



*Annual Report*  
2011 - 2012

**CENTENIAL**  
SUSSEX COUNTY DISTRICT



# CENTENIAL SURGICAL SUTURE LTD.

## NOTICE TO MEMBERS

Notice is hereby given that the 17th Annual General Meeting of the members of CENTENIAL SURGICAL SUTURE LTD. will be held on Tuesday SEPTEMBER 18, 2012 at 4.30 p.m. at the Registered Office of the Company situated at F-29, MIDC, Murbad, Thane - 421 401 to transact the following business :

### A. ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts for the year ended March 31, 2012 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Bhushan Limaye - Independent Non Executive Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration. In this connection, to consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution.

"RESOLVED THAT M/s. Vipul N. Shah & Associates, Chartered Accountants registered with the Institute of Chartered Accountants of India vide Firm Registration No. 111547W is hereby re-appointed as a Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of next Annual General Meeting, to audit the accounts of the Company for the financial year 2012-2013, including the Audit of Cash Flow statements, on a remuneration to be mutually decided by Shri Vijay Majrekar, Managing Director of the Company in consultation with the Statutory Auditors of the Company."

### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. The proxies, in order to be effective should be deposited with the Company not less than 48 hours before the time fixed for the commencement of the meeting.
3. Members are requested to notify any changes in their addresses to the Company's registered office.
4. The Register of Members and Share Transfer Register shall remain closed from Tuesday 11<sup>th</sup> September, 2012 to Tuesday the 18<sup>th</sup> September, 2012 (both days inclusive).
5. Members are requested to bring their copy of Annual Report for 2011-2012 to the Annual General Meeting.
6. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
7. Members who are holding shares in identical order or names in more than one folio are requested to write to the Company to enable the Company to consolidation their holdings in one folio.
8. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing companies to dispatch documents to the shareholders through electronic mode. Considering the above theme, your company has decided to send Annual Report through electronic mode. However, if required the copy of the Annual Report shall be provided to the shareholder at the Annual General Meeting.

The members are requested to:

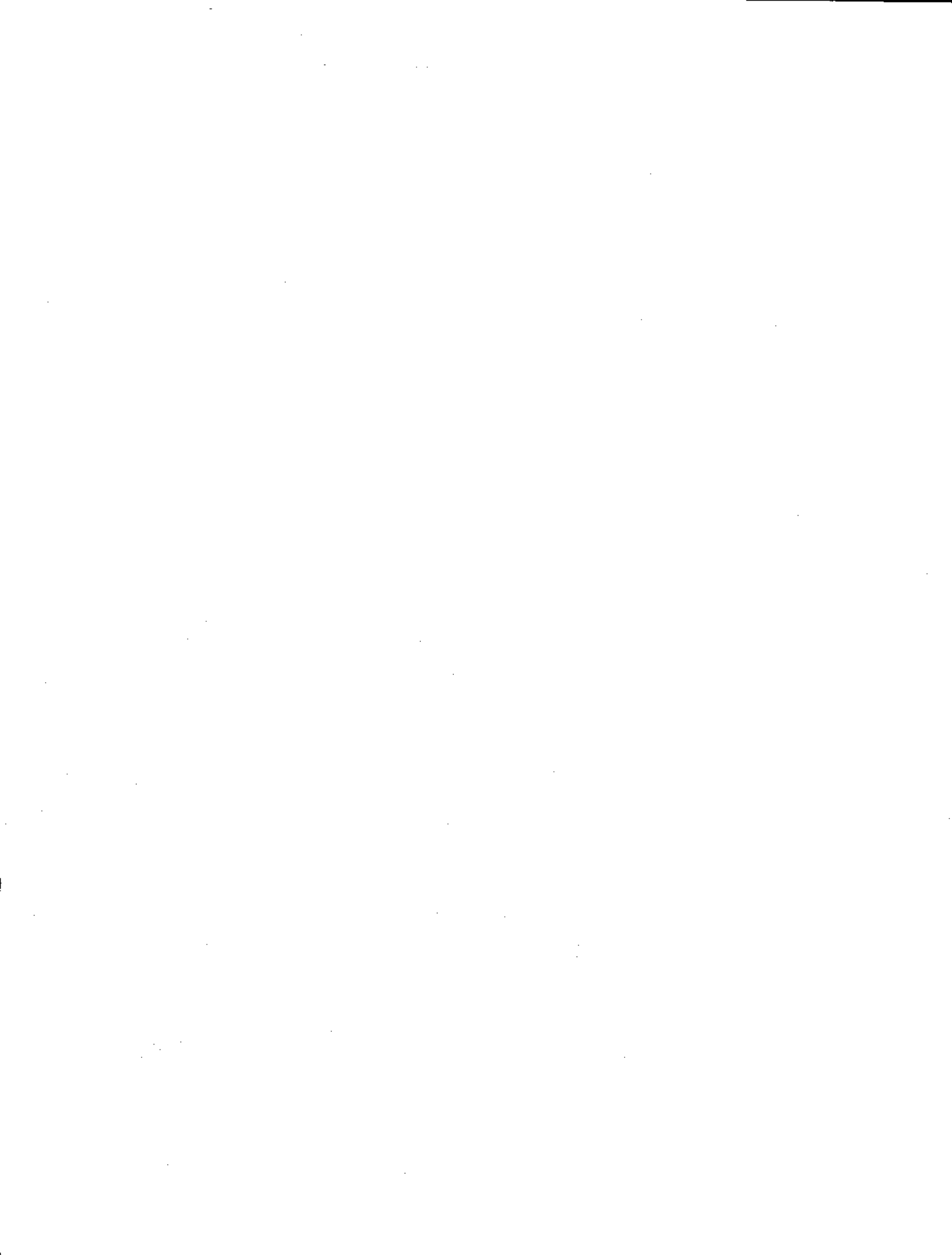
- i. Intimate to the registrars / Company, changes if any, in their registered address at an early date along with the pin code number;
  - ii. Quote Registered Folio / Client ID & DP ID in all their correspondence;
  - iii. Dematerialize the shares held in physical form at the earliest as trading in the Equity Shares of the Company shall be only in dematerialised form for all the investors.
9. **NO GIFTS WILL BE DISTRIBUTED.**

Registered Office :  
F-29, MIDC, Murbad, Thane - 421401.

For and on behalf of the Board of Directors  
CENTENIAL SURGICAL SUTURE LTD.

Murbad, Thane, August 13, 2012

Vijay Majrekar  
Chairman and Managing Director



# CENTENIAL SURGICAL SUTURE LTD.

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### COMPANY INFORMATION

#### BOARD OF DIRECTORS

Vijay Majrekar  
Chairman & Managing Director

Devraj Poojary  
Executive Director

S. H. Jain  
Independent Non Executive Director

B. S. Limaye  
Independent Non Executive Director

S. C. Modi  
Independent Non Executive Director

J. Rathod  
Chief Operating Officer

S. Mhatre  
Chief Financial Officer

#### REGISTERED OFFICE

F-29, MIDC, Murbad, Thane 421401,  
Maharashtra.

#### BANKERS

Canara Bank  
HDFC Bank Ltd.  
State Bank of India  
Gopinath Patil Parsik Jwala Sahakari Bank Ltd.

#### MANUFACTURING FACILITIES & SITE

F-29 : B-17, MIDC, Murbad, Thane 421401,  
Village Dhawale, Ulhasnagar, Thane.

#### WEBSITE

[www.centennialindia.com](http://www.centennialindia.com)

#### AUDITORS

Vipul N. Shah & Associates

#### SHARE REGISTRARS

Purva Sharegistry India Pvt. Ltd.

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#### Forward-looking Information

In this Annual Report we have disclosed forward - looking information to enable investors to comprehend our prospects and take informed investments decisions. This report and other statements - written that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipated', 'estimates', 'expects, projects, intends, plans believes and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should

underlying assumptions prove inaccurate, actual results could vary materially from anticipated, estimated or projected. Readers should bear this in mind.

The information and opinions contained in this report do not constitute an offer to buy any of CENTENIAL Surgical Suture Ltd. securities, businesses, products or services. The report also contains forward-looking statements, qualified in connection with any discussion of future performance, that we believe to be true at the time of the preparation of the report. CENTENIAL Surgical Suture Ltd. does not take on any obligation to publicly update any forward- looking statement, whether as a result of new information, future events or otherwise.

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### DIRECTOR'S REPORT

#### To the Shareholders,

Your Directors have pleasure in presenting the Annual Report together with the audited Accounts for the year ended March 31, 2012.

The financial year 2011 - 2012 under review was unusual and one of the most challenging in memory, marked by a global slowdown, extreme currency volatility, prominent and severe natural disasters - particularly in Japan. The tragic earthquake and tsunami in Japan in March 2011, shows the vulnerability of our company's atraumatic needle supply to external shocks and were severely impacted by the earthquake and tsunami and its after-effects. The Company however, managed to avoid any significant production disruption by working with its reserve inventory and overall supply base to temporarily resource atraumatic needles and help our Japanese suppliers to stabilise production.

#### Financial Performance

Financial Results of the Company's operation for the year under review are as follows:

₹ in Lakhs

For the year ended March 31	2012	2011
Net Profit before Depreciation & Taxation	310.52	385.63
Less : Depreciation	58.76	64.69
Provision for Deferred Taxation	0.00	0.13
Provision for Taxation / Written Off	100.87	112.95
Net Profit/(Loss)	150.89	207.85
Add : Balance from Last Year	896.05	688.20
Prior Period Profit adjustments	0.00	0.00
Less : Appropriation	0.00	0.00
Transfer to Reserves Loss carried to Balance Sheet	1046.94	896.05

The year under review witnessed a lot of challenges with growing competition and changes in surgeons/customers preference. The key challenge was to concurrently lay emphasis on the short term actions to restore market position, substantial product development, marketing efforts and the long term initiatives aimed to grow the fastest growing segments/regions. As you are aware, your Company is pursuing the vision to be in volume business so as to distribute costs more effectively. Views differ on how long this trend of uncertain outlook would continue but the Company is prudently building a measure of flexibility into its plans to meet any eventuality but at the same time is not diluting its product market capability

build up to national player. Further details of operations are given in the management discussion and analysis report, which forms part of this report. During the Financial Year 2012 - 2013, the Company will continue to focus on driving in its established key growth brands and launching new brands in the market. Promoting commercial innovation to bring value to customers in an ethical manner is a priority for the Company. Various innovative marketing methods have been initiated to achieve this goal. In case of surge in demand, the Company has adequate capacity to manufacture sutures required for the business. Further, the company is reviewing the production plan at regular intervals and has the ability to add modules of capacity to short cycle times to meet demand increases. This commercial innovation will continue to remain a focus area for the year 2012 - 2013. The Company will continue to build on the strengths and ever endeavoring to be surgeon centric and your Company is confident to address the opportunities that the new financial year offers and overcome the challenges. Your Company has always placed primacy on quality and technology leadership for growth and believes it will continue to stand them in good stead. In summary, the Company has prepared well for the challenging economic scenario expected in the future, reasonable growth as well as the upcoming competition in the Suture industry. To live up to these responsibilities, now and in the future, the Company is recalibrating business model with a definite and reasonable objective and further sharpen our focus on ways and means to rationalize cost, economies of scale, insulation against raw material price volatility to cater our domestic customers.

CENTENIAL SURGICAL SUTURE LTD., is well known in the suture industry as a manufacturer of superior atraumatic needled surgical sutures. Everything that CENTENIAL SURGICAL SUTURE LTD., manufactures is backed by years of experience. SUTURES bearing the CENTENIAL SURGICAL SUTURE LTD., name are of correct design and superior quality. Each suture is fully guaranteed as to quality and workmanship. Today, in addition to the recognition for excellence achieved in the areas of Cardiovascular Sutures, CENTENIAL SURGICAL SUTURE LTD., also provides a broad range of medical devices manufactured to our traditionally high standards of quality and value. We, at CENTENIAL, remain steadfast in our vision of making CENTENIAL an outstanding global sutures provider and an institution of excellence which operates on the principles of Quality and Ethics ~ a sales & marketing network that leverages learning across geographies the finest sutures ~ all to the ultimate benefit of the patient.

This vision positions CENTENIAL as a leader in an industry where the gap, between demand for Quality sutures and to meet that demand, remains enormous. India

# CENTENIAL SURGICAL SUTURE LTD.

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becoming important market for healthcare increases in parallel with economic growth. CENTENIAL recognises this opportunity and working towards becoming the company of choice for sutures.

The business year 2011 - 2012 has seen your company strengthen its base as it advances closer towards realising its ambitious vision, untiring dedication and commitment. This has been an eventful year with a significant release of numerous codes of antibacterial sutures on the domestic front. A strong presence across India helped CENTENIAL build a solid platform that has positioned us for international growth, in line with the company's strategy to extend its presence globally and meet growth opportunities in alignment with our vision.

