OFFICE

- Flat No. 10, Sumer Kendra,
Pandurang Budkar Marg, Near Worli
T.V.Centre, Behind Mahendra Towers,
Mumbai 400 030

ADMINISTRATIVE OFFICE

- "CAMEL HOUSE"
Nashik-Pune Road,
Nashik-422 011.

NOTICE OF THE MEETING

NOTICE IS HEREBY GIVEN THAT

The 36th Annual General Meeting of the members of the Company will be held at 2, Gurukrupa Apartment, N. C. Kelkar Marg, Dad * (w), Mumbai - 400028 on Friday, 24th September, 2010 at 1.30 p.m. to transact the following business :

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and the Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri.D.P. Devhad, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri.S.P.Baheti, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

NOTES:

- 1) A member entitled to attend and vote at the Annual 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 Book of the Company will remain closed from 16th September, 2010 to 24th September, 2010 (both days inclusive).
- 3) The Company has appointed M/s Link Intime India Private Limited (earlier known as: Intime Spectrum Registry Ltd.), C-13, Pannalal Silk Mills Compounds, LBS Marg, Bhandup West, Mumbai 400 078 as its Share Transfer Agents.
- 4) Members are requested to bring their copy of Annual Report and Accounts to the meeting.
- 5) Members are requested to intimate immediately the changes if any, in their registered address.
- 6) The Unclaimed dividend for F.Y. 2002-2003 is due for transfer to the Central Government's Investor Education And Protection Fund on 25th October, 2010, pursuant to Section 205 C of the Companies Act, 1956.

The Shareholders whose dividends for F.Y.2002-2003 are unpaid, are requested to lodge their claims on or before 24th October, 2010

By Order of the Board of Directors,

Place : Nashik
Date: 29th May, 2010

V.S.Maydeo
Executive Director

M.D.Deshpande
Director

Directors' Report

Gentlemen,

Your Directors have pleasure in presenting their Thirty-Sixth Annual Report along with the audited statement of accounts for the year ended 31 st March, 2010.

Financial Results	2009-10 (Rs. Lacs)	2008-09 (Rs. Lacs)
Profit/(Loss) Before Tax	39.53	(37.82)
Less : Provision for Current Tax	6.00	Nil
Provision for Deferred Tax	12.39	(4.62)
Fringe Benefit Tax	Nil	0.11
Prior Period Adjustment Taxation	0.01	(0.29)
Profit/ (Loss) after Tax	21.13	(33.02)
Add : Balance from Previous year	(38.56)	(5.54)
Balance Carried to Balance Sheet	<u>(17.43)</u>	<u>(38.56)</u>

Business Operations

During the financial year ended 31 st March, 2010 the sales turnover from tobacco trading was Rs.279 lacs as against Rs.38.88 lacs in the previous year. The Company has also continued the activity of processing of tobacco.

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.

Dividend

The Directors regret their inability to recommend dividend due to absence of Profit.

Public Fixed Deposits :

The total amount of Public Fixed Deposits, accepted without invitation, stood at Rs.15 Lacs as at 31 st March, 2010.

Energy, Technology And Foreign Exchange

The information required to be furnished under

Personnel

The employer employee relations continued to be cordial during the year. None of the employees received emoluments exceeding the limits set out under section 217 (2A) of the Companies Act, 1956.

Directors

Shri. D.P. Devhad, and Shri.S.P. Baheti Directors, retire by rotation and being eligible, offer themselves for reappointment.

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, 2010 and the profit of the company for the year ended 31st March, 2010;
- 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.

Place : Nashik

Date: 29th May, 2010

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 Directors' Report.

Report on Corporate Governance:

The report on Corporate Governance and the Compliance Certificate provided by M/s J. H. Ranade & Associates, Company Secretaries is attached to the Directors' Report.

In terms of the listing agreement, the board has laid down a code of conduct for all board members. All the board members and senior management personnel have affirmed compliance with the code

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 the Auditor.

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 the various Government and non-Government Authorities.

For and on Behalf of
The Board of Directors,

V.S.Maydeo
Executive Director

M.D.Deshpande
Director

SINNAR BIDI UDYOG LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Business of the Company:

The Company operates in the tobacco industry, with tobacco processing and trading as its core activity. The working of the company during the year could be summarized as under:

Abridged Profit & Loss Statement for 2009-10

(Rs. in lacs)

<i>Particulars</i>	<i>2009-10</i>	<i>2008-09</i>
Net Sales	278.56	38.89
Other Income	40.69	48.41
Total Income	319.25	87.30
Manufacturing & Other Expenses	274.33	118.73
PBDIT	44.92	(31.43)
Depreciation	4.84	5.06
PBIT	40.08	(36.49)
Interest	0.55	1.33
PBT	39.53	(37.82)
Current & Deffered Tax	18.40	(4.8)
PAT	21.13	33.02

Industry structure and developments:

India ranks among the top 5 five countries in both production and consumption of tobacco and tobacco products. Tobacco Industry in India employs 10 million people. Out of these, around 60 lakh are directly employed in the rolling of bidi activity. The rest are tendu leaves cultivators in the forest areas of the country. Maharashtra is home to around 2.5 to 3 lakh of this workforce. Solapur district alone employs nearly 65,000 workers in different activities of bidi industry. Andhra Pradesh and Karnataka also house tobacco processing units. Bidi products are 100 per cent natural with low nicotine and tar percentages. Also, Bidi is an important source of income, for women, whose earnings constitute on an average 45 to 50% of the total income.

Opportunities and threats:

Your Company's strength lies in the Tobacco processing plant, which is situated at Nipani in the state of Karnataka running exceptionally well, and its expertise is exhibited in developing specialised blends to satisfy its customers. Last year the Company had planned to concentrate on trading of tobacco and the Company has implemented the same. The major activity of the Company was tobacco trading during the year 2009-10.

Your Company's weakness stems from the fact that it is deeply affected by the amendments made in The Cigarettes and other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and

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Commerce, Production, Supply and Distribution) Act, 2003 and this has impacted the business of the Company. The Government's plan to halve tobacco production by 2015 is also a major threat to the business of the Company, with raw material being scarce, which will also entail increase in costs.

Internal control systems and their adequacy

The Company has evolved a system of internal control which is adequate to its size and nature of business operations. The internal control system is designed to ensure desired level of control over the transactions. Internal audit plays an important role as it conducts audit of all key business areas as per a pre-drawn audit plan. The internal audit, among other things, looks at internal controls and gives suggestions for strengthening them.

The Company has a strong management information system which is an integral part of control mechanism and clearly defined roles and responsibilities, down the line for all managerial positions.

Material developments in Human Resources / Industrial Relations

The company's Human Resource philosophy is to work towards building a strong performance driven culture with greater accountability and responsibility at all levels. The personnel at all levels are made to identify their goals, resources and measurement of their achievement of the goals was sought.

For the workers in the tobacco industry, the Company has taken innovative employee welfare initiatives. Our deep-rooted work ethics ensure that both the management and workers help each other to achieve the goal of production and distribution of wealth upon principles of equity, reason and common good. We incessantly endeavour to create a scalable business model for our people, our biggest assets. These include working towards the benefit and safety through various welfare activities for the workers and their families, which include comprehensive medical and educational facilities.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and predictions may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied, important factors that could make difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the government regulations, tax regimes, economic developments in India and other incidental factors.

