

37th
ANNUAL
REPORT
2010-2011

SINNAR
BIDI UDYOG LIMITED

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

**37th ANNUAL RERORT
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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.

MUMBAI

**37th ANNUAL REPORT
2010-11**

BOARD OF DIRECTORS

- C.B.Patil Executive Director
- N.L.Patil Director
- M.D.Deshpande Director
- B.S.Pawar Director
- D.P.Devhad Director
- S.P.Bahetj Director

AUDITORS

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

BANKERS

- **IDBI BANK LTD**
Nashik 422 001

REGISTERED OFFICE

- Parekh Mahal, 2nd Floor, Room No. 62,
Plot no. 8-9, Lady Jamshedji Road,
Sakharam Keer Marg, Mahim,
MUMBAI - 400 016

ADMINISTRATIVE OFFICE

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

NOTICE OF THE MEETING

NOTICE IS HEREBY GIVEN THAT the 37th Annual General Meeting of the members of the Company will be held at 2 Gurukrupa Apartment, N.C.Kelkar Marg, Dadar(w), Mumbai-400028 on Wednesday, 14th September, 2011 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 2011 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.M.D.Deshpande, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri.N.L.Patil, 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. C.B.Patil in respect of whom the Company has received a Notice pursuant to section 257 of the companies Act, 1956 be and is hereby appointed as a 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 in accordance with the provisions of sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies act,

1956, consent of the members of the Company be and is hereby accorded to the appointment of Shri.Chandrasingh Bhagwan Patil as "Executive Director-Legal and Labour" for a period of Five Years from 1st July, 2011 on the following remuneration, benefits and perquisites:

- a) Salary:
Monthly salary from 1st July, 2011 Rs.21,422/-
- b) Perquisites:
In addition to salary, the Executive Director shall be allowed the following perquisites:
 - (i) Transport Allowance :
Rs.800/- per month will be paid as transport allowance.
 - (ii) Leave:
On full pay as per rules of the Company, but not exceeding one month's leave for every completed year of service subject to the condition that the leave accumulated but not availed of, may be accumulated or encashed.
 - (iii) Provident Fund :
Company's contribution towards provident fund as per rules of the Company but not exceeding 12% of the salary as laid down by the Income Tax Rules, 1962.
 - (iv) Gratuity:
Gratuity not exceeding half the month's salary for each completed year of service subject to the maximum of Rs.10,00,000/- or subject to such upper limit as may be permissible by the law, for the time being in force.
- c) The Whole Time Director shall not be paid any fees for attending the meeting of the Board of Directors or committee thereof from the date of his appointment.

SINNAR BIDI UDYOG LIMITED.

"RESOLVED FURTHER THAT in case the Company has no profits or its profits are inadequate in any financial year, the Company shall pay to Shri. Chandrasingh Bhagwan Patil by way salary and perquisites in aggregate the sum not exceeding the limit set against the effective capital of the Company under Section II of Part II of Schedule XIII to the Companies Act, 1956 or any amendment thereto, subject to approval of Remuneration committee."

Place : Nashik
Date:1st July, 2011

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter the terms and conditions of the aforesaid appointment at any time throughout the currency of the said appointment, so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto."

By Order of the Board of Directors,

M.D.Deshpande
Director

N.L.Patil
Director

SINNAR BIDI UDYOG LIMITED.

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 a proxy need not be a member.
- 2) The Register of Members and Share Transfer Book of the Company will remain closed from 6th September, 2011 to 14th September, 2011 (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. 2003-2004 is due for transfer to the Central Government's Investor Education And Protection Fund on 25th October, 2011, pursuant to Section 205 C of the Companies Act, 1956.
- 7) The Shareholders whose dividends for F.Y. 2003-2004 are unpaid, are requested to lodge their claims on or before 24th October, 2011.

Explanatory Statement in respect of item nos. 5 & 6 in the Notice, pursuant to Section 173(2) of the Companies Act, 1956 is annexed herewith.

Item No. 5: Shri.Chandrasingh Bhagwan Patil was appointed as an additional director w.e.f. 1st July, 2011. Pursuant to section 260 of the Companies Act, 1956 he holds office till the ensuing Annual General Meeting. The Company has received a notice from shareholder in terms of section 257 of the Act alongwith requisite deposit, for proposing the candidature of Shri.Chandrasingh Bhagwan Patil as a Director. Therefore this ordinary resolution for the appointment of Director is placed before the members for their approval.

None of the Directors except Shri.Chandrasingh Bhagwan Patil is interested in this resolution.

Item No.6: Shri.Chandrasingh Bhagwan Patil was appointed as "Executive Director-Legal and Labour" for a period of Five Years from 1st July, 2011 by the Board of Directors. The appointment of the executive director is as per the terms and conditions mentioned in the resolution placed before the members. Approval of Members pursuant to Schedule XIII of the Act is required for the appointment. The Directors recommend the resolution as an ordinary resolution. None of the Directors except Shri.Chandrasingh Bhagwan Patil is interested in this resolution.