At the end of this fiscal, CENTENIAL has emerged even stronger and more prepared for the next year. CENTENIAL's leadership team has demonstrated our capability and strategic intent, and we will continue to explore other growth opportunities in alignment with our vision. We are confident about the future and grateful for the goodwill and support of our Surgeons. We take this opportunity to thank all the surgeons for their continuing support. I am also indebted to the members of the CENTENIAL Board for their guidance and to the employees of the CENTENIAL.

Two of the three pivotal of the Human Development index are Health and Education. This underlines the fact that the growth and development of any country is largely dependent on the state of its health and education dispensing systems and structures. While advancement has been made by INDIA in both these spheres, the potential for improvement still remains immense. Recognising the importance of health in the process of economic and social development and in improving quality of life, the Indian government has launched various schemes. Apart from reforms on the public healthcare front, there are initiatives by the central government which have helped in promoting private participation in the healthcare sector. The government is giving tax incentives to hundred-bed hospital to encourage private players to set up new Greenfield hospital's across India. Your company is engaged in the business of improving and saving lives; it is humbling to think of impact we make each day on the thousand of people that seek our sutures and medical devices for themselves and their loved ones. We clearly have an integral role to play in India's development and a duty to deliver quality SUTURES with a compassionate approach, in a caring environment, to those that need sutures & medical devices.

CENTENIAL, through its various upcoming products will add considerably to its sales in the coming years. SUTURES form the core of CENTENIAL's business approach and this unwavering patient-centric focus that has made our

company preferred choice in the sutures space. CENTENIAL continues to bring in the finest suture and atraumatic needles and explore newer ways of offering the very best suture codes in the suture industry. Your company believes in delivering results by employing the best technology and setting industry benchmark in the process. This, for your company, was just another setup forward in its relentless in its pursuit of the next level of Quality sutures and capability.

While our emphasis remains on growth in the domestic market, we clearly have ambitions of taking the CENTENIAL value proposition. We are convinced that the benefit realized from such platforms are many, including access to a wider talent pool, cost saving on account of economies of scale and an environment of cross-pollination in terms of learning and experience.

The Company will invest in strong operating system, robust processes and talented people, with an unwavering focus on medical excellence and patient-centric healthcare. Our business model builds the strength of our accumulated experience and extensive domain knowledge of the sector. We continue to evolve as we walk the path of ever-improving quality with an eye on delivering reliable, accessible and affordable sutures of a global standard.

The growth story continues at CENTENIAL. Apart from new hospitals, the Company grew in existing facilities as well; by adding new equipments, improving infrastructure and enhancing capability through technology. We take pride in knowing that some of the best Surgeons in INDIA using CENTENIAL sutures. The company has sharpened its focus on quality and building a quality agenda in Indian healthcare. We have achieved cost-saving synergies very rapidly and have implemented several initiatives to improve productivity. These will continue going forward.

Our strategy remains firmly focused on creating new benchmarks in each of the specialties, by innovating new modalities of sutures and offering our customers a unique value proposition. To enable and enhance this process we are strengthening our systems and protocols and investing resources to improve the competencies of our people. We recognise that our brand of sutures delivery is entirely dependent on the standard of service we provide to our surgeons and will focus its energy entirely on enhancing customer experience, has been added to enable the organization to meet and exceed their expectations.

As we move forward we will continue to strengthen the synergy between our distinctive products and the acumen of our marketing personnel. We will back this with strong management principles to deliver on the vision of excellence in patient care that drives us. Your company has the right combination of ambition, innovation and agility to compete and excel in the ever-changing world of modern sutures.

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As we look at the numbers in the current maelstrom, whilst our revenues and profits have been impacted across businesses, in relative terms, measured against the earlier years, we have stood our ground. Without doubt, we are facing our toughest challenge, but we will scale up our core products while providing direction to newer areas of growth. We believe that tough times don't last, tough people do. At a time like this, we constantly remind ourselves our values and beliefs that our collective endeavour as an organisation is to build businesses for the long haul. In the past too, there have been sharp swings in business cycles and there will be more of these in the future, though hopefully not of the magnitude and ferociousness we are seeing today. And each time in the past we have come out of the eye of the storm, we have emerged fitter and stronger and the passion for Innovation is vibrant and urgent.

Our values always guide us, and our history and heritage as a company, in one word, stands for trust, service and high Quality. Our demanding standards of governance have set us apart, even more, now, and in the future. Clearly, investors and employees will appreciate and learn to value differentiation between organisations like ours that are ethical, honest, well-governed and transparent, and others, for whom governance is a platitude. This is a huge strength, built over time into our genetic coding. It will always stand us in good stead. We are focusing on building strong administrative and support functions and have concurrently invested in systems for financial accounting, accurate billing, objective legal system, strong human resources and excellent Quality.

The workforce strength on our payroll is a balanced blend of youth and experience. A common culture flows through the entire company, which values persistence and focus. Our workforce is empowered to handle operations independently as they have a better understanding of the operations and realities. Our company regards learning as an ongoing process, because, it's the industry expertise and skills we possess, that help us in understanding our SURGEON'S better.

Our values always guide us, and our history and heritage as a company, in one word, stands for trust, service and high Quality. Your company will exploit its strengths in cardio and vascular sutures business and exploring growth opportunities. Clearly the way to succeed in this market is through improved processes and enhanced production of the right Quality.

We have a brand name which stands for Quality, Reliability, Commitment and Integrity. The CENTENIAL name is pronounced with great deal of respect, in domestic as well as international markets. It has been created through sheer sincere dedication. This makes us believe that it will be long lasting and something we can build

further on

To further your company's growth, the Cardio Vascular products is being given additional impetus. New production lines have been established to increase the production substantially in the coming years. The management of your company is planning to increase the market share of Cardio Vascular products business. Confidence in our products will further accelerate the success rate in the coming years. Considering the challenging business environment your Company's performance can be termed as satisfactory.

### Operations

The Company registered sales of Rs.5247.98 lakhs in the financial year ended March 31, 2012, clocking a growth of 445% over the corresponding 12 months period ended March 31, 2011. The results for the year show net profit after tax of Rs.150.89 lakhs as compared to the net profit after tax of Rs.207.85 lakhs. The earnings per share decreased from Rs.5.70 in 2010 - 2011 to Rs.4.14 in the year under review. The Company's profitability declined besides other expenses being higher, due to extreme currency volatility, high inventory costs, higher selling overheads, rising staff/labour costs and rising material/interest/finance costs. To mitigate any risks due to material cost increase, the company continues to work on material cost optimization through deep dives, value production and alternative sourcing to sustain profitability to the extent feasible.

Many established surgeons have tried our products and started using them continuously and the trends are encouraging. The technical functioning of our plant as indicated by the above-mentioned results, the capacity utilisation's was quite satisfactory and production levels were selectively improved as required.

As a measure of performance which aims to deliver a better deal to all the stakeholders of the company, be it customers, employees, shareholders, the community and the environment. Our customers have never wavered in their unanimous opinion of our capability and our commitment to serve them. A strong and satisfied client base is more than borne out by the fact that we still continue to draw 80% of our business from repeat customers.

The passion for innovation is vibrant and urgent. It also gives us happiness that SURGEON'S have reposed faith in our ability to make a difference. We have a brand name, which stands for reliability, commitment and SAFETY. The CENTENIAL name is pronounced with great deal of respect, in the domestic market. It has been created through sheer dedication. This makes us believe that it will be long lasting and something we can build further on. The quality of management and the professionals of the company is the true reputation builder of the company. More than 95% of the current workforce has grown with



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us, with some clocking more than ten years. They realize the value of success and the hard work required to sustain this success. They have been an important part of the journey of creating value leadership. We think our spirit and our resolve are something, which cannot be replicated. This indeed is a defining value.

### ISO 9001 : 2008 Certification

Your company is ISO 9001 : 2008 certified. The stringent ISO 9001 : 2008 system means effective control over every step to achieve true quality assurance for our products.

### Research and Development

Your Company strongly believes that sustained growth in this suture industry can be achieved through continuous pursuit for innovation. Maintaining World Class Quality Standards is an obsession with top management that percolates to every level, making CENTENIAL facilities and products a landmark. Everyday Surgeon's expectations continually increase. The Company's research & development activities continue to be directed towards upgradation of technology and development of new product codes and packaging lines. Your company's commitment is to meet and exceed those expectations.

### People and Safety

Your Company believes the most valuable asset of every company is its human resource. CENTENIAL values all our employees and makes effort through Quality of work life to help their growth. Your Company has always placed emphasis on our people and safety at workplace. Industrial relations in the company were cordial throughout the business year under review. This year's results were possible due to the excellent individual and team efforts of our employees. The Board of Directors take this opportunity to thank them for their efforts and for those that will come this business year. The Board of Directors wish to place on record their sincere appreciation for the continued support and excellent work of all the employees.

### Dividend

Your Directors after careful consideration of the financial accounts of the company have not recommended any dividend to the equity shareholders of the company. While placing on record their deep concern, the Directors decided that in view of the inadequate profits it would not be possible to declare dividend as there was a need to conserve the profits for better financial health and need for working capital to the company.

### Preferential Issue

Extraordinary General Meeting of the members was held on Saturday, the 18<sup>th</sup> day of January, 2012, at 4.30 p.m., at the Registered Office: F-29, MIDC, Murbad, Thane 421401 to increase the present Authorised Capital of ₹ 7,50,00,000/- divided into 75,00,000 Equity Shares of ₹ 10/- each and in

order to meet eventualities such as augmenting resources, issue of shares etc., it was proposed to increase the Authorised Capital to ₹ 9,00,00,000/- divided into 90,00,000 Equity Shares of ₹ 10/- each. The same was proposed to pay unsecured loans by issuing preferential allotment in the future date to allot 23,33,333 Equity Shares ₹ 10.00 (₹ Ten only) each at a premium of ₹ 2.00 each aggregating to an issue price of ₹ 12.00 each at cash to promoter - 250000 and 2083333 to body corporate. The object of the issue of the equity shares by way of the proposed preferential offer was to convert the unsecured loans to equity shares of the company as it was considered more feasible rather than borrowing from banks and other sources for repayment of the unsecured loans, which are attributed to hefty interest payment. Also the financing of unsecured loans from the preferential issue will directly benefit the working capital needs of the Company for the growth of the Company. Therefore, it was proposed to raise an amount not exceeding ₹ 3,16,20,000 (₹ Three Crores Sixteen Lakhs Twenty Thousand Only) by issue of 26,35,000 Equity shares of ₹ 10.00 (₹ Ten only) each at price of ₹ 12.00 (₹ Twelve only) per share, through preferential allotment of Convertible Warrants with the approval of the Shareholders by way of Special Resolution & the proposal was placed for approval. The above resolutions were not approved by the shareholder's & hence the proposal to increase authorized capital and allot equity shares to convert the unsecured loans and to raise long term resources, to strengthen the financial position and net worth and for general corporate purposes, and taking into consideration, the performance and positive outlook of the company, as well as the strategy and growth plan, and in order to conserve the valuable funds of the company and to augment the working capital of the Company remained unresolved.

### Directors

During the year, Shri B. S. Limaye, Independent Non Executive Director of the Company is retiring by rotation and being eligible offers himself for re-appointment.

### Directors Responsibility Statement

Pursuant to sub-section (2AA) of section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- i). in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii). the Company has in the selection of accounting policies, consulted the Statutory Auditors and these have been consistently, and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the Profit of the Company for the year ended on that date.
- iii). the Company has taken proper and sufficient care for the maintenance of adequate accounting records in

# CENTENIAL SURGICAL SUTURE LTD.

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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.

- (iv). the annual accounts have been prepared on a "going concern" basis.

### Deposits

The Company has not accepted any deposits under section 58A of the Company's Act, 1956 during the year

### Particulars of employees

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended, the name and other particulars of the employee are set out in the annexure to the Directors Report.

### Corporate Governance Code

A separate report on Corporate Governance is enclosed as a part of this Annual Report. Certificate of Messrs Vipul N. Shah & Associates, regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with stock exchange is enclosed herewith.

### Compliance Certificate

Compliance Certificate as required under section 383A of the Companies Act, 1956 prepared and issued by Messrs HS Associates, Company Secretaries in Practice, is annexed hereto.

### Conservation of energy, technology absorption, foreign exchange earning and out goings

Conservation of energy continues to be a priority area for the Company and efforts are directed to reduce energy costs. Information required under Section 217 (1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, is given in the annexure to this report.

### Environment and safety

The Company accords the highest priority for maintaining safety standards and a pollution-free environment.

### Subsidiaries

Since the Company has no subsidiaries, Section 212 of the Companies Act, 1956 does not apply.

### Auditors

Messrs Vipul N. Shah & Associates, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting. The Company has received a certificate from

Messrs Vipul N. Shah & Associates, Chartered Accountants, Auditors, proposed to be re-appointed, to the effect that their reappointment, if made, would be in conformity with the limits specified under the provisions of section 224 (1B) of the companies Act, 1956.