CORPORATE GOVERNANCE REPORT

1. Company's philosophy :

The Company is managed and operated on lines of a social enterprise. We are remaining firmly attached to the vision and values of our founding father, facilitating as a consequence, the economic wellbeing and child welfare of our workers. We look at the customer as an entity who monetizes the value chain... Actually, all our businesses revolve around the worker.

Giving back to our employees, stakeholders and communities enriches us with loyalty, talent and opportunity. We believe it is the right thing to do.

We have evolved a way to quantify our vision. The quantification of our vision and its achievement is based on two parameters: 1) The minimum wages guidelines set by the Ministry of Labour and 2) the UNICEF yardsticks for child welfare. A regular feedback from our workers and their families on the fulfillment of these parameters fructifies our vision which is ably supported by the following core set of values:

**COMMITMENT - MEASUREMENT - FAIRNESS -
ACCOUNTABILITY - TRANSPARENCY - ENABLING GROWTH**

Our Governance Philosophy:

Your Company is committed to the Best practices in corporate governance. Sinnar Bidi Udyog Limited (SBUL) fosters the culture of focusing on transparency, integrity, responsibility and accountability. The Company has adopted various codes and systems which act as guiding principle to its functioning.

2. Board of Directors:

Composition of Board:

There are six Directors on the Board of the Company. One Executive Director and Five independent non-executive Directors. The Directors come from various disciplines and having varied experience in the filed of Management.

Various committees of the board have been constituted for the implementation of Corporate governance requirements.

Board Meetings:

Board meetings are held after giving due notice and agenda to all the Directors. The Board of Directors duly met 5 times in the financial year. respectively on :

6th April,2009, 24th June,2009, 30th October,2009, 29th January,2010, 8th February,2010

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Sr. No.	Name of Director	Category	Board Meetings during 09-10	Annual General Meeting 15.09.2009	Other Directorship / Chairmanship / Membership in Board committees		
			Attended	Attended	Director	Committee Member	Committee Chairman
1	Shri.N.L.Patil	Independent	5	—	4	Nil	Nil
2	Shri.M.D.Deshpande	Independent	5	Yes	3	Nil	Nil
3	Shri.B.S.Pawar	Independent	5	—	3	Nil	Nil
4	Shri.V.S.Maydeo	Executive	5	—	Nil	Nil	Nil
5	Shri.S.P.Baheti	Independent	5	—	2	Nil	Nil
6	Shri.D.P.Devhad	Independent	5	—	4	Nil	Nil

3. Audit Committee:

Terms of reference of Audit Committee:

The terms of reference of this committee, interalia covers all the matters specified under clause 49 of the listing agreements with the Stock Exchanges. Besides, other terms as may be referred by the Board of Directors, from time to time. The Audit Committee has also powers, interalia to investigate any activity within its terms of reference and to seek information from any employee of the Company and seek legal and professional advice.

Composition and working of Audit Committee:

Name of Director	Designation in committee	No. of meeting held	No.of meetings attended
Shri.N.L.Patil	Member	4	4
Shri.M.D.Deshpande	Chairman	4	4
Shri.V.S.Maydeo	Member	4	4
Shri.D.P.Devhad	Member	4	4

The Audit committee met four times during the financial year, on 15th June, 2009, 20th July, 2009, 24th October 2009 and 26th February, 2010.

4. Remuneration Committee:

The Company has set up a Remuneration Committee . (a non-mandatory requirement in the new Clause 49 to the listing agreement).

Terms of reference of the Remuneration Committee:

1. Review of human resource policies and practices of the Company and in particular, policies regarding remuneration of Whole-time Directors and Senior Managers.
2. In principle approval of Compensation Philosophy.

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3. Review of Senior Management Compensation.
4. Induction of new people.

Name of Director	Designation in committee	No. of meetings held	No. of meetings attended
Shri.N.L.Patil	Chairman	1	1
Shri.D.P.Devhad	Member	1	1
Shri.S.P.Baheti	- Member	1	1

Remuneration is paid to the executive director, as approved by the remuneration committee and remuneration for non-executive directors was sitting fees for the board meeting. The Directors, however, have waived the payment of sitting fees for the year 2009-10, and as such, no remuneration is payable to the non-executive directors.

Name of Director	Relationship with other directors	Sitting Fees	Salary and allowances(Rs.)	Perquisites (Rs.)	Total (Rs.)
Shri.N.L.Patil	Nil	Nil	—	—	—
Shri.M.D.Deshpande	Nil	Nil	—	—	—
Shri.B.S.Pawar	Nil	Nil	—	—	—
Shri.V.S.Maydeo	Nil	N.A.	3,18,738/-	—	3,18,738/-
Shri.S.P.Baheti	Nil	Nil	—	—	—
Shri.D.P.Devhad	Nil	Nil	—	—	—

5.Shareholders' committee:

Shareholders' committee is headed by Shri.D.P.Devhad, non-executive Director. Among the members is the Compliance officer of the Company, Shri. N.L.Patil.

Name of Director	Designation in committee	No. of meetings held	No. of meetings attended
Shri.D.P.Devhad	Chairman	3	3
Shri.B.S.Pawar	Member	3	3
Shri.N.L.Patil	Member and Compliance Officer	3	3

No shareholder complaints were received during the period under review. The shareholder's committee duly met on 15th May, 2009, 26th February, 2010 and 30th March, 2010 to consider, inter-alia, the transfer of shares and issue of duplicate share certificates.

6. General body Meetings:

Details of last three Annual general Meetings:

<i>Date and time of AGM</i>	<i>Venue of AGM</i>	<i>Special Resolution passed at the AGM</i>
15 th September, 2009 at 1.30 p.m.	2 Gurukrupa Apartment, N.C.KelkarMarg, Dadar(w), Mumbai-400028	—
24 th September, 2008 at 1.30 p.m.	Registered Office at Mumbai	—
28 th September, 2007 at 1.30 p.m.	Registered Office at Mumbai	Consent of Members for Corporate Guarantee extended, pursuant to Section 372A of the Act.

7. Disclosures:

- 1. Related party transactions:** During 2009-10, the Company has not entered into related party transactions.
2. During the last three years, no penalties, strictures were imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets.
- 3. Whistle Blower Policy:** With a view to establish a mechanism for protecting employees reporting unethical behaviour, frauds or violation of Company's Code of Conduct, the Board of Directors has adopted a Whistle Blower Policy (a non-mandatory requirement in the new Clause 49 to the listing agreement). During the year 2009-10, no person has been denied access to the Audit Committee.
4. Compliance with the mandatory requirements and adoption of the non-mandatory requirements of this clause:

SINNAR BIDI UDYOG LIMITED

Compliance Report on Corporate Governance for the year ended 31st March, 2010.