By Order of the Board of Directors,

Place : Nashik
Date:1st July, 2011

M.D.Deshpande
Director

N.L.Patil
Director

Directors' Report .

Gentlemen,

Your Directors have pleasure in presenting their Thirty-Seventh Annual Report alongwith the audited statement of accounts for the year ended 31st March, 2011.

Financial Results	2010-11 (Rs. Lacs)	2009-10 (Rs. Lacs)
Profit/(Loss) Before Tax	36.92	39.53
Less : Provision for Current Tax	6.50	6.00
Provision for Deferred Tax	1.66	12.39
Prior Period Adjustment Taxation	(0.31)	0.01
Profit/(Loss) after Tax	29.07	21.13
Add : Balance from Previous year	(17.43)	(38.56)
Balance Carried to Balance Sheet	11.64	(17.43)

Business Operations

During the financial year ended 31st March, 2011 the sales turnover from tobacco trading was Rs.325 lacs as against Rs.279 lacs in the previous year. The Company has also continued the activity of processing of tobacco. The Company is planning to Purchase Tendu Leaves for the purpose of trading.

Dividend

The Directors regret their inability to recommend dividend due to inadequacy of Profit

Energy, Technology And Foreign Exchange

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

The activities of the Company are carried on with the aid of human labour. The manufacturing process does not require power (electrical energy) and offers no scope for absorption of technology.

Public Fixed Deposits :

The Company has not accepted or renewed any Public Fixed Deposits during the financial year ended 31st March, 2011.

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. M.D.Deshpande and Shri.N.L.Patil, Directors, retire by rotation and being eligible, offer themselves for reappointment.

Shri. V.S.Maydev , Executive Director tendered his resignation on 31.03.2011. The Board places on record its sincere appreciation for the services rendered by him during his tenure as a Executive Director.

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, 2011 and the profit of the company for the year ended 31st March,2011;
- 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 Directors' Report.

Report on Corporat Governance:

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

In tems of the listing agreeemnt, the board has laid down a code of conduct for all board membes. 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,

Place : Nashik
Date : 27th May, 2011

M.D.Deshpande
Director

N.L.Patil
Director

SINNAR BIDI UDYOG LIMITED.

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Sinnar Bidi Udyog Ltd.

We have examined the compliances of conditions of corporate governance by Sinnar Bidi Udyog Ltd., for the year ended on 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination is 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

We further 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

Place: Thane
Date: 27th May, 2011

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

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 2010-11

(Rs. in lacs)

<i>Particulars</i>	2010-11	2009-10
Net Sales	325.01	278.56
Other Income	50.61	40.69
Total Income	375.62	319.25
Manufacturing & Other Expenses	332.89	274.33
PBDIT	42.73	44.92
Depreciation	4.63	4.84
PBIT	38.10	40.08
Interest	1.24	0.55
PBT	36.76	39.53
Current & Differed Tax	7.72	18.40
PAT	29.14	21.13

Industry structure and developments:

India ranks among the top 5 five countries in both production and consumption of tobacco and tobacco products.

Beedis are rolled from a forest leaf known as "DIOS-PYRUS ME LOMOXYLAN" which is abundantly available in tropical/sub-tropical climatic forests scattered in Andhra Pradesh, Kerala, Karnataka, Orissa, Tamilnadu, Madhya Pradesh etc. Owing to its cheaper cost, this product is widely used by the rural population and certain percentage of low income group among urban population who have relatively poor purchasing power.

Tobacco Industry in India is a labour intensive industry and 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 :

Our 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 trading and processing of Tobacco during the year 2010-11. Now the Company is planning to Purchase Tendu Leaves from Chattisgarh Federation, Madhya Pradesh for the purpose of trading.

Our 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 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 - TRANSPERANCEY - 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 9 times in the financial year, respectively on :

20th April,2010, 29th May,2010, 12th August,2010, 11th November,2010, 30th November, 2010, 28th December, 2010, 28th January,2011, 18th March, 2011 and 31st March, 2011.

SINNAR BIDI UDYOG LIMITED.

Sr. No.	Name of Director	Category	Board Meetings during 10-11	Annual General Meeting 24.09.2010	Other Directorship/Chairmanship/Membership in Board committees		
			Attended	Attended	Director	Committee Member	Committee Chairman
			1	Shri.N.L.Patil	Independent	9	--
2	Shri.M.D.Deshpande	Independent	9	Yes	3	Nil	Nil
3	Shri.B.S.Pawar	Independent	9	--	2	Nil	Nil
4	Shri.V.S.Maydeo	Executive	5	--	Nil	Nil	Nil
5	Shri.S.P.Baheti	Independent	9	--	Nil	Nil	Nil
6	Shri.D.P.Devhad	Independent	9	--	4	Nil	Nil

3. Audit Committee:

Terms of reference of Audit Committee:

The terms of reference of this committee, inter alia 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, inter alia 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 meetings 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 Five times during the financial year, on 15th April, 2010, 20th July, 2010, 18th October 2010 and 20th January, 2011.