### Acknowledgment

We would like to thank you for the support and faith you have shown in us, and look forward to a fruitful relationship for years to come. We would like to thank all the stakeholders for their trust and support. I am also thankful to the members of the Board for their insight and guidance. I would also like to extend a special thank you to all the members of the management team and employees who contributed each day to the success of our company. Your Directors also place on record their deep sense of appreciation for the services rendered by the employees of the company.

for and on behalf of the Board of Directors  
CENTENIAL SURGICAL SUTURE LTD.

Mumbai  
August 13, 2012

Vijay Majrekar  
Chairman & Managing Director

### ANNEXURE TO DIRECTORS' REPORT

Information under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended on March 31, 2012.

#### A. Conservation of energy

The Company continues to explore measures, which will help in conservation and saving of energy.

		2011 - 2012	2010 - 2011
1).	Electricity Consumption		
a)	Purchased units	2,30,242	2,24,493
	Total Amount (₹ in Lakhs)	16.30	14.10
	Rate/unit	₹ 7.08	₹ 6.28
	Consumption per unit of production	N.A.	N.A.
b).	Own Generation		
	Through Diesel Generator :		
	Units	3,500	3,380
	Total Amount (₹ in Lakhs)	0.89	0.33
	Cost/Unit	₹ 25.42	₹ 9.92
	Consumption per unit of production	N.A.	N.A.
2).	Furnance Oil	N.A.	N.A.
3).	Coal (specify quality)	N.A.	N.A.
4).	Others (specify)	N.A.	N.A.

### B. Technology absorption

Efforts made in technology absorption as per Form B of the Annexure:

#### Form B

Form for disclosure of particulars with respect to absorption of technology.

#### Research and development (R & D)

1. Specific areas in which Reserch & Development (R & D) is being carried out by the Company :  
In-house Reserch and Development work is carried out to develop new products and to improve existing products.
2. Benefits derived as a result of the above R&D :  
Improvement in products.
3. Future plan of action:  
The Company will carry on R & D activities to improve existing products and develop new products.
4. Expenditure on R&D :  
No Significant expenditure is incurred.

#### Technology absorption and adaptation

Your Company continuous to focus on research and development activities towards the upgradation of technology, development, testing and certification of atraumatic needles and sutures for conformity to new Indian / International standards and exclusive export market. The Company has installed new machinery designed to its special requirements and has been able to save in cost of production and also manufacture products to various surgeons specifications. Besides development work for several new product codes for exports has been undertaken. Emphasis on new product codes development and process improvement will continue to be the priority areas of our research and development activity, enhancement in quality and service to our customer.

### C. Foreign exchange earnings and outgo

During the year foreign exchange outgo was ₹ 912.99 lakhs (Previous Year ₹ 773.65 lakhs). The foreign exchange earned during the year was ₹ 93.15 lakhs (Previous Year ₹ 140.64 lakhs). The Company has not imported any technology.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and Indian Generally Accepted Accounting Principles (Indian GAAP). In the adoption of the accounting standards there are no material departures from the prescribed Indian accounting standards. Your Company's management believes that it has been objective & prudent in making estimates and judgements relating to the financial statements & believes that these financial statements are a fair representation of your Company's operations and profits for the year.

### Overview

The Company registered sales of ₹ 5247.98 lakhs in the financial year ended March 31, 2012, clocking a growth of 4.45% over the corresponding 12 months period ended March 31, 2011. The results for the year show net profit after tax of ₹ 150.89 lakhs as compared to the net profit after tax of ₹ 207.85 lakhs. The earnings per share decreased from ₹ 5.70 in 2010 - 2011 to ₹ 4.14 in the year under review. Many established surgeons have tried our products & started using them continuously and the trends are encouraging. The technical functioning of our plant as indicated by the above-mentioned results, the capacity utilisation's was quite satisfactory and production levels were selectively improved as required. In summary the sharp focus on demand generation for key products, procurement & manufacturing efficiencies, tight control on expenses have been enhanced for the current financial year.

### Quality

Your Company has been consistently meeting the quality objectives of ISO 9001 : 2008 Certification.

### Research and Development

The Company has achieved the following through Research and Development:

- Development of new value added products.
- Process improvements resulting in better yields and further improvement in quality of products.

### Energy Conservation

Regular studies are carried out to ascertain the quantitative energy consumption patterns, variances are analysed and corrective actions taken. The Company is continuously working towards further improvements in energy consumption levels.

### Health, Safety and Environment

During the period under review, medical check up of all regular employees has been carried out. All requirements pertaining to pollution control, environmental protection

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

and safety have been complied with. Employees have been trained to observe the guidelines relating to safety, health and environment.

### Company's Philosophy on Code of Governance

Philosophy of your Company on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and all its interactions with its stakeholders, including shareholders, employees and the government. Your Company is committed to achieving the highest international standards of corporate governance. Your Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

### Opportunities and Threats

The surgical industry depends largely on new surgical applications and surgeries. In the last few years, the increase in the allocation of funds for such purposes have been on the increase and as such the opportunity of growth in surgical items is unlimited. However, there exists untapped potential in the nursing home sector. The Company has arrangement / understanding with various distribution market and sell various items which are required in the nursing home market.

### Product Performance

The overall growth of business in the country has not been upto the desired levels because of restricted funding. The range of products has been steadily growing since 2005. The Company has consolidated its position in cardiovascular sutures segment & further consolidation is expected in 2012 - 2013. With the introduction of new suture ranges particularly CENTISORB PLUS Antibacterial / Antimicrobial Sutures, the sales has been growing steadily. However, in view of unrestricted imports, competition, sales & profitability of the Company has been affected.

### Outlook

During the current financial year there has been an improvement in the market conditions resulting in an increase in despatches and satisfactory sales price realisations. It is expected that this trend will continue. Further the growth rate of the Indian economy has been projected and your Company is also likely to benefit from this economic growth. Also due to increase in the production capacity there would be improvement in the profits of the Company in the coming years.

### Risks and Concerns

Your company has from its inception been conscious and has regularly evaluated the risks and threats that control it and converted these threats into opportunities to its best advantage. The management believes that your

Company's business is subject to a number of risks. Your company has developed its business plan based on its view of the evolving regulatory framework. Many of the components of the regulatory regime are established or articulated by the relevant regulatory authorities, including Food and Drug Administration. In the event that the assumptions used in the business plan are different from the existing regulations, there would be an impact on your Company's business. Risks are quantified in monetary terms for the loss that the company would suffer, to make every associate conscious of the impact of a risk. The Risk Management in your company has been functioning effectively and has been contributing to the mitigation of the risks that would have otherwise impacted our company.

### Adequacy of Internal Controls

Your Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly.

### Material Development in Human Resources & Industrial Relation

Industrial relations at the plant of the Company remained cordial during the year under review 2011 - 2012.

### Corporate Governance

Your Company conforms to norms of Corporate Governance adopted by them. As a Listed Company, necessary measures are taken to comply with the Listing Agreements with the Stock Exchanges. A report on Corporate Governance, along with a certificate of compliance from the Auditors, forms a part of this Report.

### Cautionary Note

The statements in the report of the Board of Directors and the Management Discussion and Analysis section describing the Company's projections, estimates, expectations or predictions may be forward-looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors' envisage in terms of future performance and outlook since the Company's operations are influenced by many external and internal factors beyond the control of the Company.

for and on behalf of the Board of Directors  
**CENTENIAL SURGICAL SUTURE LTD.**

Mumbai  
August 13, 2012

Vijay Majrekar  
Chairman & Managing Director

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### CORPORATE GOVERNANCE REPORT FOR THE YEAR 2011 - 2012

(Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchange)

The following is the report on the Corporate Governance Code as implemented by your Company.

#### Mandatory Requirements

##### Company's Philosophy on Corporate Governance :

The company's philosophy on Corporate Governance is to practice transparency & accountability in its operations leading to effective control & management of the organization. It brings into focus the fiduciary & the trusteeship role of the Board to align & direct the actions of the organization towards creating wealth & shareholder value. This philosophy is backed by principles of concern, commitment, ethics, excellence & learning in all its acts & relationships with stakeholders, customers, associates & community at large which has always propelled the company towards higher horizons. We believe in the principles of trusteeship, fair play & transparency in all our dealings. We endeavor to have a work culture, which is performance driven and conducive to improving discipline, accountability, depth of character, team spirit & honesty in all our personal and professional relationships. We also believe that mutual care & concern among the employees & the organization shall be a guiding principle.

#### Corporate Ethics

As a responsible corporate the Company consciously follows corporate ethics in both business & corporate interactions. The various Codes & Policies adopted by the Company, act as a guiding principle to its functioning. Some of our Codes and Policies are :

- Code of Conduct and Ethics for Senior Management
- Code of Conduct for Prevention of Insider Trading
- Policy of Corporate Social Responsibility
- Policy of Corporate Governance
- Legal Compliance Policy
- Whistle Blowers Policy
- Policy on Vendor's Grievances
- Policy on Supply Chain
- Policy on Succession Planning
- Policy on Employee Participation in Management
- Policy on Conflict Management
- Policy on Training for Board of Directors
- Policy on Induction of Directors
- Board Charter

These Codes / Policies & their effective implementation underpin the commitment of the company to uphold highest principles of Corporate Governance consistent with the Company's goal to enhance stakeholder value. These Codes / Policies have been briefly described in the Report.

#### Date of Report

The information provided in the Corporate Governance Report for the purpose of unanimity is as on March 31,

2012. The report is updated as on the date of the report wherever applicable.

#### Review of Legal Compliance Reports

The Board periodically reviews during the year the compliance reports in respect of the various statutory enactments applicable to the Company.

#### Clause 49 of the Listing Agreement

Your Company is fully compliant with applicable mandatory requirements of Clause 49 of the Listing Agreement. The table shows the Compliance Report Status

Particulars	Clause	Compliance Status
<b>I. Board of Directors</b>	49 I	Yes
A) Composition of Board	49(IA)	Yes
B) Non-executive Directors' compensation & disclosures	49(IB)	Yes
C) Other provisions as to Board & Committees	49 (IC)	Yes
D) Code of Conduct	49 (ID)	Yes
<b>II. Audit Committee</b>	49 (If)	Yes
A) Qualified & Independent Audit Committee	49 (IIA)	Yes
B) Meeting of Audit Committee	49 (IIB)	Yes
C) Powers of Audit Committee	49 (IIC)	Yes
D) Role of Audit Committee	49 (IID)	Yes
E) Review of Information by Audit Committee	49 (IIE)	Yes
<b>III. Subsidiary Companies</b>	49 (III)	N.A.
<b>IV. Disclosures</b>	49 (IV)	Yes
A) Basis of related party transactions	49 (IVA)	N.A.
B) Board Disclosures	49 (IV B)	Yes
C) Proceeds from Public Issues, Right issues & preferential Issues.	49 (IV C)	N.A.
D) Remuneration of Directors.	49 (IV D)	Yes
E) Management	49 (IV E)	Yes
F) Shareholders	49 (IV F)	Yes
<b>V. CEO/CFO Certification</b>	49 (V)	Yes
<b>VI. Report on Corporate</b>	49 (VI)	Yes
<b>VII Compliance</b>	49 (VII)	Yes

#### Other Compliance

##### Secretarial Standards of Institute of Company Secretaries of India (ICSI)

The Company has been following good secretarial practices & standards as laid down in the Secretarial Standards issued by the Institute of Company Secretaries of India, New Delhi, except in relation to compliance of Secretarial Standard - 2, clause 1.2.6, which provides for listed companies with more than 5000 shareholders to publish in a newspaper having wide circulation within the States of India, where more than 1000 members reside

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

an abridged text of the Notice, listing the items of the business of the meeting.

### Secretarial Compliance Report

The company has voluntarily subjected itself to Secretarial Audit & obtained Secretarial Compliance Report from Practising Company Secretary of the Institute of Company Secretaries of India, for the financial year ended March 31, 2012 confirming the compliance of the applicable provisions of various corporate laws.

### Board of Directors

#### Composition

Your Company's Board comprises of 5 (Five) Directors, which include the Managing Director, Executive Director and 3 (Three) Independent Non Executive Directors, from eminent fields. The composition of the Board is in conformity with Clause 49 of the listing agreement. The details of the Directors with regard to outside Directorships and committee positions are as follows :

Name of Director	Executive / Non-Executive / Independent	No. of outside directorship(s) held		No. of committee position(s) held	
		Public	Private	Chairman	Member
Shri Vijay Majrekar	Chairman and Managing Director	-	-	-	-
Shri Devraj Poojary	Executive Director	-	-	-	-
Shri S. H. Jain	Independent	-	1	-	-
Shri B. S. Limaye	Independent	-	1	-	-
Shri S. C. Modi	Independent	-	1	-	-

1. Independent Director means a Director as defined under Clause 49 of the Listing Agreement.
2. Excluding alternate directorships and directorships in foreign companies and Companies under Section 25 of the Companies Act, 1956.
3. Only two committees viz. the Audit Committee and the Shareholder / Investor Grievance Committee of all public limited companies are considered.
4. No Director is related to any other Director on the Board.