Name of the Company: SINNAR BIDI UDYOG LIMITED, Code No.509887

Particulars	Clause of Listing agreement	Compliance Status	
		Yes/No	
I Board of Directors	49 I		
(A) Composition of Board	49(IA)	Yes	
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	
(C) Other provisions as to Board and Committees	49 (IC)	Yes	
(D) Code of Conduct	(49 (ID)	Yes	
II. Audit Committee	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	
(B) Meeting of Audit Committee		Yes	
(C) Powers of Audit Committee 49 (IIC)	49 (IIB)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49 (III)	N.A.	
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	N.A.	
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	N.A.	
(E) Remuneration of Directors	49 (IV E)	Yes	
(F) Management	49 (IV F)	Yes	
(G) Shareholders	49 (IV G)	Yes	
V. CEO/CFO Certification	49 (V)	Yes	
VI. Report on Corporate Governance	49 (VI)	Yes	
VII. Compliance	49 (VII)	Yes	

Disclosures by management to the Board:

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters.

Re-appointment of Directors Liable to Retire by Rotation and appointment of Directors for whom notice pursuant to section 257 has been received:

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According to the Articles of Association of the Company, at every annual general meeting of the Company one-third of the Directors are liable to retire by rotation. Thus, Mr. D.P.Devhad and Mr.S.P.Baheti shall retire at the ensuing Annual General Meeting of the Company and being eligible, offers themselves for re-appointment. . Details of their reappointment are included in the Notice of the annual General Meeting.

Name of Director	Appointment reappointment	Qualifications and Expertise of Director	Other Directorships	No of shares held	Membership of Committees
Shri.Dattatray Pundlik Devhad	Reappointment	B.A.29 years experience at various levels of Management	1 Leading Constructions Pvt.Ltd. 2. Growing City Properties Pvt.Ltd. 3. S.K.Sarda Developers Pvt.Ltd. 4. Rasbihari Properties Pvt.Ltd.	NIL	Audit Committee (Chairman)
Shri.Shrikishan Parasram Baheti	Reappointment	12 year experience at various levels of Management	1. Shrirang Tobacco Processors Ltd.	NIL	Remuneration Committee

8. Means of communication:

Quarterly Results: Quarterly Unaudited Results are published for the first three quarters of the financial year, and audited results are declared in respect of the last quarter of the financial year. The results are published in the Free Press Journal and Nav Shakti, Mumbai.

9. General Shareholder information:

i. AGM Details for the current year:

Date: 24th September, 2010

Time: 1.30 p.m.

Venue:2 Gurukrupa Apartment, N. C. Kelkar Marg,Dadar(w),Mumbai-400028

ii. Financial Year: April 1 to March 31.

For the year ended 31st March, 2010, dates of declaration of quarterly results:

First Quarter : 29th July, 2009

Second Quarter : 29th October, 2009

Third Quarter : 28th January, 2010

Fourth Quarter and Annual : 29th May, 2010

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- iii. **Date of Book closure:**
16th September, 2010 to 24th September, 2010
- iv. **Listing on Stock Exchanges:**
The Bombay Stock Exchange Limited
The Pune Stock Exchange Limited
- v. **Stock Code** 509887
- vi. **Shareholding Patters: Following information can be summarized as on the date:**

Distribution of Shareholdings:

Sr. No.	No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shareholders	% of Shareholders
1.	1 - 5000	388	92.8230	344000	17.2000
2.	5001 - 10000	10	2.3920	88000	4.4000
3.	10001 - 20000	5	1.1960	74000	3.7000
4.	20001 - 30000	4	0.9570	94500	4.7250
5.	30001 - 40000	1	0.2390	37000	1.8500
6.	40001 - 50000	2	0.4780	87000	4.3500
7.	50001 - 100000	5	1.1960	372300	18.6150
8.	100001 - *****	3	0.7180	903200	45.1600
	TOTAL :	418	100.000	2000000	100.000

Distribution of Shareholdings:

Categories	No. of Holders	No. of Shares	% of Holding
Promoters	8	79350	39.6750
Bodies Corporate (Promoters)	6	62650	31.3250
Bodies Corporate (others)	6	950	.4750
Foreign Investors	—	—	—
Bank/FIs	—	—	—
Others	398	57050	28.52
TOTAL :	418	200000.00	100.00

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vii. Registrar and Transfer Agents:

Link Intime India Private Limited (earlier known as Intime spectrum Registry Limited), C-13, Pannalal Silk Mills compound, LBS Marg, Bhandup -(W)

viii. Dematerialization of shares: Status of dematerialized shares:

Particulars	No. of shares	% of holding
Shares held in Demat form:	14,550	7.275
Physical	1,85,450	92.725

ix. Liquidity:

The public shareholding is 58,000 shares, i.e.29%.

x. Name, Telephone & Fax no. of the compliance Officer of the Company

: Shri.N.L. Patil, Director
(0253) 2594231, Fax. (0253)2595698
Flat No. 10, Sumer Kendra, Pandurang Budkar Marg, Near Worli T.V.Centre, Behind Mahendra Towers, Mumbai 400 030.

xi. e-mail id of the compliance officer:

narayan.patil@sarda.co.in

**Certification by Whole-Time Director and Director and
Chairman of Audit Committee to the Board:**

We, V.S.Maydeo, Executive Director and M.D.Deshpande, Director and Chairman of Audit Committee, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2010 and to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.
4. We indicate to the auditors and to the Audit committee:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year;
 - iii. Instances of significant fraud of which we have become aware and involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.However, during the year, there were no such changes or instances.

V.S.Maydeo
Whole Time Director

M.D.Deshpande
Director

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

To The Members of
SINNAR BIDI UDYOG LTD.

We have examined the compliance of conditions of Corporate Governance by **Sinnar Bidi Udyog Ltd.**, for the year ended on March 31, 2010, as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For J. H. Ranade & Associates
Company Secretaries

Date : 27th May, 2010
Place : Mumbai

J. H. Ranade
Proprietor
FCS - 4317 CP - 2520

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)

CIN of the Company - L16002MH1974PL017734

Nominal Capital: Rs. 20.00 Lacs

The Members,

Sinnar Bidi Udyog Limited

Flat No.10, Sumer Kendra,

Pandurang, Budhkar Marg,

Nr.Worli T.V. Centre,

Behind Mahindra Towers,

Mumbai-30.

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, 2010, (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 all 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 8 (Eight) times respectively on 06/04/2009, 24/06/2009, 30/07/2009, 15/09/2009, 30/10/2009, 29/12/2009, 29/01/2010 and 08/02/2010 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 10/09/2009 to 15/09/2009 (both days inclusive) with necessary compliance of Section 154 of the Act.
6. The Annual General Meeting for the Financial Year ended on 31st March, 2009 was held on 15th September, 2009

- 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 not entered into any contracts falling within purview of Section 297 of the Act .
 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 share certificates during the Financial Year in compliance with provisions of the Act.
 13. The Company has:
 - i) delivered all the certificates on lodgment of securities for transfer in accordance with the provisions of the Act.
 - ii) not deposited any amount in separate bank account as no dividend was declared during the Financial Year.
 - iii) was not required to post warrants to any members of the company as no dividend was declared during the Financial Year.
 - iv) Transferred Rs. 10005/- for the Year 2001-02 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 there was no appointment of Additional Director, Alternate Directors and Directors to fill casual Vacancy 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 Agent 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.
23. The Company has complied with the provisions of Section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 in respect of the deposits including Unsecured Loans accepted/renewed by the Company amounting to Rs.15 lacs during the financial year and that the Company has filed the Statement in lieu of Advertisement with the Registrar of Companies, Maharashtra, Mumbai on 04th January, 2010. The Company has also filed Return of Deposits with the Registrar of Companies on 29th June, 2009.
24. The amounts borrowed by the Company from Directors, Members, Public, Financial Institutions, Banks and others during the Financial Year ended 31st March, 2010 are within borrowing limits of the Company as per Section 293(1)(d) of the Act.
25. The Company has made investments in other bodies corporate in compliance with the provisions of the Act and consequently necessary entries have been made in the register kept for that 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 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 been regular in depositing 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: 27th May, 2010

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.
2. Register of Members and Index of Members u/s. 150 and 151.
3. Register of Transfers u/s. 154.
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.
11. Register of Investments under section 372A
12. Register of Renewed and Duplicate Share Certificates as per Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960.
13. Register of Fixed Deposits as per Rule 7 of the Companies (Acceptance of Deposits) Rules 1975.