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

SINNAR BIDI UDYOG LIMITED.

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 2010-11, 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.	4,55,853/-	--	4,55,853/-
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	17	17
Shri.B.S.Pawar	Member	17	17
Shri.N.L.Patil	Member and Compliance Officer	17	17

No shareholder complaints were received during the period under review. The shareholder's committee duly met on 13th May, 2010, 7th June, 2010, 5th August,2010,30th August, 2010,15th September,2010,25th September,2010, 14th October,2010, 27th October, 2010, 11th November, 2010, 23rd November,2010, 16th December, 2010, 29th January,2011, 10th February, 2011,24th February, 2011, 16th March, 2011, 24th March, 2011 and 25th March,2011 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:

Date and time of AGM	Venue of AGM	Special Resolution passed at the AGM
24 th September, 2010 at 1.30 p.m.	2 Gurukrupa Apartment, N.C. Kelkar Marg, Dadar(w), Mumbai- 400028	---
15 th September, 2009 at 1.30 p.m.	2 Gurukrupa Apartment, N.C. Kelkar Marg, Dadar(w), Mumbai- 400028	---
24 th September, 2008 at 1.30 p.m.	Registered Office at Mumbai	---

7. Disclosures:

- 1. Related party transactions:** During 2010-11, 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 2010-11, 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, 2011.

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)	Yes
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:

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. M.D.Deshpande and Mr.N.L.Patil 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.

SINNAR BIDI UDYOG LIMITED.

Name of Director	Appointment/ Reappointment	Qualifications and Expertise of Director	Other Directorships	No of shares	Membership of Committees held
Shri.Madhav Digambar Deshpande	Reappointment	B.Com.M.Com, LLB 21 years experience at various levels of Management	1.Rasbihari Enterprises Ltd. 2.Tip Top Health Zone Pvt.Ltd. 3.Yogi Ayurvedic Products Pvt.Ltd.	10	Audit Committee (Chairman)
Shri.Narayan Laxman Patil	Reappointment	LLB,MPM 29 year experience at various levels of Management	1. STS Exports Ltd	Nil	1. Audit Committee. 2. Remuneration Committee 3. Shareholders 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: 14th September, 2011

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, 2011, dates of declaration of quarterly results:

First Quarter: 12th August, 2010

Second Quarter: 11th November, 2010

Third Quarter: 10th February, 2011

Fourth Quarter and Annual: 27th May, 2011

iii. Date of Book closure:

6th September, 2011 to 14th September, 2011

iv. Listing on Stock Exchanges:

The Bombay Stock Exchange Limited

The Pune Stock Exchange Limited

v. Stock Code 509887

SINNAR BIDI UDYOG LIMITED.

**vi. Shareholding Patterns: Following information can be summarized as on the date:
Distribution of Shareholdings:**

SHAREHOLDING OF RS.	NOMINAL VALUE OF RS.	SHAREHOLDERS NUMBER	%AGE OF TOTAL	SHARE AMOUNT RS.	%AGE OF TOTAL
1	- 5000	333	91.4840	335400	16.7700
5001	- 10000	16	4.3956	115100	5.7550
10001	- 20000	3	0.8240	49500	2.4750
20001	- 30000	4	1.0990	95000	4.7500
30001	- 40000	1	0.2750	37000	1.8500
40001	- 50000	0	0.0000	0	0.0000
50001	- 100000	5	1.3740	372300	18.6150
100001	- *****	2	0.5490	995700	49.7850
TOTAL :		364	100.0000	2000000	100.0000

Distribution of Shareholdings:

Categories	No. of Holders	No. of Shares	% of Holding
Promoters	6	79900	39.9500
Bodies Corporate (Promoters)	2	62100	31.0500
Bodies Corporate (others)	6	950	0.4750
Foreign Investors	-	-	--
Bank/FIs	-	-	--
Others	344	57050	28.5250
TOTAL :	358	200000	100.0000

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:	14,750	7.375
Physical	1,85,250	92.625

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

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, N.L.Patil, and M.D.Deshpande, Directors 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, 2011 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.

N.L.PATIL
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

(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
Parekh Mahal, 2nd Floor,
Room No.62, Plot No.8-9,
Lady Jamshedji Road,
Sakharam KeerMarg,
Mahim, Mumbai- 400016

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, 2011, (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 9 (Nine) times respectively on 20/04/2010, 29/05/2010, 12/08/2010, 11/11/2010, 30/11/2010, 28/12/2010, 28/01/2011, 18/03/2011 and 31/03/2011 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 16/09/2010 to 24/09/2010 (both days inclusive) with necessary compliance of Section 154 of the Act.

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

6. The Annual General Meeting for the Financial Year ended on 31st March, 2010 was held on 24th September, 2010 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 was not required to make any 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 issue of duplicate share certificates during the Financial Year in compliance with provisions of the Act.
13.
 - i) The Company has delivered all certificates on transfer of shares during the Financial Year in compliance with the provisions of the Act.
 - ii) Company has not deposited any amount in separate bank account as no dividend was declared during the Financial Year.
 - iii) The Company was not required to post warrants to any members of the company as no dividend was declared during the Financial Year.
 - iv) Company has transferred Rs. 10,635/- for the Year 2002-03 in Unpaid Dividend Account, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - v) Company has complied with the requirements of Section 217 of the Act.