### Non-Executive Directors' compensation and disclosures

Apart from sitting fees that are paid to the Independent Non-Executive Directors (except the Managing Director) for attending Board / Committee meetings, no other fees / commission were paid during the year. No transactions have been made with the Independent Non-Executive Directors vis-à-vis your Company. The details of sitting fees paid to the Directors are given separately in this report.

### Other provisions as to Board and Committees

The Board meets at least once a quarter to review the quarterly financial results and operations of your Company. In addition to the above, the Board also meets as and when necessary to address specific issues relating to the business of your Company.

During the year under review, the Board met 05 (Five) times. The number of Board meetings held, dates on which held and number of Directors present are as follows:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1.	May 14, 2011	5	5
2.	August 12, 2011	5	5
3.	November 14, 2011	5	5
4.	December 19, 2011	5	5
5.	February 14, 2012	5	5

Your Company's Board plays a pivotal role in ensuring good governance and functioning of your Company. The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board.

The Board has unfettered and complete access to any information within your Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the meeting with the permission of the Chairman. The Board provides direction and exercises appropriate control to ensure that your Company is managed in a manner that fulfils stake holder's aspirations and societal expectations.

The information placed before the Board includes:

- Annual operating plans, various budgets and updates thereof.
- Quarterly financial results.
- Minutes of meetings of Audit Committee and other committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- Risk Management policies of your Company.

The details of attendance of each Director at the Board meetings & the last Annual General Meeting are as follows:

# CENTENIAL SURGICAL SUTURE LTD.

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Name of Director	No. of Board meetings held		Attended last Annual General meeting #
	Held	Attended	
Shri Vijay Majrekar	5	5	Yes
Shri Devraj Poojary	5	5	Yes
Shri S. H. Jain	5	5	Yes
Shri B. S. Limaye	5	5	Yes
Shri S. C. Modi	5	5	Yes

# Annual General Meeting (AGM) held on September 27, 2011 at F-29, MIDC, Murbad, Thane - 421401, Maharashtra.

Details of Directors Seeking Appointment / Reappointment at the Forthcoming Annual General Meeting (pursuant to clause 49 VI (IA) of the Listing Agreement)

Name of Director	Shri B. S. Limaye
Date of Birth	28-12-1960
Date of Appointment	01-03-2002
Age	51
Qualification	B.Com., F.C.A.
Expertise in specific general functional area	Finance, Insurance & Accounts
Directorship in other Indian Public Limited Company & other firms as on 31.03.2012	NIL
Chairman/Member of the Board Committees of Other Public Limited Companies	NIL
No. of Shares held	100

Centenial Surgical Suture Ltd., Board presently consist of Promoter and Non-Executive/Independent Directors, many of whom are acknowledged as leading professionals in their respective fields. The Board comprises of total 05 (Five) Directors out of which 01 (One) is a Promoter Managing Director, 01 (One) Executive Director and the remaining 03 (Three) Directors are Independent Non-Executive Directors.

*An Independent Director is a Director who apart from receiving director's fees does not have any material pecuniary relationship or transactions with the Company, its promoters or its management or its subsidiaries, which in the judgment of the Board may affect their independence of judgment.*

### Retirement Policy of the Directors

The company does not have a retirement policy for the members of the Board of Directors of the company.

### Responsibilities of the Directors

#### Responsibilities of the Board

The primary role of the Board is that of trusteeship to protect & enhance shareholders' value. As trustee, the Board ensures that the company has clear goals & policies for achievement. The Board oversees the company's strategic direction, reviews corporate performance, authorizes & monitors strategic decision, ensures regulatory compliance & safeguards interests of stakeholders.

#### Responsibilities of the Chairman and Managing Director

The Board of Directors at their Meeting held on April 29, 2009 delegated the powers to Shri Vijay Majrekar, Chairman and Managing Director to enable him carry out the day-to-day operations of the company. The powers encompass all areas such as finance, personnel, legal, general and other miscellaneous powers.

#### Responsibilities of Other Executive Directors

Shri Devraj Poojary, Executive Director is in charge of the Sales operations of the Company, which includes all India Sales & Marketing operations and export market development. He is also responsible for the Company's forays into new products.

#### Code of Conduct and Ethics

The Company adopted the Code of Conduct and Ethics for Directors and senior management personnel. The Code has been circulated to all the members of the Board and senior management and the same has been put on the Company's website [www.centennialindia.com](http://www.centennialindia.com)

The Board of Directors and senior managerial personnel have affirmed their compliance with the Code and a declaration along with certificate of compliance appears in the annexure to the Corporate Governance Report.

#### Audit Committee

Pursuant to the provisions of Section 292(A) of the Companies Act, 1956 and Clause 49 of the Listing Agreement the Audit Committee was formed. The said Committee consists of 03 (Three) Independent Non Executive Directors and one Promoter Director. During the year there were in total 04 (Four) Audit Committee Meetings held on May 14, 2011, August 12, 2011, November 14, 2011 and February 14, 2012. The time gap between the two meetings was not more than 4 months.

The constitution of the Audit Committee & the attendance of each member of the Committee are given below:

Name	Designation	Committee Meetings	
		Held	Attended
Shri B. S. Limaye	Chairman	4	4
Shri S. H. Jain	Member	4	4
Shri Vijay Majrekar	Member	4	4
Shri S. C. Modi	Member	4	4

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The terms of reference of the Audit Committee include the following

To hold periodic discussions with the Statutory Auditors & Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit & observations of the Auditors / Internal Auditors;

- (a) To review compliance with internal control systems;
- (b) To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- (c) To investigate into any matter in relation to items specified in section 292A of the Companies Act, 1956 OR as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice, if necessary;
- (d) To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit Report.

### Terms of Reference

The terms of reference of this Committee are wide enough covering the matters specified for audit committees under Clause 49 of the Listing Agreements as well as in Section 292A of the Companies Act, 1956, and are as follows:

- (a) to review the results announcement and the report and accounts/review at the end of a quarter, half year and the full year before submission to the Board, focusing particularly on:
  - I. any changes in accounting policies & practices
  - II. major judgmental areas
  - III. significant adjustments resulting from the audit
  - IV. the going concern assumption
  - V. compliance with accepted accounting standards
  - VI. compliance with stock exchange & legal requirements;
- (b) to consider the appointment of the statutory auditors, the audit fee, & any matters of resignation or dismissal;
- (c) to discuss with the statutory auditor before the audit commences the nature and scope of the audit;
- (d) to discuss problems and reservations arising from the statutory audit, and any matters the statutory auditor may wish to discuss (in the absence of management where necessary);
- (e) to review the statutory auditor's audit reports and presentations and management's response;
- (f) to review the effectiveness of the system of internal financial control and discuss the same periodically with the statutory auditors, prior to the Board making its statement thereon;
- (g) to review the internal audit programme, to ensure co-ordination between the internal and statutory auditors, to ensure that the internal audit function is adequately resourced & has appropriate standing

within the Company, and to request internal audit to undertake specific audit projects, having informed management of their intentions;

- (h) to consider the major findings of internal investigations and management's response;
- (i) to consider any material breaches or exposure to breaches of regulatory requirements or of ethical codes of practice to which the Company subscribes, or of any related codes, policies and procedures, which could have a material effect on the financial position or contingent liabilities of the Company;
- (j) to review policies and procedures with respect to Directors' and officers' expense accounts, including their use of corporate assets, & consider the results of any review of these areas by the internal auditors or the statutory auditors;
- (k) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
- (l) to consider other topics, as defined by the Board.

### Remuneration Committee

Pursuant to the provisions of section 292(A) of the Companies Act, 1956 & clause 49 of the listing agreement, a remuneration Committee comprising of 3 (Three) Directors out of which 2 (two) Directors are Independent Non Executive Directors. During the year there was in total 01 (One) Remuneration Committee Meeting held on August 12, 2011. The constitution of the Remuneration Committee & the attendance of each member of the Committee are given below:

Name	Designation	Committee Meetings	
		Held	Attended
Shri B. S. Limaye	Chairman	1	1
Shri S. H. Jain	Member	1	1
Shri Vijay Majrekar upto October 31, 2011	Member	1	1
Shri S. C. Modi w.e.f. October 31, 2011	Member	-	-

### Disclosure on Remuneration of Directors

1. All elements of remuneration package of individual Directors summarized under major groups, such as salary benefits, commission, etc. - All these managerial persons are drawing only remuneration, commission, the details of the same are mentioned elsewhere in this report in detail.
2. Details of fixed component and performance linked incentives, along with the performance criteria - NIL
3. Service contracts, notice period, severance fees - NIL
4. Stock option details, if any - and whether issued at a discount as well as the period over which accrued and over which exercisable - NIL



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### Remuneration of Directors

Details of remuneration paid / payable to Directors for the year ended March 31, 2012 are as follows :

Director	Relationship with other Directors	Business relationship with CSSL	Loan & Advance from CSSL	Sitting Fees	Salary & Perquisites	Commission
Vijay Majrekar	None	MD, Executive	NIL	NIL	₹57.00 Lakhs	₹3.21 Lakhs
Devraj Poojary	None	Executive Director	NIL	NIL	₹3.00 Lakhs	NIL
B. S. Limaye	None	None	NIL	₹2500	NIL	NIL
S. H. Jain	None	None	NIL	₹2500	NIL	NIL
S. C. Modi	None	None	NIL	₹2500	NIL	NIL

All the Executive Directors are drawing remuneration as per agreement / terms of appointment finalised with them. The Company did not have any remuneration policy as such.

Following is the list of Non Executive Directors and their Shareholdings in the Company :

Name	No. of Equity Share	Non convertible Instruments
Shri B. S. Limaye	100	NIL
Shri S. H. Jain	100	NIL
Shri S. C. Modi	100	NIL

### Share Transfers and Shareholders / Investors Grievance Committee

A "Share Transfers and Shareholders / Investors Grievance Committee" has been constituted at the Board level, under the Chairmanship of a Non-Executive Independent Director to look into shareholders and investors grievances.

Following are the members of the Committee.

1. Shri B. S. Limaye - Chairman & Independent Non Executive Director
2. Shri S. H. Jain - Member & Independent Non Executive Director
3. Shri Vijay Majrekar - Member & Managing Director
4. Shri H. Iyappan - Compliance Officer

### Role

The Committee looks into:

- issues relating to share holders including transfer/ transmission of shares;
- issue of duplicate share certificates;
- non-receipt of annual report;
- non-receipt of share certificate after transfers;
- delay in transfer of shares;

- oversees performance of the Registrar & Transfer Agent;
- any other complaints of shareholders.

The Board of Directors have delegated the power to Shri H. Iyappan to approve the transfer and transmission of shares, & also to approve subdivision, consolidation & replacement of share certificates of the Company. The Company has also adopted a code of internal procedure & conduct for prevention of insider trading in the shares of the Company, pursuant to the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2002. The Board has designated Shri H. Iyappan, as the Compliance Officer & authorised the Committee to monitor the compliances as required under the aforesaid regulations.

The attendance at the Shareholders / Investors Grievance Committee Meeting was as under :

Name	Designation	Committee Meetings	
		Held	Attended
Shri B. S. Limaye	Chairman	4	4
Shri S. H. Jain	Member	4	4
Shri Vijay Majrekar	Member	4	4
Shri S. C. Modi	Member	2	2
Shri H. Iyappan	Member	4	4

**Number of shareholders' complaints received so far / number not solved to the satisfaction of shareholders / number of pending complaints**

Details of complaints received, number of shares transferred during the year, time taken for effecting these transfers and the number of share transfers pending are furnished in the "General Shareholder Information" section of this Annual Report.

**Details of non-compliance by your Company, penalties, strictures imposed on your Company by Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority, on any matter relating to capital markets, during the year.**

There has been no instance of non-compliance by your Company on any matter related to capital markets during the year under review and hence no strictures / penalties have been imposed in your Company by the stock exchanges or the Securities and Exchange Board of India (SEBI) or any statutory authority.

### Investors Relationship

All complaints / requests received from shareholders during the year under review were resolved. No complaint / request was pending un-redressed as on March 31, 2012.

### Green Initiative in Corporate Governance

As per the Companies Act, 1956, the Company is required to send Notices / documents including Annual Report

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

comprising of Balance Sheet, Profit and Loss Account, Directors' Report, Auditors' Report etc. to all its members physically. Hitherto these documents were being sent to your address registered with Depositories which is provided to the Company by them.

The Ministry of Corporate Affairs has taken welcome steps permitting companies to send the above referred documents through Electronic mode. The same has the following advantages:

- Quick and direct receipt of documents.
- Saving of paper & consequent improvement in environment.
- Avoidance of delay in receipt of communications and loss of documents in transit.