Contd...

ANNEXURE B:

Forms and Returns as filed by the Company with the Registrar of Companies, Maharashtra, Mumbai during the Financial Year ending on 31st March, 2010

Sr. No.	Form No./ Return	Filed Under Section	For	Date of filing	Whether filed within prescribed time (Yes/No)	If delay in filing whether requisite additional Fee paid (Yes/No)
1	Form 62	58 A	Return of Deposit filed with ROC	29/06/2009	Yes	No
2	Form 66	383 A	Compliance Certificate for the financial year 2008-2009	05/10/2009	Yes	No
3	Form 23 Ac Form 23 ACA	220	Balance Sheet for the financial year 2008-2009	12/10/2009	Yes	No
4	Form 20 B	159	Annual Return for the financial year 2008-2009	12/11/2009	Yes	No
5	Form INV	205	Unclaimed Dividend amount transferred to IPF	20/11/2009	Yes	No
6	Form 62	58 A	Statement of Lieu of Advertisement	04/01/2010	Yes	No

For J.H.Ranade & Associates
Company Secretaries

Place: Thane

Date: 27th May, 2010

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

**REPORT OF THE AUDITORS TO THE MEMBERS OF
SINNAR BIDI UDYOG LIMITED**

- 1) I have audited the attached Balance Sheet of **SINNAR BIDI UDYOG LIMITED** as at 31st March, 2010, the related Profit and Loss Account and the Cash Flow Statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's Management. My responsibility is to express an opinion on these financial statements based on my audit.
- 2) I conducted my audit in accordance with auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.
- 3) I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of my audit.
- 4) In my opinion, proper books of account as required by law have been kept by the company so far as appears from my examination of those books and proper returns adequate for the purpose of my audit have been received from branches not visited by me.
- 5) In my opinion, the Profit and Loss Account, the Balance Sheet & the Cash Flow Statement dealt with by this report subject to notes thereon comply with the Accounting Standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956 except for Accounting Standard - 15 (Revised) as referred to in Note No.2 in Schedule 7.
- 6) The Balance Sheet, Profit and Loss Account & the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- 7) On the basis of written representations received from the directors, as on March 31, 2010 and taken on record by the Board of Directors, I report that none of the directors is disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- 8) In my opinion and to the best of my information and according to the explanations given to me, the said accounts, read together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i) In the case of Balance-Sheet, of the state of affairs of the company as at 31st March, 2010 and
 - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
 - iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.
- 9) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of checks of books and records considered appropriate and the information and explanations given to me during the course of the audit, I further report that :

- I) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) Fixed assets disposed-off during the year were not substantial, and therefore it has not affected the going concern status.
- II) (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) In my opinion and according to the information and explanations given to me, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- III) The company has not granted/taken any secured or unsecured loans to/from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- IV) In my opinion and according to the information and explanations given to me, having regard to the explanation that certain items purchased, sold and processed are of a special nature and their prices cannot be compared with suitable alternative quotations, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed asset and for the sale of goods and services. Further, on the basis of my examination and according to information and explanations given to me, I have neither come across nor have I been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- V) (a) In my opinion and according to information and explanations given to me, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) in my opinion and according to the information and explanations given to me, having regard to the comments in IV above, the transactions made in pursuance of contracts or arrangements and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
- VI) In my opinion and according to the information and explanations given to me, the company has complied with the directives issued by the Reserve Bank of India and the provisions of section of 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, with regard to the deposits accepted from the public. No order has been passed on the company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.
- VII) The company has an internal audit system, which, in my opinion, is commensurate with the size and nature of its business.
- VIII) It is informed that maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956.
- IX) (a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax / VAT, Cess and other

statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of financial year for a period of more than six months from the date those became payable.

- (b) According to information and explanations given to me there are no disputed amounts outstanding in respect of Sales Tax / VAT and Cess as at the last day of financial year. As regards the dispute of Income Tax - the details are given in Schedule 7, Note 4. (Tax liability / demand involved Rs. Nil).
- (c) According to information and explanations given to me Employees State Insurance, Wealth Tax, Service Tax, Customs Duty and Excise Duty are not applicable to the company.
- X) The accumulated losses of the company are not in excess of fifty percent of its net worth. The company has not incurred cash loss in the current financial year and in the immediately preceding financial year.
- XI) The company has not defaulted in repayment of dues to any financial institution or bank. The company has not issued any debentures.
- XII) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII) The provisions of any special statute applicable to the chit fund / nidhi/ mutual benefit fund / societies are not applicable to the company.
- XIV) In my opinion and according to information and explanations given to me, the company is not a dealer or trader in shares, securities, debentures and other investments.
- XV) According to information and explanations given to me the company has not given any guarantee for loan taken by others from bank or financial institutions.
- XVI) No any fresh term loan has been obtained by the company during the year.
- XVII) On the basis of an overall examination of the Balance-Sheet of the company, in my opinion and according to the information and explanations given to me, there are no funds raised on short-term basis, which have been used for long term investments.
- XVIII) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- XIX) The company has not issued any debentures.
- XX) The company has not raised any money by public issue during the year.
- XXI) During the course of my examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to me, I have neither come across any instance of material fraud on or by the company, noticed or reported during the year nor have I been informed of such case by the management.

Place : Nashik

Date : 29th May 2010.

ANAND S. DAGA

Chartered Accountant

SINNAR BIDI UDYOG LIMITED
BALANCE SHEET AS AT 31ST MAR 2010.