J. H. RANADE & ASSOCIATES

Company Secretaries

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14. The Board of Directors of the Company is duly constituted and there was no appointment of Directors 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 outstanding deposits including Unsecured Loans and that the Company has filed the Statement in lieu of Advertisement with the Registrar of Companies, Maharashtra, Mumbai on 24th September, 2010. The Company has also filed Return of Deposits with the Registrar of Companies.
24. The amounts borrowed by the Company from Directors, Members, Public, Financial Institutions, Banks and others during the Financial Year ended 31st March, 2011 are within borrowing limits of the Company as per Section 293(1)(d) of the Act.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the Financial Year.

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

27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the Financial Year.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the Financial Year.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the Financial Year.
30. The Company has not altered its Articles of Association during the Financial Year.
31. There were no prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the Financial Year, for offences under the Act.
32. The Company has not received any money as security from its employees during the Financial Year.
33. The Company has 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, 2011

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

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....

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

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, 2011

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	Rule 10 of the Companies (Acceptance of Deposits) Rules, 1975	Return of Deposits for Financial Year 2009-10	29/06/2010	Yes	No
2.	Form 66	383A	Compliance Certificate for the Financial Year ended on 31/03/2010	14/10/2010	Yes	No
3.	Form 23AC & 23ACA	220	Balance sheet & Profit & Loss A/c for the Year ended on 31/03/2010	25/10/2010	Yes	No
4.	Form 11NV	205C	Forms for deposit of unpaid Dividend into IEPF	26/10/2010	Yes	No
5.	Form 20B	159	Annual returns for the AGM held on 24/09/2010.	23/11/2010	Yes	No
6.	Form 62	Others	Statement in Lieu of Advertisement.	27/11/2010	Yes	No
7.	Form 18	146	Change of registered office	10/12/2010	Yes	No

For J.H.Ranade & Associates
Company Secretaries

Place: Thane
Date: 27th May, 2011

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, 2011, 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 6.
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, 2011 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, 2011 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, 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) According to information and explanation given to me, there were no any transactions, contract or arrangements referred to section 301 of the Act, which were required to be entered in the register maintained under that section.
- 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, ESIC, 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 6, Note 4. (Tax liability / demand involved Rs. Nil).

- c) According to information and explanations given to me Wealth Tax, Service Tax, Customs Duty and Excise Duty are not applicable to the company.
- X) There are no accumulated losses. 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 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 : 27th May 2011.

ANAND S. DAGA .
Chartered Accountant

SINNAR BIDI UDYOG LIMITED.
BALANCE SHEET AS AT 31ST MARCH 2011.

	SCHEDULE	31.03.2011 RUPEES	31.03.2011 RUPEES	31.3.2010 RUPEES
FUNDS EMPLOYED				
SHAREHOLDERS' FUNDS				
Share Capital	A	2000000		2000000
Reserves And Surplus	B	<u>21433161</u>	23433161	<u>18526669</u>
				20526669
LOAN FUNDS				
Unsecured Loans	C	--	--	<u>1500000</u>
				1500000
Total			<u>23433161</u>	<u>22026669</u>
FUNDS APPLIED				
FIXED ASSETS				
Gross Block	D	18722345		21817424
Less : Depreciation		<u>11849610</u>		<u>14268375</u>
		6872735		7479049
Less : Impairment Of Fixed Assets		<u>208017</u>		<u>261441</u>
			6664718	7187608
INVESTMENTS				
Investments in Shares	E		4456681	4456959
Investments in Mutual Funds			13779424	--
CURRENT ASSETS LOANS AND ADVANCES				
Current Assets				
Interest Accrued	F	27300		27807
Stocks		3284763		22581965
Sundry Debtors		66486		--
Cash and Bank Balances		<u>5430085</u>		<u>3751977</u>
		8808634		26361749
Loans And Advances	G			
Advances / Receivables		5594008		396271
Deposits		<u>764004</u>		<u>754004</u>
		6358012		1150275
		15166646		27512024
Less: CURRENT LIABILITIES & PROVISIONS	H	<u>17296308</u>	(2129662)	<u>17957922</u>
				9554102
DEFERRED TAX (NET)			662000	828000
Total			<u>23433161</u>	<u>22026669</u>
Contingent Liabilities	6			
Statement of Significant Accounting Policies	6			

N.L.Patil : Director
M.D.Deshpande : Director
D.P.Devhad : Director

As per my report of even date attached

ANAND S DAGA
Chartered Accountant

Place : Nashik
Date : 27th May 2011.