In view of the benefits, we appeal to you to update your Email ID with your Depository Participant (DP) immediately. The aforesaid Notices / documents will also be made available on our website, <http://www.centenialindia.com/Corporates>. Physical copies of the notices / documents including Annual Reports will be available for inspection during office hours on working days at the Registered Office of the Company.

In case you desire to receive only physical copies of above documents, kindly write to our Register & Transfer Agents : M/s. Purva Sharegistry (India) Pvt. Ltd. Corporate & Administrative Office : Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus, Lower Parel (E), Mumbai - 400 011. Else, kindly email to our Register & Transfer Agents at [purvashr@mtnl.net.in](mailto:purvashr@mtnl.net.in) by quoting "SEEK PHYSICAL COPIES" in the subject of the mail and also by quoting your DP ID / Client ID to enable the Company to send the physical copy by Post to you.

We also request you to check your bank details by obtaining client master advice from your DP & ensure that your Core Banking System Bank Account Number, MICR Code, IFSC Code etc., are correctly updated by your DP. We seek your cooperation in implementing the "GREEN INITIATIVE" of Ministry of Corporate Affairs, Government of India, New Delhi.

### General Body Meetings

The location and time of the Annual General Meetings held during the last 3 years is as follows:

Year	Location	Date	Time
2009	F-29, MIDC, Murbad,	29/09/2009	3.30 p.m.
2010	Thane 421401,	27/09/2010	3.30 p.m.
2011	Maharashtra.	27/09/2011	4.30 p.m.

The special resolutions were passed on show of hands. Presently, the Company does not have proposal for postal ballot.

### Stakeholders

#### Dissemination of Information

The company has established systems and procedures to disseminate relevant information to its stakeholders including shareholders, auditors, suppliers, customers, employees and financiers. The primary source of information regarding the operations of the company, including the quarterly results can be viewed on the company's website [www.centenialindia.com](http://www.centenialindia.com). The quarterly and annual results of the company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors and published in widely circulated English and in vernacular newspapers.

#### Shareholders

- Details of the Directors seeking re-appointment/ appointment at the ensuing Annual General Meeting [AGM] are provided in the Notice convening the AGM.
- Press Releases and financial results are made available on the website of your Company ([www.centenialindia.com](http://www.centenialindia.com)).

#### Means of Communication

- The annual & quarterly results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and the same is published in Newspaper.

Newspaper	Cities of Publication
Navshakti	Mumbai
Free Press Journal	Mumbai

- The Management Discussions and Analysis Report forms part of this Annual Report.

### Management

The Management identifies, measures, monitors and minimizes the risk factors in the business and ensures safe, sound and efficient operation. Your Company has developed and implemented policies, procedures and practices that attempt to translate the Company's core purpose and mission into reality. All these policies, procedures and practices are elaborated hereunder:

#### Policy of Corporate Governance :

The Company always makes conscious efforts to inculcate best Global Corporate Governance practices and goes beyond adherence to regulatory framework. The Company towards its commitment to trusteeship, transparency, accountability and equality in all its dealings, and to maintain positive bonding has put in place a 'Policy of Corporate Governance'

#### Policy of Corporate Social Responsibility (CSR) :

The Company's dedicated philosophy of "SERVING SOCIETY THROUGH INDUSTRY" is envisaged through the above Policy. At CENTENIAL, CSR is an

## Annual Report 2011 - 2012

initiative to "create new value" to economic, environmental and social issues and is intended to identify your company with the society to establish rapport, increase competitiveness, and achieve sustainable growth, for better social development.

### **Policy on Vendor's Grievances :**

To ensure consistent smooth and timely supply of quality material and services at economically viable and competitive prices from various vendors, without any grievances, the Policy on Vendors' Grievances is adopted.

### **Policy on Supply Chain :**

Your Company being one of the manufacturer and marketer of Sutures and other medical devices in India, has introduced a 'Policy on Supply Chain', to ensure quality products are delivered timely to end customer, through a network of suppliers such as consignee agent, distributors and direct supplies.

### **Prohibition of Insider Trading :**

The Company has implemented a Policy prohibiting Insider Trading in conformity with regulations of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. Necessary procedures have been laid for insiders identified from time to time, which prohibits trading in the securities of the Company, based on unpublished price sensitive information.

### **Succession Planning :**

Your Company has put in place a Policy on Succession Planning, which is an ongoing process that identifies necessary competencies, and then works to assess, develop, and retain a talent pool of associates, in order to ensure a continuity of leadership for all critical positions.

### **Policy of Employee Participation in Management (EPM) :**

Your Company has framed a mechanism where the associates have an involvement and ownership in the decision making process of the organization. The purpose of EPM is to increase production and productivity, evaluation of costs, development of personnel, expansion of markets and risk Management.

### **Whistle Blower Policy :**

The Company has formulated a Policy to prohibit managerial personnel from taking adverse personnel action against employees disclosing in good faith, alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement, misappropriation of public funds etc. Employees aware of any alleged wrongful conduct are encouraged to make a disclosure to the Audit Committee. No personnel of the Company has been denied access to the Audit Committee.

### **Legal Compliance Policy :**

The Company has a Legal Compliance Policy for duly complying with Central, State and Local Laws and Regulations to achieve and maintain the highest business standards and benchmark the internal legal practices against the International Standards.

### **Policy on Conflict Management :**

The Company has adopted a Policy on Conflict Management, which aims to resolve conflicts, at the lowest possible level, using procedures that address and respect the needs, interest and rights of associates in a fair and efficient manner. This is attained through the use of both, formal and informal conflict management processes. These tools are effectively coordinated through the Conflict Management System (CMS).

### **Policy on Training for Board of Directors :**

At CENTENIAL, we strongly believe in the concept of continuous learning. The Policy ensures that the Board of Directors, being at the highest level in the Organization Structure, too require training and development, to enable update themselves and provide best services to the Company. The training requirements of Directors vary in view of their nature of nomination on the Board and their training needs are structured accordingly.

### **Policy on induction of Directors :**

The Policy places the responsibility on the Chairman of the Board to ensure that all new Board members are well briefed and have access to all aspects of the Company's operations. The new Directors would be briefed on several matters like, duties and powers of Directors, special duties or arrangements attaching to the position, requirement to disclose Directors interest, confidentiality and right to access company information etc. In addition to the above, new Directors will be provided with other information like Company constitution, policies, organization structure and other relevant information.

### **Board Charter :**

This charter sets out the role, structure, responsibilities and operations of the Board of the company and its delegation of authority to the management. The charter sets out the role of the Board as a Trustee of the stakeholders and the company, who provide strategic direction, review corporate performance, authorize and monitor strategic decisions, ensure regulatory compliances and safeguard their interest.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

This Annual Report has a detailed chapter on Management Discussion and Analysis.

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### Disclosures

- The Management Discussion and Analysis forms part of the Annual Report and is in accordance with the requirements laid out in Clause 49 of the Listing Agreement.
- No material transaction has been entered into by your Company with the Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with interests of your Company.
- Your Company has instituted a comprehensive Code of Conduct in compliance with the SEBI regulations on prevention of insider trading.
- The Company has complied with mandatory provisions of corporate governance and is in the process of adopting the non-mandatory provisions of corporate governance.
- The Board hereby affirms that no personnel have been denied access to the audit committee.

Directors and Senior Management Personnel of the company, as well as certain identified key associates make quarterly disclosures to the Board relating to all material, financial and commercial transactions where they interest, conflicting with the interest of the company. The interested Directors do not participate in the discussion nor do they vote on such matters when the matter is considered by the Board of Directors.

### CODE OF CONDUCT

#### DECLARATION

As provided under Clause 49 of the Listing Agreement with the stock exchanges, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2012.

Mumbai  
August 13, 2012

Vijay Majrekar  
Managing Director

### CEO / CFO CERTIFICATION

To,  
The Board of Directors,  
CENTENIAL SURGICAL SUTURE LTD.

We certify that :

1. We have reviewed the financial statements, read with the cash flow statement of CENTENIAL SURGICAL SUTURE LTD. (the Company) for the year ended March 31, 2012 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 statement that might be misleading;
  - b. these statements & other financial information included in this report present a true & 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 are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
4. We have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
5. We have indicated to the Auditors and the Audit Committee that there have been no :
  - a. significant changes in the Company's internal control over financial reporting during the year;
  - b. significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
  - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of management or other employees having a significant role in the Company's internal control system over financial reporting.

Sapna Mhatre  
Chief Financial Officer

Vijay Majrekar  
Managing Director

Mumbai  
August 13, 2012

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### GENERAL SHAREHOLDER INFORMATION

<b>1). Annual General Meeting</b>	
Date	Tuesday, September 18, 2012
Time	4.30 p.m.
Venue	F-29, MIDC, Murbad, Thane 421401, Maharashtra.
<b>2). Financial Calendar ~ April 1 to March 31</b>	
I Quarter Results (June 30)	2nd Week of August 2012
Mailing of Annual Report	Last Week of August 2012
Annual General Meeting	September 18, 2012
II Quarter Results (September 30)	2nd Week of November 2012
III Quarter Results (December 31)	2nd Week of February 2013
IV Quarter (March 31)	2nd Week of May 2013
Annual Results (March 31)	2nd Week of August 2013
<b>3). Date of book closure</b>	Tuesday, September 11, 2012 to Tuesday, September 18, 2012
<b>4). Dividend Payment</b>	The Board of Directors have not proposed any dividend for current financial year.
<b>5). Registered Office</b>	F-29, MIDC, Murbad, Thane 421401, Maharashtra. Tel : 91 (02524) 223200 : Fax No. : 91 (22) 2417 1261 admin@centenialindia.com www.centenialindia.com
<b>Manufacturing facilities</b>	(a). F-29, MIDC, Murbad, Thane 421401, Maharashtra. (b). B-17, MIDC, Murbad, Thane 421401, Maharashtra.
<b>6). Listing details</b>	The Company's Shares are Listed on the Bombay and Ahmedabad Stock Exchange. The Bombay Stock Exchange Limited is a Regional Stock
<b>7). Stock Codes ~ BSE</b>	531380
<b>Stock Codes ~ ASE</b>	11219
<b>8). Listing Fees</b>	Listing Fees for the year 2011 ~ 2012 paid to the Bombay Stock Exchange Limited.

<b>9). Stock Market Data</b>			
Month / Year	Bombay Stock Exchange Limited		
	High	Low	Monthly Volume
	(In ₹)	(In ₹)	(In Nos.)
April 2011	N. T.	N. T.	N.A.
May 2011	N. T.	N. T.	N.A.
June 2011	N. T.	N. T.	N.A.
July 2011	N. T.	N. T.	N.A.
August 2011	N. T.	N. T.	N.A.
September 2011	N. T.	N. T.	N.A.
October 2011	2.18	2.18	100
November 2011	N. T.	N. T.	N.A.
December 2011	4.43	2.28	1500
January 2012	6.20	4.65	700
February 2012	N. T.	N. T.	N.A.
March 2012	7.89	6.51	500

N.T. - Not Traded N.A. - Not Applicable

#### 10). Registrar and Transfer Agents :

Purva Shareregistry India Pvt. Ltd.  
Corporate & Administrative Office : Unit No. 9,  
Shiv Shakti Industrial Estate, J. R. Boricha Marg,  
Off N. M. Joshi Marg, Near Lodha Excelus, Lower  
Parel (E), Mumbai - 400 011.

#### 11). Share Transfers System

To expedite the share transfer process in the physical segment, authority has been delegated to the Share Transfer Committee. For administration convenience & to facilitate speedy approvals, authority has also been delegated to senior executives to approve share transfers up to specified limits. Share transfers / transmissions approved by the Committee & the authorised executives are placed at the Board Meeting from time to time. All shares have been transferred and returned in 21 days from the date of receipt, so long as the documents have been clear in all respects. The Share Transfer Committee meets approximately twice a month.

#### 12). Compliance Officer

Shri H. Iyappan is the Compliance Officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 and the listing agreement with the stock exchanges in India.

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### 13). Secretarial Audit

A Practicing Company Secretary of the Institute of Company Secretaries of India, has carried out secretarial audit every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) & the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate total number of shares in physical form & the total number of dematerialized shares held with NSDL & CDSL.

### Certificate of Compliance with the Corporate Governance requirements under clause 49 of Listing Agreement.

To the Members of Centenial Surgical Suture Ltd.

We have examined the compliance of Corporate Governance by Centenial Surgical Sutures Ltd. for the year ended March 31, 2012 as stipulated in clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

### 14). Distribution of shareholding as of March 31, 2012:

Slab of Shareholding (Value)	Shareholders		Share Amount	
	Numbers	% of Total Nos.	(₹ in Lakhs)	% of Total Amt.
0-5000	576	58.18	19.83	5.44
5001-10000	265	26.77	22.60	6.19
10001-20000	57	5.76	9.93	2.72
20001-30000	26	2.63	6.53	1.79
30001-40000	6	0.61	2.17	0.59
40001-50000	19	1.92	9.26	2.54
50001-100000	15	1.52	10.44	2.86
Above 100000	26	2.63	284.07	77.86
Total	990	100.00	364.83	100.00

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an 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 Agreements.