	SCHEDULE	31.03.2010 RUPEES	31.03.2010 RUPEES	31.3.2009 RUPEES
FUNDS EMPLOYED				
SHAREHOLDERS' FUNDS				
Share Capital	A	2000000		2000000
Reserves And Surplus	B	<u>18526669</u>	20526669	<u>16413987</u>
				18413987
LOAN FUNDS				
Unsecured Loans	C	<u>1500000</u>	1500000	<u>1396000</u>
				1396000
Total			<u><u>22026669</u></u>	<u><u>19809987</u></u>
FUNDS APPLIED				
FIXED ASSETS				
Gross Block	D	21817424		21495415
Less : Depreciation		<u>14368375</u>		<u>13892355</u>
		7449049		7603060
Less : Impairment Of Fixed Assets		<u>261441</u>		<u>261441</u>
			7187608	7341619
INVESTMENTS	E		4456959	4455259
CURRENT ASSETS				
LOANS AND ADVANCES				
Current Assets	F			
Interest Accrued		27807		381910
Stocks		22581965		18761372
Sundry Debtors		Nil		769374
Cash and Bank Balances		<u>3751977</u>		<u>7392078</u>
		26361749		27304734
Loans And Advances	G			
Advances		396271		1058508
Deposits		<u>754004</u>		<u>759004</u>
		1150275		1817512
		27512024		29122246
Less : CURRENT LIABILITIES AND PROVISIONS	H	<u>17957922</u>		<u>23176137</u>
			9554102	5946109
DEFERRED TAX (NET)			828000	2067000
Total			<u><u>22026669</u></u>	<u><u>19809987</u></u>
Contingent Liabilities	7			
Statement of Significant Accounting Policies	7			

V.S.Maydeo : Executive Director As per my report of even date attached

N.L.Patil : Director

M.D.Deshpande : Director

ANAND S DAGA

Chartered Accountant

Nashik : 29th May 2010

Nashik : 29th May 2010

SINNAR BIDI UDYOG LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MAR 2010.

		SCHEDULE	2009-10 RUPEES	2008-09 RUPEES
INCOME				
Sales			27856359	3888513
			<u>27856359</u>	<u>3888513</u>
Other Income	1		4068625	4841288
Variation in Stocks	2		5894330	12269794
Total			<u>37819314</u>	<u>20999595</u>
EXPENDITURE				
Raw Materials Consumed	3		28489630	11935379
Packing Materials and Stores Consumed	4		Nil	Nil
Trading Items Purchased			1487178	3572518
Payments to and Provisions for Employees	5		2837329	2337744
Other Expenses	6		2476149	2588577
Escrow Fund Demand Provision			(1962338)	3708515
Interest			54657	132788
Depreciation	D		483827	506157
Total			<u>33866432</u>	<u>24781678</u>
Net Profit Before Tax			3952882	(3782083)
Less : Provision for Tax				
Current Tax			600000	Nil
Current Fringe Benefit Tax			Nil	11000
Prior Period Tax			1200	(28,635)
Deferred Tax			1239000	(462000)
Profit After Tax			2112682	(3302448)
Balance from Last Year			(3856013)	(553564)
Balance Carried To Balance Sheet			<u>(1743331)</u>	<u>(3856013)</u>
Statement of Significant Accounting Policies	7			
Notes on Accounts & EPS	7			
Cash Flow Statement	8			

V.S.Maydeo : Executive Director As per my report of even date attached

N.L.Patil : Director

M.D.Deshpande : Director

ANAND S DAGA
Chartered Accountant

Nashik : 29th May 2010

Nashik : 29th May 2010

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MAR 2010.

	31.03.2010 RUPEES	31.03.2010 RUPEES	31.03.2009 RUPEES
SCHEDULE -A			
Share Capital			
Authorised 2,00,000 Equity Shares of Rs.10/- each		20,00,000	20,00,000
Issued, Subscribed And Paid-up 2,00,000 Equity Shares of of Rs.10/- each fully paid		2000000	2000000
		2000000	20,00,000
SCHEDULE -B			
Reserves And Surplus			
General Reserve No.1: As Per Last Balance-Sheet	3275000		3275000
Add: Set Aside This Year	-	3275000	3275000
General Reserve No.2: As Per Last Balance-Sheet	16926000		16926000
Add: Set Aside This Year	-	16926000	16926000
Reserve For Bad And Doubtful Advances: As per Last Balance Sheet	69000		69000
	69000	69000	69000
Profit And Loss Account		(1743331)	(3856013)
		18526669	16413987
SCHEDULE - C			
Secured Loans			
Unsecured Loans			
Fixed Deposits (Repayable within One yearRs.15,00,000/-, Previous Year Rs.13,96,000/-)		1500000	1396000
		1500000	1396000

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31 ST MAR 2010

SCHEDULE –D

Fixed Asset

(Amount in Rs.)

	GROSS BLOCK			DEPRECIATION						NET BLOCK	
	As at 1.4.2009	Additions During The Year	Deductions & Transfers During The Year	As at 31.3.2010	As at 1.4.2009	For the Year	Written Back	Total upto 31.3.2010	Impairment Loss	As at 31.3.2010	As at 31.3.2009
Trade Mark	8370	Nil	Nil	8370	Nil	Nil	Nil	Nil	Nil	8370	8370
Freehold Land	670388	Nil	Nil	670388	Nil	Nil	Nil	Nil	Nil	670388	670388
Buildings	10886524	Nil	Nil	10886524	5123699	287388	Nil	5411087	15066	5460371	5747759
Plant And Machinery	1291407	Nil	Nil	1291407	1054423	19475	Nil	1073898	96980	120529	140004
Electric Installation	788468	140000	Nil	928468	566254	56111	Nil	622365	Nil	306103	222214
Furniture & Fixture	3997195	Nil	Nil	3997195	3656225	59486	Nil	3715711	18429	263055	322541
Office Equipments	3790979	191749	9740	3972988	3439474	58852	7808	3490518	130876	351595	220629
Vehicles	62084	Nil	Nil	62084	52280	2515	Nil	54795	90	7199	9714
Total	21495415	331749	9740	21817424	13892355	483827	7808	14368375	261441	7187608	7341619
Previous Year	21439999	111824	56408	21495415	13412595	506156	26396	13892355	261441	7341619	8027404

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MAR 2010

	31.03.2010	31.03.2010	31.03.2009
	RUPEES	RUPEES	RUPEES
SCHEDULE -E			
Investments			
Long Term.Non Trade. At Cost.			
A) Fully Paid-up Equity Shares in Companies			
Numbers	Face Value	Company	
31-3-2010	31-3-2009	Rupees	
i) Quoted Shares			
10	10	10 Britannia Industries Ltd	6700
1	1	10 Castrol India Ltd.	240
300	300	1 Dabur India Ltd.	6500
100	100	1 Fresenius Kabi Oncology Ltd. (Formerly-Dabur Pharma Ltd)	0
10	10	10 Merck (India) Ltd.	4700
100	100	1 Hindustan Lever Ltd.	21500
10	10	5 Novartis India Ltd.	3250
			42890
ii) Unquoted Shares			
60600	60600	10 Rasbihari Enterprises Ltd.	1590653
2000	2000	10 Shrirang Bidi Pvt Ltd.	20000
1400	1400	100 Kiran Ayurvedic Products Private Ltd.	215750
46500	46500	10 Shrirang Tobacco Proces. Ltd.	465842
4199	4199	10 Snow Valley Hotels Pvt. Ltd.	41990
25550	25550	10 Yogi Ayurvedic Product Pvt. Ltd.	256603
39590	39590	10 Vidarbha Bidi Ltd.	468419
22800	22800	10 Kay Bee Food Products Pvt (Nashik) Ltd.	229140
3650	3650	100 Tip Top Health Zone Pvt Ltd.	877352
490	490	100 STS Exports Ltd.	49245
1250	1250	100 Trustworthy Trade & Transport Pvt Ltd	125625
2825	2825	10 Pashupatinath Tobacco Products Pvt. Ltd.	28250
100	100	5 Syngenta India Ltd.	7500
			4376369
			4376369