Place : Nashik
Date : 27th May 2011

SINNAR BIDI UDYOG LIMITED.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2011

	SCHEDULE	31.03.2011 RUPEES	31.03.2010 RUPEES
INCOME			
Sales		32500785	27856359
		<u>32500785</u>	<u>27856359</u>
Other Income	1	4901874	4068625
Escrow Fund Demand Provision		165498	1962338
Variation in Stocks	2	(18164123)	5894330
Total		<u>19404034</u>	<u>39781652</u>
EXPENDITURE			
Raw Materials Consumed	3	10317954	28489630
Trading Items Purchased		--	1487178
Payments to and Provisions for Employees	4	2235345	2837329
Other Expenses	5	2571916	2476149
Interest		123699	54657
Depreciation	D	463411	483827
Total		<u>15712325</u>	<u>35828770</u>
Net Profit Before Tax		3691709	3952882
Less : Provision for Tax			
Current Tax		650000	600000
Prior Period Tax		(30783)	1200
Deferred Tax		166000	1239000
Profit After Tax		2906492	2112682
Balance from Last Year		(1743331)	(3856013)
Balance Carried To Balance Sheet		<u>1163161</u>	<u>(1743331)</u>
Statement of Significant Accounting Policies	6		
Notes on Accounts & EPS	6		
Cash Flow Statement	7		

N.L.Patil : Director
M.D.Deshpande : Director
D.P.Devhad : Director

As per my report of even date attached

Place : Nashik
Date : 27th May 2011.

ANAND S DAGA
Chartered Accountant
Place : Nashik
Date : 27th May 2011

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011.

	31.03.2011 RUPEES	31.03.2011 RUPEES	31.03.2010 RUPEES
SCHEDULE -A			
Share Capital			
Authorized 2,00,000 Equity Shares of Rs.10/- each		2000000	2000000
Issued, Subscribed And Paid-up 2,00,000 Equity Shares of of Rs.10/- each fully paid		2000000	2000000
		<u>2000000</u>	<u>2000000</u>
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
Profit And Loss Account		1163161	(1743331)
		<u>21433161</u>	<u>18526669</u>
SCHEDULE -C			
Unsecured Loans			
Fixed Deposits (Repayable within One year Rs. Nil , Previous Year Rs.15,00,000/-)		--	1500000
		--	<u>1500000</u>

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH- 2011.

SCHEDULE –D

Fixed Asset

(Amount in Rs.)

	GROSS BLOCK			DEPRECIATION						NET BLOCK	
	As at 1.4.2010	Additions During The Year	Deductions &Transfers During The Year	As at 31.03.2011	As at 1.4.2010	For the year	Written Back	Total upto 31.03.2011	Impairment Loss	As at 31.03.2011	As at 31.03.2010
Trade Mark	8370	--	--	8370	--	--	--	--	--	8370	8370
Freehold Land	670388	--	--	670388	--	--	--	--	--	670388	670388
Buildings	10886524	--	--	10886524	5411087	273018	--	5684105	15066	5187353	5460371
Plant And Machinery	1291407	--	389602	901805	1073898	16253	327366	762785	83580	55440	120529
Electric Installation	928468	--	--	928468	622365	53783	--	676148	--	252320	306103
Furniture & Fixture	3997195	--	2624317	1372878	3715711	44287	2569944	1190054	--	182824	263055
Office Equipments	3972988	25300	82583	3915705	3490518	74206	61078	3503646	109371	302688	351594
Vehicles	62084	--	23877	38207	54795	1864	23787	32872	--	5335	7199
Total	21817424	25300	3120379	18722345	14368374	463411	2982175	11849610	208017	6664718	7187609
Previous Year	21495415	331749	9740	21817424	13892355	483827	7808	14368374	261441	7187609	7341619

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011.

				31.03.2011	31.03.2011	31.03.2010
				RUPEES	RUPEES	RUPEES
SCHEDULE -E						
Investments						
Investment in Shares						
A) Fully Paid-up Equity Shares in Companies						
Numbers	Face	Company				
		Value				
31-03- 2011	31-03- 2010	Rupees				
i) Quoted Shares						
50	100	2	Britannia Industries Ltd (1) (L/Y F.V. Rs.10)	6700		6700
2	1	10	Castrol India Ltd. (2)	240		240
600	300	1	Dabur India Ltd. (2)	6500		6500
100	100	1	Fresenius Kabi Oncology Ltd. (Formerly -Dabur Pharma Ltd)	--		--
10	10	10	Merck (India) Ltd	4700		4700
100	100	1	Hindustan Lever Ltd.	21500		21500
10	10	5	Novartis India Ltd.	3250		3250
					42890	42890
ii) Unquoted Shares						
88496	60600	10	Rasbihari Enterprises Ltd. (3)	2716972		1590653
0	2000	10	Shrirang Bidi Pvt Ltd (3)	--		20000
0	1400	100	Kiran Ayurvedic Products Private Ltd. (3)	--		215750
0	46500	10	Shrirang Tobacco Proces. Ltd. (3)	--		465842
0	4199	10	Snow Valley Hotels Pvt Ltd. (3)	--		41990
25550	25550	10	Yogi Ayurvedic Product Pvt. Ltd.	256603		256603
39590	39590	10	Vidarbha Bidi Ltd.	468419		468419
0	22800	10	Kay Bee Food Products Pvt (Nasik) Ltd. (3)	--		229140
3650	3650	100	Tip Top Health Zone Pvt Ltd.	877352		877352
490	490	100	STS Exports Ltd.	49245		49245
0	1250	100	Trustworthy Trade & Transport Pvt Ltd (3)	--		125625
0	2825	10	Pashupatinath Tobacco Products Pvt. Ltd. (3)	--		24250
100	100	5	Syngenta India Ltd.	7500		7500
					4376091	4376369
iii) Quoted Debentures						
10	10	170	Britannia Industries Ltd	1700	1700	1700

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011.