We state that in respect of investor grievances received during the year ended March 31, 2012 no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Investor / Shareholders Grievance Committee.

### 15). Dematerialisation of shares & liquidity :

The Company's shares were dematerialised vide tripartite agreement executed between the Company, M/s. Purva Sharegistry India Pvt. Ltd. (Registrar and Transfer Agents) and NSDL & CDSL respectively. As on March 31, 2012, 20,94,500 shares aggregating to 57.41% of the total holding were dematerialised. The balance 15,53,800 shares aggregating to 42.59% were in Physical Form.

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. VIPUL N. SHAH & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 111547W

### 16). Outstanding GDRs / ADRs / Warrants or any convertible instruments : Not applicable.

### 17). Plant location : F-29; B-17, MIDC, Murbad, Thane 421401, Maharashtra.

### 18). Investor Correspondence :

Shri H. Iyappan, Compliance Officer.  
F-29, MIDC, Murbad, Thane 421401.

Mumbai  
August 13, 2012

Vipul N. Shah  
Proprietor  
Membership No.: 40346

for and on behalf of the Board of Directors  
CENTENIAL SURGICAL SUTURE LTD.

Mumbai  
August 13, 2012

Vijay Majrekar  
Chairman & Managing Director

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### COMPLIANCE CERTIFICATE

Registration No.  
of the Company : L99999MH19951PLC089759  
Nominal Capital : 7,50,00,000/-

To,  
THE MEMBERS,  
CENTENIAL SURGICAL SUTURE LTD.

We have examined the registers, records, books and papers of CENTENIAL SURGICAL SUTURE LTD., ("the Company") as required to be maintained under the Companies Act, 1956, (the "Act") & the rules made there under & also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on March 31, 2012 ("financial year"). In our opinion and to the best of our information & according to the examinations carried out by us and explanations furnished to us by the Company, its officers & agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept & maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act & the rules made there under & all entries therein have been duly recorded.
2. The Company has duly filed the forms & returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under..
3. The Company being a Public Limited Company has the minimum prescribed paid up Capital.
4. The Board of Directors duly met 05 (Five) times on May 14, 2011, August 12, 2011, November 14, 2011, December 19, 2011 & February 14, 2012 in respect of which meeting proper notices were given & the proceedings were properly recorded & signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from Tuesday, September 20, 2011 to Tuesday, September 27, 2011 (both days inclusive) & necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on March 31, 2011 was held on September 27, 2011 after giving due notice to the members of the Company & the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. One Extra-ordinary General Meeting was held on January 16, 2012, however all the resolutions as mentioned in the notice were not passed.
8. The Company has not advanced loans to its Director or persons or firms or companies as referred to under Section 295 of the Act, 1956.
9. The Company has not entered into any contracts falling within the 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 Central Government, as the case may be.
12. The company has not issued any duplicate share certificates during the financial year.
13. The Company has:
  - (i) Delivered all the certificates & on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
  - (ii) Not deposited any amount in a separate bank account as no dividend was declared during the financial year.
  - (iii) Not paid dividends to any members within a period of 30 (thirty) days from the date of declaration as no dividend was declared.
  - (iv) Not transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures & the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years, to Investor Education & Protection Fund as no amount in respect of the above were lying in the books of accounts of the Company is to be transferred.
  - (v) Duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors alternate Directors and Directors to fill casual vacancy during the financial year.
15. The re-appointment of Vijay Majrekar, as a Managing Director of the company has been made in compliance with the provisions of section 269 read with schedule XIII to the Companies Act, 1956.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The company has obtained approval of the central government for increasing the remuneration of Managing Director exceeding the limits prescribed in the Part II & III of Schedule XIII of the Companies Act, 1956. Apart from this the Company was not required to obtain any approvals of the Regional Director, Registrar of Companies 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 & the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

20. The Company has not bought back any shares during the financial year.
21. The Company has no preference share capital or debentures & as such 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 the rights to dividend, rights shares & bonus shares pending registration of transfer of shares.
23. The Company has not invited or accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The Company has borrowed amount from Financial Institutions, Banks but not from Directors, Members and others during the financial year ending on March 31, 2012. The said borrowings are within the limits as specified under section 293(1) (d) of the Companies Act, 1956.
25. The Company has not made any investments, given Loan or given guarantees or provided securities to other bodies corporate in accordance with the provisions of section 372A of the Companies Act, 1956.
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 under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the financial year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to the share capital of the Company during the financial year under scrutiny.
30. The Company has not altered its articles of association during the financial year.
31. There was no prosecution initiated against or show cause notices received by 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 deposited both employee's & employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

for, **H S ASSOCIATES**  
Company Secretaries

Shri Hemant Shetye  
Partner  
C.P. No.: 1483

Mumbai  
August 13, 2012

### ANNEXURE "A"

#### REGISTERS & RECORDS MAINTAINED BY THE COMPANY

- a) Register of members under section 150.
- b) Index of members under section 151.
- c) Register of Transfers.
- d) Registers and Returns under section 163.
- e) Register of Contracts under section 301.
- f) Register of Directors, Managing Director, Manager and Secretary under section 303.
- g) Register of Director's shareholdings under section 307.
- h) Register of Inter Company investments under section 372A.
- i) Register of Charges under section 143.
- j) Register of Share application and allotment.
- k) Minutes Book under section 193.
- l) Books of Account under section 209.
- m) Attendance Register.

### ANNEXURE "B"

#### FORMS & RETURNS AS FILED BY THE COMPANY WITH THE REGISTRAR OF COMPANIES DURING THE FINANCIAL YEAR ENDED ON MARCH 31, 2012.

Sr. No.	Form No.	Sections	Date of filing	Whether filed within prescribed time	Delay in filing whether requisite additional fee paid	Particulars
1	23	192	12-09-2011	Yes	N.A.	Re-appointment of Managing Director
2	Dir-4	See Rule 7	30-09-2011	Yes	N.A.	Intimation of change in particulars of Director
3	25A	198	07-10-2011	Yes	N.A.	Application to central government for approval of re-appointment and increase in remuneration for excess or over payment to managing director
4	23	192	19-10-2011	Yes	N.A.	Re-appointment of Managing Director
5	66	383 (A)	19-10-2011	Yes	N.A.	Compliance certificate for the year ended March 31, 2011
6	23AC, 23ACA	220	20-12-2011	Yes	N.A.	Balance Sheet and Profit/Loss Account for Financial Year ended March 31, 2011
7	20B	159	01-11-2011	Yes	N.A.	Annual Return for year ended September 30, 2011

for, **H S ASSOCIATES**  
Company Secretaries

Shri Hemant Shetye  
Partner  
C.P. No.: 1483

Mumbai  
August 13, 2012



# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### AUDITOR'S REPORT

To the Members of  
CENTENIAL SURGICAL SUTURE LIMITED

1. We have audited the attached Balance Sheet of CENTENIAL SURGICAL SUTURE LIMITED as at March 31, 2012, the Profit and Loss Account and the Cash Flow statement for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure statement on the matters specified in paragraphs 4 & 5 of the said Order, to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
  - i). we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii). in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii). the books of the branches have been submitted to us and the same have been audited and considered by us in preparing this report;
  - iv). the Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - v). in our opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - vi). on the basis of written representation received from the Directors, as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as at March 31, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - vii). in our opinion and to the best of our information and according to the explanations given to us, the said accounts 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:
    - a). in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
    - b). in the case of the Profit & Loss Account, of the profit for the year ended on that date;
    - c). in the case of the Cash Flow statement, of the cash flows for the year on that date.

for, VIPUL N. SHAH & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 111547W

Mumbai  
August 13, 2012

Vipul N. Shah  
Proprietor  
Membership No.: 40346

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

ANNEXURE TO THE AUDITOR'S REPORT OF CENTENIAL SURGICAL SUTURE LIMITED

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE.

- i). In respect of its fixed assets:
- a). The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
  - b). Some of the fixed assets have been physical verified during the year by the management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets of the Company at reasonable intervals having regards to the size of the Company and the nature of its assets. According to the information and explanation given to us no material discrepancies were noticed on such verification.
  - c). The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- ii). In respect of its inventories:
- a). As explained to us, the inventories of finished and semi-finished goods and raw materials were physically verified during the year by the Management. In respect of stores and spare parts and stock lying with consignment agents, the Company has a programme of physical verification of stocks at reasonable interval.
  - b). In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c). In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stock and book records were not material.
- iii). a). According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956. In view of this, clauses (iii) (b, c and d) are not applicable to the Company.
- e). According to the information and explanations given to us, the Company has taken loans, secured or unsecured, from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- f). The rate of interest and other term and conditions of loans taken by the Company, secured or unsecured, are prima facie not prejudicial to the interest of the Company.
  - g). The payment of interest amount and principle amount are as stipulated.
- iv). In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v). In respect of contracts or arrangements entered by the companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
- a). According to the information & explanations provided by the management, we are of the opinion that the transactions that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
  - b). In our opinion and according to the information and explanations given to us, the transaction with the parties with whom transactions exceeding value of Rs.5,00,000 have been entered into during the financial year are reasonable having regard to the prevailing market prices at the relevant time.
- vi). In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vii). In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii). We have broadly reviewed the books of accounts maintained by the company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

- ix). In respect of Statutory dues:
- a). According to the information and explanations given to us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it with appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax and Customs Duty were outstanding, at the year end for a period of more than six months from the date they became payable.
- b). According to the records of the Company, there are no dues in respect of Sales Tax, Custom Duty, Excise Duty and Income Tax under the Income Tax Act, 1961 ('IT Act') on account of any dispute except Rs.12,913/- for Assessment Year 2003-2004 under the Income Tax Act, 1961 for excess interest charged. The case is pending with the Assistant Commissioner of Income Tax.
- x). The Company does not have any accumulated losses and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi). In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank.
- xii). According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii). As per the present business activities of the Company, the requirements of Clause 4 (xiii a, b, c and d) are not applicable to the Company.
- xiv). As per the present business activities of the Company, the requirements of Clause 4 (xiv) is not applicable to the Company.
- xv). According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institution.
- xvi). According to the information and explanations given to us, no term loans have been taken during the year hence, the purpose for which the loans were applied is not applicable to the Company.
- xvii). According to the information and explanations given to us and on the overall examination of the Balance Sheet and Cash flow statement of the Company, funds raised on short-term basis have prima-facie not been used during the year for long-term investment.
- xviii). The Company has not made any preferential allotment of shares during the year.
- xix). During the period covered by our audit report, the Company has not raised any money by public issue.
- xx). To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

for, VIPUL N. SHAH & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 111547W

Mumbai  
August 13, 2012

Vipul N. Shah  
Proprietor  
Membership No.: 40346

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### BALANCE SHEET AS AT MARCH 31, 2012

₹ In Lakhs

Particulars	Note No.	As at March 31, 2012	As at March 31, 2011
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	3	542.43	542.43
(b) Reserves and Surplus	4	1046.94	896.05
<b>2. Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	250.06	250.06
(b) Deferred Tax Liabilities (Net)	6	0.00	0.13
(c) Other Long Term Liabilities	7	116.24	116.24
(d) Long-Term Provisions	8	0.00	0.00
		366.30	366.43
<b>3. Current Liabilities</b>			
(a) Short-Term Borrowings	9	791.07	749.79
(b) Trade Payables	10	792.53	768.62
(c) Other Current Liabilities	11	467.84	463.67
(d) Short-Term Provisions	12	286.67	513.98
		2338.11	2496.06
<b>TOTAL</b>		4293.78	4300.97
<b>B. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	13A	475.74	447.67
(ii) Intangible Assets	13B	0.00	0.00
(iii) Capital Work-in-Progress	13C	19.23	19.23
		494.97	466.90
(b) Non-current Investments	14	0.10	0.10
(c) Long-Term Loans and Advances	15	12.71	39.81
(d) Other Non Current Assets	16	0.00	0.00
		507.78	506.81
<b>2. Current Assets</b>			
(a) Inventories	17	1692.74	1481.31
(b) Trade Receivables	18	1535.20	1610.30
(c) Cash and Bank Balance	19	80.12	32.45
(d) Short-Term Loans and Advances	20	477.65	669.82
(e) Other Current Assets	21	0.29	0.29
		3786.00	3794.16
<b>TOTAL</b>		4293.78	4300.97

Significant Accounting Policies 2

See accompanying notes forming part of the financial statements.