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MAR 2010

	31.03.2010 RUPEES	31.03.2010 RUPEES	31.03.2009 RUPEES
iii) Quoted Debentures			
10 Nil 170 Britannia Industries Ltd	1700	1700	Nil
B) Others Unquoted - Ordinary Share in			
800 800 25 Shrilekha Nagari Sahakari Adhikosh Ltd.	20000		20000
** ** National Saving Certificates	16000		16000
		36000	36000
		4456959	4455259

NOTES

Quoted Investments (Shares) :

Cost	42890	42890
Market Value	112373	78566

Quoted Investments (Debentures) :

Cost	1700	Nil
Market Value	1700	Nil

Un-quoted Investments (Shares) :

Cost	4396369	4396369
Aggregate Face Value of Shares	2740900	2740900

** Includes Security lodged with Sales Tax / Excise Authorities

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MAR 2010

	31.03.2010	31.03.2010	31.03.2009
	RUPEES	RUPEES	RUPEES
SCHEDULE -F			
Current Assets			
Interest Accrued		27807	381910
Stocks (As per inventory certified by the Directors)			
Raw Materials (At Cost)	4417841		6491578
Finished Goods (At Lower of Cost or Selling Price)	18164123		12269794
		22581965	18761372
Sundry Debtors			
Unsecured Considered Good			
Within Six Months	Nil		764804
Above Six Months	Nil		4570
		Nil	769374
Cash And Bank Balances			
Cash on Hand	25155		29438
With Scheduled Banks			
In Current Accounts	3488838		2410497
In Fixed Deposit Accounts	234935		4951546
With Shrilekha Nagari Sahakari Adhikosh Ltd.			
(Refer Schedule 7 Note 8)			
In Saving Account	3049		597
		3751977	7392078
		26361749	27304734

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MAR 2010

	31.03.2010	31.03.2010	31.03.2009
	RUPEES	RUPEES	RUPEES
SCHEDULE -G			
Loans And Advances			
Unsecured			
Advances recoverable in cash or kind or for value to be received			
Others			
Considered good	180695		211308
Advance Income Tax (Net)	<u>215576</u>		<u>847200</u>
		396271	1058508
Deposits		<u>754004</u>	<u>759004</u>
		<u>1150275</u>	<u>1817512</u>

SCHEDULE -H

Current Liabilities And Provisions

Other Current Liabilities

Sundry Creditors For Capital Expenditure

Material & Other Expenses / Other Payable

634044

673273

Advances Received

30

Nil

Provisions

17296675

22465686

Unclaimed Dividend

27173

37178

17957922

23176137

17957922

23176137

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MAR 2010.

	2009-2010 RUPEES	2008-2009 RUPEES
SCHEDULE - 1		
OTHER INCOME		
Processing Charges Received	2022285	2391255
Profit on Sale of Raw Material / Packing Material	67966	1244
Interest (T.D.S. Rs. 1788/-, Previous Year 1,86,891/-)	20707	822028
Dividend Received	4100	2400
Excess Provision Written Back	698775	Nil
Rent Received	186000	282000
Profit on Sale of Assets	5068	418671
Scrap Sales, Profit on Sale of By Products, Sundry Receipts, etc.	1063724	923690
	<u>4068625</u>	<u>4841288</u>

SCHEDULE - 2

VARIATION IN STOCK OF FINISHED GOODS

Opening Stock	12269794	Nil
Closing Stock	18164123	12269794
	<u>5894330</u>	<u>12269794</u>

SCHEDULE - 3

RAW MATERIALS CONSUMED

Opening Stock	6491578	563508
Add : Purchases	27403564	18313623
Add : Processed	Nil	Nil
	<u>33895142</u>	<u>18877131</u>
Less: Sales Consumption	987671	450174
Less : Closing Stock	4417841	6491578
	<u>28489630</u>	<u>11935379</u>

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MAR 2010.

	2009-2010	2008-2009
	RUPEES	RUPEES
SCHEDULE - 4		
PACKING MATERIALS AND STORES CONSUMED		
Opening Stock	Nil	9891
Add : Purchases	Nil	Nil
	<u>Nil</u>	<u>9891</u>
Less : Consumption / Expenses	Nil	9891
Less : Closing Stock	Nil	Nil
	<u>Nil</u>	<u>Nil</u>

SCHEDULE - 5

PAYMENTS TO AND PROVISIONS FOR EMPLOYEES

Salaries, Wages, Bonus, Gratuity and Ex-gratia	2713964	2263676
Contribution to Provident Fund and Other Funds	99409	64839
Welfare Expenses	23957	9229
	<u>2837329</u>	<u>2337744</u>

SINNAR ^{mm} UDYOG LIMITED

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MAR 2010.

	2009-2010	2008-2009
	RUPEES	RUPEES
SCHEDULE - 6		
OTHER EXPENSES		
Rent	249800	249800
Rates and Taxes	114857	116641
Insurance	74982	52747
Repairs and Maintenance	158736	205562
Transport, Coolie And Cartages	275336	195828
Travelling and Conveyance	186521	167582
Electricity Charges	507155	722395
Legal and Professional	403104	286306
Printing and Stationery	19926	28576
Postage and Telephone Expenses	81140	92000
Office Expenses	283129	98666
Bank Commission	38544	56217
Loss On Sales of Assets	Nil	6645
Impairment Loss	Nil	261441
Other Expenses (Including Filing Fees, Listing Fee, Membership & Subscription, Factory Exp, etc.)	82918	48171
	<u>2476149</u>	<u>2588577</u>

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

	2009-2010	2008-2009
	RUPEES	RUPEES
SCHEDULE-7		
NOTES FORMING PART OF BALANCE SHEET AS AT 31 ST MARCH, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE		
1. Contingent Liabilities (Rs. Lacs)		
Claims against the company not acknowledged as debts :		
a) Escrow Fund Matter	16.84	19.01
b) Labour / ESIC Matters	9.13	9.97
	25.97	28.98
2. A) The company has established a separate Gratuity Fund Trust to take care of the Gratuity Liability of its employees. It is informed that against the accrued gratuity liability as on 31st March, 2010 ascertained by the company of Rs. 16.59 lacs (Previous year Rs.18 lacs) the Gratuity Fund Trust has sufficient investments to meet the entire liability. Therefore, no provision for gratuity is made in the accounts during the current year.		
B) This liability takes into account the sum that would have been payable as gratuity to all the eligible employees as on the last day of the financial year as per the Payment of Gratuity Act, 1972 in the absence of Actuarial valuation as per Accounting Standard - 15 (Revised).		
C) Similarly the liability arising on account of accrued leave salary is provided for in the accounts which considers the sum that would have been payable to the eligible employees as on the last day of the financial year in absence of Actuarial Valuation as per Accounting Standard - 15 (Revised).		
D) Looking at the small number of employees as on 31st March 2010, the management is of the opinion that, the liability provided for in the books / funds available with the Gratuity Fund Trust are sufficient to cover these obligations.		
3. The Bidi's manufactured by the company were sold to Traders / Exporters, who used to export them to various countries. In earlier years, Bidi's sold to some such Traders / Exporters were exported by them to USA.		
As per the prevailing law in USA, the responsibility of depositing the amount in Escrow Deposit Fund (On account of sales of tobacco products in that country) was of the manufacturer of tobacco products.		
Accordingly, on the basis of demand raised against the company for non-fulfillment of this requirement - a sum of Rs.152.46 Lacs was provided for in the books of the company upto 31st March 2010.		
During the current year no any fresh demand was made against the company. The current year figure of Rs.19.62 Lacs represents foreign exchange gain on restatement of outstanding liability of escrow fund demand provision already made in earlier years.		
4. It is informed that Income Tax Assessments have been completed upto A.Y.2007-08. In respect of A.Y.2007-08, company had filed loss return. The assessing officer made certain additions / disallowed some expenses- thereby reducing the loss. Company has filed an appeal against the said order which is pending before Commissioner of Income Tax (Appeals).		
5. Amounts paid and/or payable to the Auditor for services rendered:		
Audit Fees	115815	115815
Certification Work / Other Misc.	34195	59552