				31.03.2011	31.03.2011	31.03.2010
				RUPEES	RUPEES	RUPEES
B) Others Unquoted Ordinary Share in						
800	800	25	Shrilekha Nagari Sahakari Adhikosh Ltd.	20000		20000
			National Saving Certificates (4)	16000		16000
					36000	36000
					<u>4456681</u>	<u>4456959</u>
Investment in Mutual Fund						
Numbers	Face Value		Mutual Fund Name			
	31-03-2011					
	31-03-2010		Rupees			
475517	Nil	10	SBI Debt Fund Series 90 days 40 Dividend	4755170		
231308	Nil	10	SBI SHF Ultra Short Term Fund Retail Plan Daily Dividend	2314471		
409898	Nil	16	Birla Sunlife Cash plus Fund	6709783	13779424	0
					<u>13779424</u>	<u>0</u>

NOTES

Quoted Investments (Shares) :

Cost	42890	42890
Market Value	126939	112373

Quoted Investments (Debentures) :

Cost	1700	1700
Market Value	1655	1700

Un-quoted Investments (Shares) :

Cost	4396091	4396369
Aggregate Face Value of Shares	1970860	2740140

(1) Face Value Reduced to Rs.2/- per share during the year

(2) Bonus Shares received in the ratio of 1:1 during the year

(3) 27896 Shares of Rasbihari Enterprises Ltd. were received pursuant to scheme of Amalgamation of following companies with Rasbihari Enterprises Ltd.

- a. Shirang Bidi Pvt Ltd
- b. Kiran Ayurvedic Products Private Ltd.
- c. Shirang Tobacco Proces. Ltd.
- d. Snow Valley Hotels Pvt Ltd.
- e. Kay Bee Food Products Pvt (Nasik) Ltd.
- f. Trustworthy Trade & Transport Pvt Ltd
- g. Pashupatinath Tobacco Products Pvt. Ltd.

(4) Includes Security lodged with Sales Tax / Excise Authorities

SINNAR BIDI UDYOG LIMITED.**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011.**

	31.03.2011	31.03.2011	31.03.2010
	RUPEES	RUPEES	RUPEES
SCHEDULE -F			
Current Assets			
Interest Accrued		27300	27807
Stocks (As per inventory certified by the Directors)			
Raw Materials (At Cost)	2125287		4417841
Finished Goods (At Lower of Cost or Selling Price)	1159476		--
	--		18164123
		3284763	22581965
Sundry Debtors			
Unsecured Considered Good			
Within Six Months	66486		--
Above Six Months	--		--
		66486	--
Cash And Bank Balances			
Cash on Hand	76992		25155
With Scheduled Banks			
In Current Accounts	5127818		3488838
In Fixed Deposit Accounts	225000		234935
With Shri Lekha Nagari Sahakari Adhikosh Ltd. (Refer Schedule 7 Note 8)			
In Saving Account	275		3049
		5430085	3751977
		8808634	26361749

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011.

	31.03.2011	31.03.2011	31.03.2010
	RUPEES	RUPEES	RUPEES
SCHEDUL -G			
Loans And Advances			
Unsecured			
Advances recoverable in cash or kind or for value to be received			
Others			
Considered good	5410001		180695
Advance Income Tax (Net)	<u>184007</u>		<u>215576</u>
		5594008	396271
Deposits		<u>764004</u>	<u>754004</u>
		<u>6358012</u>	<u>1150275</u>

SCHEDULE -H

Current Liabilities And Provisions

Other Current Liabilities

Sundry Creditors For Capital Expenditure

Material & Other Expenses / Other Payable

506360

634044

Advances Received From Customers

4660

30

Provisions

16768750

17296675

Unclaimed Dividend

16538

27173

17296308

17957922

17296308

17957922

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2011.