In terms of our report attached  
For **VIPUL N. SHAH & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 111547W

For and on behalf of Board of Directors  
**CENTENIAL SURGICAL SUTURE LTD.**

**Vipul N. Shah**  
Proprietor  
Membership No.: 40346  
Mumbai, August 13, 2012

**Vijay Majrekar**  
Chairman & Managing Director

**Devraj Poojary**  
Executive Director

Mumbai, August 13, 2012

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2012

₹ In Lakhs

Particulars	Note No.	For the year ended March 31, 2012	For the year ended March 31, 2011
<b>1. REVENUE</b>			
Revenue from operations (Gross)	22	5489.31	5207.31
Less : Excise Duty		241.33	182.77
Revenue from operations (Net)		<u>5247.98</u>	<u>5024.53</u>
<b>2. Other Income</b>	23	1.90	1.43
<b>3. Total revenue (1+2)</b>		<u>5249.88</u>	<u>5025.96</u>
<b>4. EXPENSES</b>			
(a) Cost of Materials Consumed	24	2437.78	2226.29
(b) Purchase of Stock-in-Trade	25	66.77	23.02
(c) Changes in Inventories of Finished goods /Work-in-progress/Stock-in-Trade	26	-32.70	10.68
(d) Employee Benefits Expenses	27	571.88	532.72
(e) Finance Costs	28	132.06	120.64
(f) Depreciation & Antortisation Expense	13A & 13B	58.76	64.69
(g) Other Expenses	29	1763.57	1726.99
Total expenses		<u>4998.12</u>	<u>4705.03</u>
<b>5. Profit Before Tax (3-4)</b>		251.76	320.93
<b>6. Tax Expense :</b>			
(a) Current Tax		85.57	112.95
(b) Deferred Tax		0.00	0.13
(c) Income Tax of Earlier Years Written Off (Back)		15.30	0.00
Total Taxes		<u>100.87</u>	<u>113.08</u>
<b>7. Profit For The Year (5-6)</b>		<u>150.89</u>	<u>207.85</u>
There are no Exceptional Items, Extra Ordinary Items and Discontinuing Operations.			
Earning Per Equity Share (Face Value ₹ 10/- each)			
Basic (in ₹)	30	4.14	5.70
Diluted (in ₹)	30	4.14	5.70
<b>Significant Accounting Policies</b>	2		
See accompanying notes forming part of the financial statements.			

In terms of our report attached  
For **VIPUL N. SHAH & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 111547W

**Vipul N. Shah**  
Proprietor  
Membership No.: 40346  
Mumbai, August 13, 2012

For and on behalf of Board of Directors  
**CENTENIAL SURGICAL SUTURE LTD.**

**Vijay Majrekar**  
Chairman & Managing Director

**Devraj Poojary**  
Executive Director

Mumbai, August 13, 2012

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### Statement of Cash Flow for the year ended March 31, 2012

Particulars	Note No.	For the year ended March 31, 2012	For the year ended March 31, 2011
<b>₹ In Lakhs</b>			
<b>A. Cash Flow from Operating Activities</b>			
Profit before Tax		251.76	320.93
Non-cash adjustment to reconcile profit before tax to net cash flows :			
Depreciation		<u>58.76</u>	<u>64.69</u>
Operating Profit before Movements/Adjustments:		310.51	385.62
Movements/Adjustments for			
Decrease (Increase) in Trade receivable		75.10	235.07
Decrease (Increase) in Short-term loans and advances		27.10	0.00
Decrease (Increase) in Inventories		-211.43	-70.01
Increase (Decrease) in other Current liabilities		4.17	0.00
Increase (Decrease) in other Long term provisions		-0.13	0.00
Increase (Decrease) in Short term provisions		-227.31	0.00
Increase (Decrease) in Trade Payables		<u>23.91</u>	<u>215.52</u>
Cash generated from/(used in) Operations		-308.59	-89.56
Direct Taxes Paid (Net of Refunds)		<u>-100.88</u>	<u>-112.95</u>
Net Cash Generated from (Used in) Operating Activities		<u>-98.96</u>	<u>183.11</u>
<b>B. Cash Flow from Investing Activities</b>			
Purchase of Fixed Assets-including intangible assets & CWIP		-87.92	-19.42
Proceeds from Sale of Fixed Assets		1.10	5.07
Loans & Advances		<u>192.17</u>	<u>-139.06</u>
Net Cash Generated from (Used in) Investing Activities		<u>105.35</u>	<u>-153.40</u>
<b>C. Cash Flow from Financing Activities</b>			
Increase (Decrease) in long-term Borrowings-Net		0.00	-3.91
Increase (Decrease) in short-term Borrowings-Net		<u>41.28</u>	<u>-19.00</u>
Net Cash Generated from (Used in) Financing Activities		<u>41.28</u>	<u>-52.91</u>
Net Increase (Decrease) in Cash & Cash Equivalents		47.67	23.20
Cash and Cash Equivalents as at the Beginning of the Year		<u>32.45</u>	<u>55.64</u>
Cash and Cash Equivalents as at the End of the Year		<u><u>80.12</u></u>	<u><u>32.45</u></u>
Components of cash and cash equivalents			
Balance with Banks - In Current Accounts		26.40	6.35
Margin Money/Fixed Deposits with Banks		27.98	22.22
Cash on Hand		<u>25.74</u>	<u>3.88</u>
Total cash and cash equivalents		<u><u>80.12</u></u>	<u><u>32.45</u></u>

**Notes:**

- 1) The Cash Flow Statement has been prepared under the "indirect method" set out in the Accounting Standard (AS-3) "cash flow statement" as notified under the Companies (Accounting Standard) Rules, 2006.
- 2) Previous year's figures are regrouped & recasted wherever required.

**In terms of our report attached**  
 For **VIPUL N. SHAH & ASSOCIATES**  
 Chartered Accountants  
 Firm Registration No. 111547W

**For and on behalf of Board of Directors**  
**CENTENIAL SURGICAL SUTURE LTD.**

**Vipul N. Shah**  
 Proprietor  
 Membership No.: 40346  
 Mumbai, August 13, 2012

**Vijay Majrekar**  
 Chairman & Managing Director

**Devraj Poojary**  
 Executive Director

Mumbai, August 13, 2012

# CENTENIAL SURGICAL SUTURE LTD.

Annual Report 2011 - 2012

## Notes to Financial Statements for the year ended March 31, 2012

### 1 CORPORATE INFORMATION:

The principle activities of the Company comprise of manufacturing surgical sutures and medical devices, is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 and listed on the Bombay Stock Exchange Limited (BSE) & Ahmedabad Stock Exchange Limited (ASE).

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1. Basis of Accounting

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention unless otherwise specified. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year unless otherwise specified.

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

#### 2.2. Use of Estimates

Preparation of financial statements in conformity with generally accepted accounting principles, requires management to make estimates and assumption to be made, that affect reported amounts of assets and liabilities at the date of financial statements and reported amount of revenues and expenses during the reported period. Actual results could differ from these estimates and differences between the actual results and estimates are recognized in the period in which results are known / materialized.

#### 2.3. Fixed Assets

Tangible assets are stated at cost of acquisition and installation including other direct expenses, less accumulated depreciation, and impairment losses, if any. Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

#### 2.4. Expenditure during Construction Period

All identifiable revenue expenses including interest incurred is allocated to capital cost of respective assets.

#### 2.5. Investments

Investments are stated at cost of acquisition.

#### 2.6. Inventories

2.6.1. Raw materials, packing materials, finished/traded goods are valued at cost or net realisable value whichever is lower.

2.6.2. Works in process are valued at estimated cost.

#### 2.7. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognised as income or expenses of the period in which they arise. The resultant exchange differences are recognised in the statement of profit and loss.

#### 2.8. Revenue Recognition

Revenue on sales is recognised when risk and rewards of ownership of products are passed on to customers, which are generally on dispatch of goods. Incomes from services are recognised when services are rendered. Sales are net of discounts; sales tax and returns; excise duty collected on sales is shown by way of deduction from sales. Dividend income is recognised when right to receive dividend is established and there is no uncertainty as to its reliability. Revenue in respect of other income is recognised when a reasonable certainty as to its realisation exists.

#### 2.9. Export Benefits

Eligible export benefits, if any, are recognised in the statement of profit and loss when the right to receive credit as per the terms of the entitlement and reasonable certainty of collection / utilisation is stabilised in respect of exports made/to be made.

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

- 2.10. Depreciation/Amortization**  
Depreciation is provided on Written Down Value method at the rates specified in Schedule XIV to the Companies Act, 1956. Leasehold land is being amortised over the period of the lease.
- 2.11. Employee Benefits**
- 2.11.1. Short Term Employee Benefits:**  
Short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services.
- 2.11.2. Post Employment Benefits:**  
Company's contribution for the period paid / payable to defined contribution retirement benefit schemes are charged to statement of profit and loss account. Company's liability towards defined benefit plan viz. gratuity is determined using the Projected Unit Credit Method as per the actuarial valuation carried out at the balance sheet date.
- Defined benefit in the form of compensated absences is provided for based on actuarial valuation at the year-end in accordance with Company's rules.
- 2.12. Research and Development**  
Research costs are expensed as and when incurred
- 2.13. Custom Duty**  
The customs duty payable on raw materials, stores, spares and components is accounted thereof from the bonded warehouse are provided for and included in the valuation of inventory.
- 2.14. Cenvat, Service Tax and VAT Credit**  
Cenvat, Service Tax and VAT credit receivable/availed are treated as an asset with relevant expenses being accounted net of such credit, and the same is reduced to the extent of their utilisations.
- 2.15. Income Tax**  
Current tax is accounted on the basis of Income Tax Act, 1961. Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax, to the extent that the timing differences are expected to crystallise. MAT Credit Entitlement as per the provisions of Income Tax Act, 1961 is treated as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, by credit to the Statement of Profit & Loss
- Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax is reviewed at each balance sheet date. The Company writes down the carrying amount of the deferred tax assets to the extent that it is no longer reasonably certain or virtually certain and supported by convincing evidence, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.
- 2.16. Impairment of Assets**  
The fixed assets are reviewed for impairment at each balance sheet date. An asset is impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the statement of profit & loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed, if there has been a change in the estimate or recoverable amount. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.
- 2.17. Operating Leases**  
The Company has not taken any leases.
- 2.18. Provisions, Contingent Liabilities and Contingent Assets**  
Provisions are recognised only when there is present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an out flow of resources will be required to settle the obligation or a reliable estimate of amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.
- 2.19. Borrowing Cost**  
Borrowing cost attributable to acquisition or construction of qualifying assets is capitalised as cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.



# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

3. SHARE CAPITAL	₹ in Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011
Authorised :		
75,00,000 Equity Shares of ₹ 10 each	750.00	750.00
Issued and Subscribed Capital :		
72,00,200 Equity Shares of ₹ 10 each		
Paid up Capital:		
36,48,300 Equity Shares of ₹ 10 each fully paid up	364.83	364.83
Forfeited Shares :		
35,51,900 Equity Shares of ₹ 10 each	177.60	177.60
<b>Total</b>	<b>542.43</b>	<b>542.43</b>

Refer notes (a) to (d) below

(a) Reconciliation of number of equity shares outstanding :

	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Shares outstanding at the beginning of the year	3648300	364.83	3648300	364.83
Shares issued during the year	0	0.00	0	0.00
Shares bought back during the year	0	0.00	0	0.00
Shares outstanding at the end of the year	<u>3648300</u>	<u>364.83</u>	<u>3648300</u>	<u>364.83</u>

(b) The Company has only one class of shares referred to as equity shares having face value of ₹10/-. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of Equity Shares held by each shareholders holding more than 5%

	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	% holding	No. of Shares	% holding
Equity Shares of ₹ 10 each fully paid.				
Anuradha Kashikar.	694200	19.03	694200	19.03
Vijay Majrekar	576500	15.80	576500	15.80
Geeta R. Kingar	357000	9.79	357000	9.79

(d) Forfeited Equity Shares

An amount of ₹177.60 Lakhs was inadvertently transferred to capital reserve on account of forfeiture of 35,51,900 Equity Shares, the said amount has been brought back to forfeited shares account in note 3, as the Board of Directors have neither decided to cancel those shares nor the same have been re-issued.