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

	2009-2010	2008-2009
	RUPEES	RUPEES
6 Interest includes interest paid		
a) On Bank Borrowings (Working Capital)	Nil	Nil
b) On Term Loans	Nil	Nil
c) On Fixed Deposits	54657	132788
d) Other	Nil	Nil
	54657	132788
7 Deferred Tax Adjustment		
Deferred Tax Asset at the year end comprises of timing difference on account of : (Rs. In Lacs)		
Depreciation	(8.20)	(8.64)
Expenditure charged in accounts but not deductible for tax purpose, allowable on actual payment / Unabsorbed Losses & Depreciation as per Income Tax computation.	16.48	29.31
8 In respect of Shrilekha Nagari Sahakari Adhikosh Ltd.(Co-op Credit Society)		
Maximum balance during the year in Savings Account	3059	7540
9 The company has not received any intimation from its suppliers regarding their status under the Micro , Small and Medium Enterprises Development Act , 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end as required under the said Act have not been furnished.		
10 Earning Per Share (EPS)		
Profit/(Loss) attributable to Equity Shareholders	(A) 2112682	(3302448)
Basic / Weighted average nos. of Equity shares outstanding during the year	(B) 200,000	200,000
Nominal Value of Equity Shares	10	10
Basic /(Diluted) Earning per share	(A/B) 10.56	(16.51)
11 Payment provided for or made during the year to Directors :		
Salary to Executive Director	318738	274016

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

12. Segment Reporting:

a) Primary Segment :

The company considers Tobacco Products and Tobacco as one business segment

b) Secondary Segment :

All the sales of the company are in the Indian Market and hence, there are no reportable geographical segments.

13. Impairment of Assets (AS:28) : Required provision has been made for impairment of fixed assets.

14. Contingent Liabilities & Contingent

Assets (AS:29) : In the opinion of the management , no provision is required against contingent liabilities referred in Schedule 7, Note 1 on Contingent Liabilities.

15. Information pursuant to paragraphs 3, 4 C and 4 D of Part II of Schedule VI of the Companies Act,1956.
(As Certified by Management)

a) Capacity, Production, Stock and Sales of Tobacco and Tobacco Products.
(Value Rupees in Lacs and of Tobacco / Tobacco Products in Tonnes)

	TOBACCO / TOBACCO PRODUCTS	
	2009-10	2008-09
Licensed Capacity	N. A.	N. A.
Installed Capacity	N. A.	N. A.
Opening Stock		
Quantity	212.51	Nil
Value	122.70	Nil
Production		
Quantity	413.52	211.01
Purchase (Trading)		
Quantity	17.09	67.41
Sales		
Quantity	413.20	65.91
Value	278.56	38.89
Closing Stock		
Quantity	229.93	212.51
Value	181.64	122.70

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

	2009-2010 RUPEES	2008-2009 RUPEES
b) Raw Materials Consumed (Indigenous)		
Bidi Leaves :		
Quantity in Tonnes	Nil	Nil
Value	Nil	Nil
Ready Tobacco (Trading): (Includes Consumption for Sale)		
Quantity in Tonnes	1.50	65.91
Value	0.79	34.93
Ready Tobacco (Produced) : (Includes Consumption for Sale)		
Quantity in Tonnes	411.70	Nil
Value	248.72	Nil
Raw Tobacco : (Includes Consumption for Sale)		
Quantity in Tonnes	447.89	253.82
Value	269.13	118.18
Thread: (Includes Consumption for Sale)		
Quantity in Tonnes	Nil	520.00
Value	Nil	0.07
c) Value of Imported and Indigenous Materials Consumed		
Raw Materials :		
Imported	Nil	Nil
Indigenous (Rupees Lacs)	284.90	119.35
Percentages	100%	100%
Packing Materials And Stores :		
Imported	Nil	Nil
Indigenous (Rupees Lacs)	Nil	0.10
Percentages	NA	100%
16. Earning & Expenditure in Foreign Currency	Nil	Nil

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

2009-2010

RUPEES

17. RELATED PARTY DISCLOSURES :
RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS, ETC

(i) Associates / Entities in which Promoters are able to exercise significant influence :

1. Rasbihari Enterprises Ltd
2. Vidarbha Bidi Ltd
3. Yogi Ayurvedic Products Pvt Ltd
4. Tip Top Health Zone Pvt Ltd
5. STS Exports Ltd
6. Trustworthy Trade & Transport Pvt Ltd
7. M/s. S.K. Sarda
8. Shrirang Tobacco Processors Ltd .
9. Shrirang Bidi Pvt.Ltd .
10. Kay Bee Food Products (Nashik) Pvt Ltd .
11. Kiran Ayurvedic Products Pvt Ltd .
12. Snow Valley Hotels Pvt Ltd.
13. Pashupatinath Tobacco Prod. Pvt Ltd .
14. Sungrowth Manpower Services Pvt Ltd.
15. City Centre Mall (Nashik) Pvt. Ltd.

(ii) Relatives / Members of Promoter Group :

1. Shri K B Sarda.
2. Sau K.K.Sarda.
3. Shri S K Sarda.
4. Sau. S.S.Sarda.

(iii) Key Management Personnel :

Shri V.S.Maydeo

Sr No.	Nature of Transaction (Excluding reimbursement) :	(Rs.)
1.	Income / Receipts	
	Sales	9361400
	Other Income / Sales of Asset	2235288
2.	Expenditure / Payments	
	Raw Material Purchase	26303887
	Payments to and provision for employees	318738
	Othpr Expenses (Rent)	249800
3.	Closing Balances	
	Assets	
	Investments	4368869
	Security Deposit	285000
	Liabilities	
	Other Payables	Nil

18. Figures for the previous year have been regrouped wherever considered practicable and necessary.

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

19 SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Convention / Method of Accounting.

The Financial Statements are prepared under Historical Cost Convention in accordance with generally accepted accounting principles and provisions of Companies Act 1956

Accounts are kept on accrual basis and according to the double entry system.

Sales are recognised on despatch of goods to customers.

Dividend Income on Investments is accounted for when received.

B. Fixed Assets

i Fixed Assets are stated at cost less depreciation, cost being comprised of cost of acquisition and expenditure directly attributable for commissioning of the assets.

ii Depreciation is provided on Written Down Value Method and at the rate and in the manner specified in Schedule XIV of the Companies Act 1956.

C. investments

Long Term Investments are stated at cost .