	31.03.2011 RUPEES	31.03.2010 RUPEES
SCHEDULE - 1		
OTHER INCOME		
Processing Charges Received	2903019	2022285
Profit on Sale of Raw Material / Packing Material	--	67966
Interest (Includes Income Tax Refund Rs.60419/-)	75885	20707
Dividend Received on Shares / Mutual Funds	312348	4100
Excess Provision Written Back	--	698775
Rent Received	168000	186000
Profit on Sale of Assets	25626	5068
Profit on Sale of Investments	5951	--
Scrap Sales, Profit on Sale of By Products, Sundry Receipts, etc.	1411045	1063724
	<u>4901874</u>	<u>4068625</u>
SCHEDULE - 2		
VARIATION IN STOCK OF FINISHED GOODS		
Opening Stock	18164123	12269794
Closing Stock	--	18164123
	<u>(18164123)</u>	<u>5894330</u>
SCHEDULE - 3		
RAW MATERIALS CONSUMED		
Opening Stock	4417841	6491578
Add : Purchases	8890955	27403564
Add : Processed	--	--
	<u>13308796</u>	<u>33895142</u>
Less: Sales Consumption	865555	987671
Less : Closing Stock	2125287	4417841
	<u>10317954</u>	<u>28489630</u>

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2011.

	31.03.2011 RUPEES	31.03.2010 RUPEES
--	----------------------	----------------------

SCHEDULE - 4

PAYMENTS TO AND PROVISIONS FOR EMPLOYEES

Salaries, Wages, Bonus, Gratuity and Ex-gratia	1952518	2713964
Contribution to Provident Fund and Other Funds	218622	99409
Welfare Expenses	64205	23957
	<u>2235345</u>	<u>2837329</u>

SCHEDULE - 5

OTHER EXPENSES

Rent	251800	249800
Rates and Taxes	91340	114857
Insurance	65622	74982
Repairs and Maintenance	646928	158736
Transport, Coolie And Cartages	266097	275336
Travelling and Conveyance	151939	186521
Electricity Charges	418396	507155
Legal and Professional	369437	403104
Printing and Stationery	25083	19926
Postage and Telephone Expenses	64506	81140
Office Expenses	136705	283129
Bank Commission	9406	38544
Other Expenses (Including Filing Fees, Listing Fee, Membership & Subscription, Factory Exp, etc.)	74657	82918
	<u>2571916</u>	<u>2476149</u>

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

	31.03.2011	31.03.2010
	RUPEES	RUPEES

SCHEDULE - 6

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011 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	16.66	16.84
b) Labour / ESIC Matters	8.14	9.13
	24.80	25.97
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, 2011 ascertained by the company of Rs. 16.69 lacs (Previous year Rs. 16.59 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 2011, 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. 150.81 Lacs was provided for in the books of the company upto 31st March 2011.		
During the current year no any fresh demand was made against the company. The current year figure of appearing in Profit and Loss Account Rs. 1.65 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. 2008-09. 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.	28680	34195

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

	31.03.2011 RUPEES	31.03.2010 RUPEES
6 Interest includes interest paid		
a) On Bank Borrowings (Working Capital)	Nil	Nil
b) On Term Loans	Nil	Nil
c) On Fixed Deposits	123699	54657
d) Other	Nil	Nil
	<u>123699</u>	<u>54657</u>
7 Deferred Tax Adjustment		
Deferred Tax Asset at the year end comprises of timing difference on account of: (Rs. In Lacs)		
Depreciation	(7.81)	(8.20)
Expenditure charged in accounts but not deductible for tax purpose, allowable on actual payment / Unabsorbed Losses & Depreciation as per Income Tax computation.	14.43	16.48
8 In respect of Shri Lekha Nagari Sahakari Adhikosh Ltd. (Co-op Credit Society)		
Maximum balance during the year in Savings Account	5500	3059
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) 2906492	2112682
Basic / Weighted average nos. of Equity shares outstanding during the year	(B) 200000	200000
Nominal Value of Equity Shares	10	10
Basic / (Diluted) Earning per share	(A/B) 14.53	10.56
11 Payment provided for or made during the year to Directors:		
Salary to Executive Director (Plus regular PF benefits)	551667	318738

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

	31.03.2011	31.03.2010
	RUPEES	RUPEES

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 6, 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	
	2010-11	2009-10
Licensed Capacity	N.A.	N.A.
Installed Capacity	N.A.	N.A.
<u>Opening Stock</u>		
Quantity	229.93	212.51
Value	181.64	122.70
<u>Production</u>		
Quantity	121.17	413.52
<u>Purchase (Trading)</u>		
Quantity	0.00	17.09.
<u>Sales</u>		
Quantity	351.10	413.20
Value	325.01	278.56
<u>Closing Stock</u>		
Quantity	0.00	229.93
Value	0.00	181.64

SINNAR BIDI UDYOG LIMITED.

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011
AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.**

	31.03.2011 RUPEES	31.03.2010 RUPEES
a) Raw Materials Consumed (Indigenous)		
Ready Tobacco (Trading): (Includes Consumption for Sale)		
Quantity in Tonnes	0.00	1.50
Value	0.00	0.79
 Ready Tobacco (Produced): (Includes Consumption for Sale)		
Quantity in Tonnes	351.10	411.70
Value	288.73	248.72
 Raw Tobacco : (Includes Consumption for Sale)		
Quantity in Tonnes	73.35	447.89
Value	53.27	269.13
b) Value of Imported and Indigenous Materials Consumed		
 Raw Materials		
Imported	Nil	Nil
Indigenous (Rupees Lacs)	103.18	284.90
Percentages	100%	100%
16. Earning & Expenditure in Foreign Currency	Nil	Nil

SINNAR BIDI UDYOG LIMITED.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011 AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

31.3.2011
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. M/s. S.K. Sarda
7. Sungrowth Manpower Services Pvt Ltd.
8. 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 Nature of Transaction (Excluding reimbursement) : (Rs.)

No.

1. Income / Receipts

Sales	32500785
Other Income	46592423

2. Expenditure / Payments

Raw Material Purchase	8042410
Payments to and provision for employees	551667
Other 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.

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011
AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011**

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.

b Deferred Tax

The Deferred Tax resulting from timing difference between the book and taxable profit 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, 2011 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 2011

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 :	23433
Total Assets :	23433

Sources of Funds

Paid up Capital :	2000
Reserves & Surplus :	21433
Secured Loans :	--
Unsecured Loans :	--

Application of Fund

Net Fixed Assets :	6665
Investments :	18236
Net Current Assets :	(2130)
Deferred Tax (Net) :	662

IV) PERFORMANCE OF COMPANY (Amount in Rs.Thousand)

Turnover / Other Income :	37568
Total Expenditure :	33876
Profit/(Loss) Before Tax :	3692
Profit/(Loss) After Tax :	2906
Earning Per Share (Rs.) :	14.53
Dividend Rate % :	---

SINNAR BIDI UDYOG LIMITED.

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011
AND OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.**

	2010-2011 RUPEES	2009-2010 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)	NA	
Product Description	Tobacco Products	

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

FOR AND ON BEHALF OF THE BOARD.

N.L.Patil : Director

M.D.Deshpande : Director

D.P.Devhad : Director

Place : Nashik

Date : 27th May 2011

SINNAR BIDI UDYOG LIMITED.

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2011

	2010-2011 RUPEES	2009-2010 RUPEES
SCHEDULE - 7		
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	3691709	3952882
ADJUSTMENTS FOR :		
Depreciation (Including Impairment)	463411	483827
(Gain)/ Loss on Sales of Fixed Assets (Net)	(25626)	(5068)
(Gain) / Loss On Sales of Investments	(5951)	--
Adjust. Relating to Earlier Year (Net) / Extraordinary Items	(165498)	(1962338)
Interest Paid	123699	54657
Interest Received	(75885)	(20707)
Dividend Received	(312348)	(4100)
Operating Profit Before Working Capital Changes	<u>3693511</u>	<u>2499153</u>
ADJUSTMENTS FOR :		
Trade and Other Receivable	(5305286)	1159090
Inventories	19297202	(3820593)
Trade Payable	(661614)	(5218215)
Cash Generated from Operations	<u>17023813</u>	<u>(5380565)</u>
Interest Paid	(123699)	(54657)
Direct Taxes Refund / (Paid) Net	(587648)	30424
Cash Flow Before Extra Ordinary items	16312466	(5404798)
Extra Ordinary Items	165498	1962338
Net Cash from / (used in) Operating Activities (A)	<u>16477964</u>	<u>(3442460)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(25300)	(331749)
Purchase of Investments	(13779424)	--
Sale of Fixed Assets	110406	7000
Bonus Debentures	--	(1700)
Sale of Investments	6229	--
Interest Received	75885	20707
Dividend Received	312348	4100
Net Cash from / (used in) Investing Activities (B)	<u>(13299856)</u>	<u>(301642)</u>

SINNAR BIDI UDYOG LIMITED.

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2011

	2010-2011 RUPEES	2009-2010 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES		
Repayment of Borrowing	(1500000)	104000
Net Cash from / (used in) Financing Activities (C)	(1500000)	104000
Net Cash Inflow/ (Outflow) (A)+(B)+(C)	1678108	(3640102)
Cash and Cash Equivalents as at 01.04.2010 (Opening Balance) (D)	3751977	7392078
Cash and Cash Equivalents as at 31.03.2011 (Closing Balance) (E)	5430085	3751977
Net Increase / (Decrease) In Cash Cash Equivalents (E) - (D)	1678108	(3640102)

N.L.Patil : Director
M.D.Deshpande : Director
D.P.Devhad : Director

Place : Nashik
Date : 27th May 2011

AUDITORS' CERTIFICATE

I have examined the above Cash Flow Statement of SINNAR BIDI UDYOG LIMITED for the year ended March 31st, 2011. 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 27th May, 2011 to the members of the company.

ANAND S DAGA
Chartered Accountant

Place : Nashik
Date : 27th May 2011.

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

PAREKH MAHAL, 2ND FLOOR, ROOM NO. 62, PLOT NO. 8-9, LADY JAMSHEDJI ROAD,
SAKHARAM KEER MARG, MAHIM, MUMBAI - 400 016

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 37th Annual General Meeting of the Company to be held on Wednesday, the 14th September, 2011, at 1.30 p.m.. and at any adjournment thereof.

Signed this _____ day of _____ 2011)

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.