D. Current Assets

a. Stocks

Raw Material , Traded Items and Finished Goods are valued at lower of monthly weighted average cost and net realisable value. Cost of finished goods include cost of material, cost of conversion, labour.

b. Book Debts, Advances & Deposits

Balances considered irrecoverable are written- off and those considered doubtful are provided for.

E. Employee / Retirement Benefits

Retirement Benefits to employees are provided for by payments to Gratuity and

Provident Fund. The gratuity liability is determined on the basis laid down under Employees Approved Gratuity Fund Scheme which takes into account the sum that would have been payable as gratuity to all the eligible employees on the last day of the financial year. Liability arising on account of accrued leave salary payable is provided in the accounts. The same is worked out on the basis of the amount that would have been payable as leave encashment to all the eligible employees on the last day of the financial year.

F. Foreign Currency Transactions

Monetary items denominated in foreign currency as at the Balance Sheet date are converted at exchange rates prevailing on that date. Exchange differences are recognised in the Profit & Loss Account.

G. Taxation

a. Current Year Charges

Provision for tax is based on the amount of tax payable in respect of taxable income as determined under Income Tax Act 1961.

Fringe Benefit Tax provision is made on the basis of liability for the year as ascertained by the Management under the provisions of Income Tax Act, 1961.

b. Deferred Tax

The Deferred Tax resulting from timing difference between the book and taxable profits for the year is accounted for, using the tax rates and laws that have been substantially enacted as of the balance sheet date.

Deferred tax assets arising from timing difference are recognised to the extent there is reasonable certainty that these would be realised in future.

H. Contingent Liabilities

Contingent Liabilities are disclosed in the accounts by way of note.

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

20. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (PURSUANT TO PART IV SCHEDULE VI TO THE COMPANIES ACT, 1956.)

I) REGISTRATION DETAILS

Registration No. :	17734
State Code :	11
Balance Sheet Date :	31st March 2010

II) CAPITAL RAISED DURING THE YEAR

(Amount in Rs.Thousand)

Public Issue :	Nil
Right Issue :	Nil
Bonus Issue :	Nil
Private Placement :	Nil

III) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

(Amount in Rs. Thousand)

Total Liabilities :	22027
Total Assets :	22027

Sources of Funds

Paid up Capital :	2000
Reserves & Surplus :	18527
Secured Loans :	0
Unsecured Loans :	1500

Application of Fund

Net Fixed Assets :	7188
Investments :	4457
Net Current Assets :	9554
Deferred Tax (Net) :	828

IV) PERFORMANCE OF COMPANY

(Amount in Rs. Thousand)

Turnover / Other Income :	31925
Total Expenditure :	27972
Profit /(Loss) Before Tax :	3953
Profit/(Loss) After Tax :	2113
Earning Per Share (Rs.) :	10.56
Dividend Rate % :	—

SINNAR BIDI UDYOG LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010
AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

	2009-2010	2008-2009
	RUPEES	RUPEES
GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/ SERVICES OF COMPANY (AS PER MONETARY TERMS)		
Item Code No. (ITC Code)	240439	
Product Description	Tobacco Processing	
Item Code (ITC Code)		
Product Description	Tobacco Products	
item Code (ITC Code)	NA	
Product Description		

SIGNATURES TO SCHEDULES 'A' TO 'I' AND '1' TO '7'

FOR AND ON BEHALF OF THE BOARD.

V.S.Maydeo : Executive Director

N.L.Patil : Director

M.D.Deshpande : Director

NASHIK : 29th May 2010

SINNAR BIDI UDYOG LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MAR 2010

	2009-2010	2008-2009
	RUPEES	RUPEES
SCHEDULE - 8		
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	3952882	(3782083)
ADJUSTMENTS FOR:		
Depreciation (Including Impairment)	483827	767598
(Gain)/ Loss on Sales of Fixed Assets (Net)	(5068)	(412027)
(Gain)/ Loss On Sales of Investments	Nil	Nil
Adjust. Relating to Earlier Year (Net) / Extra Ordinary Items	(1962338)	3708515
Interest Paid	54657	132788
Interest Received	(20707)	(822028)
Dividend Received	(4100)	(2400)
Operating Profit Before Working Capital Changes	<u>2499153</u>	<u>(409637)</u>
ADJUSTMENTS FOR:		
Trade and Other Receivable	1159090	8994034
Inventories	(3820593)	(18187973)
Trade Payable	(5218215)	(769864)
Cash Generated from Operations	<u>(5380565)</u>	<u>(10373440)</u>
Interest Paid	(54657)	(132788)
Direct Taxes Refund / (Paid) Net	30424	(342746)
Cash Flow Before Extra Ordinary Items	(5404798)	(10848974)
Extra Ordinary Items	1962338	(3708515)
Net Cash from/(used in) Operating Activities (A)	<u>(3442460)</u>	<u>(14557489)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(331749)	(111824)
Sale of Fixed Assets	7000	442038
Bonus Debentures	(1700)	Nil
Sale of Investments	Nil	Nil
Interest Received	20707	822028
Dividend Received	4100	2400
Net Cash from/(used in) Investing Activities (B)	<u>(301642)</u>	<u>1154642</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Borrowing	104000	(182983)
Net Cash from/(used in) Financing Activities (C)	<u>104000</u>	<u>(182983)</u>
Net Cash Inflow/(Outflow) (A)+(B)+(C)	<u>(3640102)</u>	<u>(13585831)</u>
Cash and Cash Equivalents as at 01.04.2009 (Opening Balance) (D)	7392078	20977909
Cash and Cash Equivalents as at 31.03.2010 (Closing Balance) (E)	3751977	7392078
Net increase / (Decrease) In Cash Cash Equivalents (E) - (D)	<u>(3640102)</u>	<u>(13585831)</u>

V.S.Maydeo : Executive Director
 N.L.Patil : Director
 M.D.Deshpande : Director
 Nasik : 29th May 2010

AUDITORS' CERTIFICATE

I have examined the above Cash Flow Statement of SINNAR BIDI UDYOG LIMITED for the year ended March 31st, 2010. The Statement has been prepared by the Company in accordance with the requirements of listing agreement (Clause 32) with Mumbai Stock Exchange and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by my report dated 29th May, 2010 to the members of the company.

Nasik
 DATE: 29th May 2010

ANAND S DAGA
 Chartered Accountant

===== **SINNAR BIDI UDYOG LIMITED** =====

FLAT NO. 10, SUMER KENDRA, PANDURANG BUDKAR MARG, NEAR WORLI, T.V. CENTRE, BEHIND
MAHENDRA TOWERS, MUMBAI - 400 030.

PROXY FORM

Ref. : Ledger Folio :

I /We _____ of _____

being a member / members of **Sinnar Bidi Udyog Limited** do hereby appoint

_____ of _____

or falling him _____ of _____

as my / our proxy to attend and to vote for me/ us on my / our behalf at the 36th Annual General Meeting of the Company to be held on Tuesday, the 24th September 2010, at 1.30 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2010

Affix one
Rupee
Revenue
Stamp

Signature

N. B. : Any member entitled to attend and to vote at the Meeting is entitled to appoint one or more proxies to attend and to vote instead of himself and the Proxy need not be member. This from duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.