4. RESERVES & SURPLUS	₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	896.05	688.21
Profit for the year	150.89	207.85
Net Surplus in the Statement of Profit and Loss	<u>1046.94</u>	<u>896.05</u>
<b>Total</b>	<b>1046.94</b>	<b>896.05</b>

5. LONG TERM BORROWINGS	₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011
Other Loans & Advances (Unsecured)		
Other Loans	250.06	250.06
<b>Total</b>	<b>250.06</b>	<b>250.06</b>

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

6. DEFERRED TAX (LIABILITY) ASSET		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>Deferred Tax Liabilities</b>			
Depreciation	-0.53	0.13	
(A)	-0.53	0.13	
<b>Deferred Tax Assets</b>			
Unabsorbed Depreciation	0.00	0.00	
Unabsorbed Losses	0.00	0.00	
Others	0.00	0.00	
(B)	0.00	0.00	
<b>Deferred Tax Liabilities / (Asset)</b>	-0.53	0.13	
<b>7. OTHER LONG - TERM LIABILITIES</b>		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
Trade deposit	116.24	116.24	
<b>Total</b>	116.24	116.24	
<b>8. LONG - TERM PROVISIONS</b>		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>Provision for employee benefit (Net)</b>			
Provision for Gratuity (Net)	0.00	0.00	
Provision for Leave Benefits (Net)	0.00	0.00	
<b>Total</b>	0.00	0.00	
<b>9. SHORT- TERM BORROWINGS</b>		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>Working Capital Loans repayable on demand from banks (Secured)</b>			
Rupee Loan	791.07	749.79	
<b>Total</b>	791.07	749.79	
Cash credit facilities are secured by way of hypothecation of stock and book debts. It is further secured by collateral charge on immoveable properties, hypothecation of plant & machinery, other fixed assets of the Company, in addition to personal guarantee of the Promoter / Director.			
<b>10. TRADE PAYABLES</b>		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
Trade Payables	792.53	768.62	
<b>Total</b>	792.53	768.62	
<b>11. OTHER CURRENT LIABILITIES</b>		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
Other Payables	467.84	463.67	
<b>Total</b>	467.84	463.67	
<b>12. SHORT - TERM PROVISIONS</b>		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>Other Provisions</b>			
Provision for Tax	286.67	513.98	
<b>Total</b>	286.67	513.98	

# CENTENIAL SURGICAL SUTURE LTD.

Annual Report 2011 - 2012

## 13 FIXED ASSETS

₹ in Lakhs

Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at April 1, 2011	Additions	Deductions / Adjustment	As at March 31, 2012	As at April 1, 2011	Additions	Deductions / Adjustment	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011
<b>(A) Tangible assets</b>										
Freehold Land	1.10	0.00	0.00	1.10	0.00	0.00	0.00	0.00	1.10	1.10
Lease hold Land	2.19	0.00	0.00	2.19	0.39	0.03	0.00	0.42	1.77	1.80
Buildings	261.40	0.00	0.00	261.40	156.72	10.47	0.00	167.19	94.21	104.68
Offices	65.26	73.88	0.00	139.15	7.28	5.39	0.00	12.67	126.47	57.98
Plant & Equipments	602.45	9.43	0.00	611.88	366.05	33.48	0.00	399.53	212.35	236.40
Electrical Installation	47.40	0.00	0.00	47.40	38.26	1.65	0.00	39.92	7.49	9.14
Laboratory Equipments	3.15	0.00	0.00	3.15	1.97	0.16	0.00	2.13	1.02	1.18
Furniture & Fixtures	36.04	0.84	0.00	36.87	20.64	2.58	0.00	23.22	13.65	15.39
Vehicles	43.72	0.00	-10.48	33.24	32.77	2.55	-9.38	25.94	7.30	10.95
Office Equipments	35.74	3.77	0.00	39.51	28.58	2.16	0.00	30.74	8.77	7.16
Air Conditioner's	6.09	0.00	0.00	6.09	4.20	0.28	0.00	4.48	1.61	1.89
<b>Total Tangible Assets</b>	<b>1104.54</b>	<b>87.92</b>	<b>-10.48</b>	<b>1181.98</b>	<b>656.87</b>	<b>58.76</b>	<b>-9.38</b>	<b>706.25</b>	<b>475.74</b>	<b>447.67</b>
Previous Year	1107.79	19.42	22.66	1104.54	609.77	64.69	17.59	656.87	447.67	498.02
<b>(B) Intangible assets</b>										
Development Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Computer softwares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Intangible Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Previous Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>(C) Capital Work in Progress</b>	19.23	0.00	0.00	19.23	0.00	0.00	0.00	0.00	19.23	19.23
Total Fixed Assets (A) + (B) + (C)	1123.77	87.92	-10.48	1201.21	656.87	58.76	-9.38	706.25	494.97	466.90
Previous Year	1127.02	19.42	22.66	1123.77	609.77	64.69	17.59	656.87	466.90	517.25

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

14. NON - CURRENT INVESTMENTS		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>Non - Trade Investments - Unquoted</b>			
The Shamrao Vithal Cooperative Bank Ltd. 400 (400) Equity Shares @ ₹ 25 each	0.10	0.10	
<b>Total</b>	<u>0.10</u>	<u>0.10</u>	
15. LONG - TERM LOANS AND ADVANCES		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>(Unsecured, Considered Good)</b>			
Security Deposits	12.71	39.81	
<b>Total</b>	<u>12.71</u>	<u>39.81</u>	
16. OTHER NON CURRENT ASSETS		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>In Deposit Accounts (Under Lien with Banks)</b>			
Interest Accrued on fixed deposit	0.00	0.00	
<b>Total</b>	<u>0.00</u>	<u>0.00</u>	
17. INVENTORIES		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>(As certified by the management)</b>			
Raw Materials	1048.05	884.32	
Packing Materials	35.58	20.58	
Work-in-Process	20.13	16.84	
Finished Goods	545.60	553.78	
Stock-in-trade	43.38	5.79	
<b>Total</b>	<u>1692.74</u>	<u>1481.31</u>	
18. TRADE RECEIVABLE		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>(Unsecured, Considered Good)</b>			
Over Six Months from the date they are due for payment	251.12	205.69	
Others from the date they are due for payment	1284.08	1404.61	
<b>Total</b>	<u>1535.20</u>	<u>1610.30</u>	
19. CASH AND BANK BALANCES		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>Cash and cash equivalents</b>			
Balance with Banks - In Current Accounts	26.40	6.35	
In Deposit Accounts (Under Lien with Banks)	27.98	22.22	
Cash on Hand	25.74	3.88	
<b>(A)</b>	<u>80.12</u>	<u>32.45</u>	
<b>Other bank balances</b>			
In Deposit Accounts (Under Lien with Banks)	0.00	0.00	
<b>(B)</b>	<u>0.00</u>	<u>0.00</u>	
<b>Total (A) + (B)</b>	<u>80.12</u>	<u>32.45</u>	
20. SHORT - TERM LOANS AND ADVANCES		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
<b>(Unsecured, Considered Good)</b>			
Income Tax Paid	285.52	529.87	
Balance with Statutory/Govt. Authorities : VAT Receivable	173.05	121.92	
Advances Recoverable in Cash or Kind	19.07	17.73	
<b>Total</b>	<u>477.65</u>	<u>669.82</u>	

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

21. OTHER CURRENT ASSETS		₹ In Lakhs	
Particulars	As at March 31, 2012	As at March 31, 2011	
Interest Accrued on fixed deposit	0.29	0.29	
<b>Total</b>	<b>0.29</b>	<b>0.29</b>	
22. REVENUE FROM OPERATIONS		₹ In Lakhs	
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
<b>Sale of Products</b>	<b>5368.89</b>	<b>5090.10</b>	
Finished Goods	120.42	117.21	
Traded Goods	5489.31	5207.31	
Less : Excise Duty	241.33	182.77	
<b>Total</b>	<b>5247.98</b>	<b>5024.53</b>	
23. OTHER INCOME		₹ In Lakhs	
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
Profit on Sale of Fixed Assets	0.01	0.00	
Interest on Bank Deposits	1.87	1.41	
Miscellaneous Income	0.01	0.02	
<b>Total</b>	<b>1.90</b>	<b>1.43</b>	
24. COST OF MATERIALS CONSUMED		₹ In Lakhs	
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
Raw Material Consumed	1453.51	1269.44	
Packing Material Consumed	984.26	956.85	
<b>Total</b>	<b>2437.78</b>	<b>2226.29</b>	
25. Purchases of Traded Goods		₹ In Lakhs	
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
Purchases of Traded Goods	66.77	23.02	
<b>Total</b>	<b>66.77</b>	<b>23.02</b>	
26. Changes in Inventories of Finished Goods/Work-in-progress/Stock-in-Trade		₹ In Lakhs	
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
<b>Inventories at the end of the year :</b>			
Work-in-Process	20.13	16.84	
Finished Goods	545.60	553.78	
Traded Goods	43.38	5.79	
(A)	<b>609.11</b>	<b>576.41</b>	
<b>Inventories at the beginning of the year :</b>			
Work-in-Process	16.84	21.91	
Finished Goods	553.78	563.61	
Traded Goods	5.79	1.57	
(B)	<b>576.41</b>	<b>587.09</b>	
<b>Net (Increase)Decrease inventories</b>	<b>(B) - (A)</b>	<b>-32.70</b>	<b>10.68</b>

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

27. EMPLOYEE BENEFITS EXPENSES			₹ In Lakhs
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
Salaries, Wages, Bonus and Allowances	539.99	506.15	
Contribution to Provident and Other Funds	23.40	20.19	
Staff Welfare Expenses	8.49	6.38	
<b>Total</b>	<b>571.88</b>	<b>532.72</b>	
28. FINANCE COST			₹ In Lakhs
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
Interest Cost	98.35	83.43	
Other Borrowing Cost	33.72	37.21	
<b>Total</b>	<b>132.06</b>	<b>120.64</b>	
29. OTHER EXPENSES			₹ In Lakhs
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
Advertising	5.95	2.74	
Audit Fees	1.27	1.53	
Bank Charges	10.75	4.05	
Business Promotion	21.28	39.14	
Clearing and Forwarding	9.50	6.83	
Commission	169.61	164.53	
Conference Charges	29.22	28.95	
Consumables	14.90	8.01	
Daily Allowance	83.40	77.82	
Discounts	36.08	47.77	
Duties & Taxes	101.86	85.31	
Electricity	17.19	14.10	
Exchange Rate Fluctuation	18.00	10.31	
Freight and Transport	7.47	13.12	
Insurance	18.22	16.01	
Legal and Professional Expenses	7.14	5.25	
Letter of Credit Opening Charges	5.86	4.33	
Listing Fees	0.41	0.35	
Loss on sale of vehicles	0.01	0.47	
Marketing Expenses	118.47	93.26	
Postage & Telegram	42.62	43.17	
Printing & Stationary	914.54	935.06	
Rent	23.86	27.56	
Repairs & Maintenance	15.45	5.55	
Telephone Expenses	17.93	19.69	
Travelling	42.89	42.18	
Other Expenses	29.69	29.93	
<b>Total</b>	<b>1763.57</b>	<b>1726.99</b>	

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### 30. Earnings Per Share (EPS):

The numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011
<b>Basic and Diluted Earnings Per Share:</b>		
Nominal value of Equity Share (₹)	10.00	10.00
Profit attributable to Equity shareholders-considered for Basic EPS (₹ in Lakhs) (A)	150.89	207.85
Add: Dilutive effect on profit (₹ in Lakhs) (B)	0.00	0.00
Profit attributable to Equity shareholders for computing diluted EPS (₹ in Lakhs)(C=A+B)	150.89	207.85
Number of Equity Shares outstanding - considered for Basic EPS (D)	3648300	3648300
Add: Dilutive effect of option outstanding - Number of Equity Shares (F)	0.00	0.00
Number of Equity Shares considered for computing Diluted EPS (F=D+F)	3648300	3648300
Basic Earnings Per Share (₹) (A/D)	4.14	5.70
Diluted Earnings Per Shares (₹) (C/F)	4.14	5.70

### 31. Contingent Liabilities:

₹ In Lakhs

Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011
i) Letter of Credit opened	192.23	196.46
ii) Guarantees given by the Bankers on behalf of the company	1.25	0.00
iii) Income tax demands disputed by Company pending in appeal.	0.13	0.13

Future cash outflows in respect of liability under clause (iii) is dependent on decisions by relevant authorities of respective disputes, in respect of clauses (i) & (ii) liability is dependent on terms agreed upon with the parties.

32. The Board of Directors have not recommended any dividend for the year.

33. Disclosure of trade payables under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006". Amount outstanding as on March 31, 2012 to Micro, Small and Medium Enterprises on account of principal amount aggregate to ₹276.19 Lakhs (Pr.Yr. ₹230.92 Lakhs). As per the terms/ understanding with the parties, no interest is payable and hence no provision has been made for the same.

34. The Company has one segment of activity namely "Surgical Sutures and Medical Devices"

### 35. Employee Benefits

As required by Accounting Standard-15 'Employee Benefits' the disclosures are as under :

#### 35.1. Defined Contribution Plans

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the government, and certain state plans such as Employees' State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers certain workers. Contributions are made to the Government's funds. While both the employees and the Company pay predetermined contributions into the Provident Fund and the ESI Scheme, contributions into the Pension fund is made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. During the year, the Company has recognised the following amounts in the Account:

Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011
Provident Fund and Employee's Pension Scheme	17.77	14.36
Employees State Insurance	5.63	5.83
<b>Total</b>	<b>23.40</b>	<b>20.19</b>

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### 35.2. Defined Benefit Plans

Gratuity: The Company makes annual contributions to Employees' Group Gratuity cum Life Assurance (Cash Accumulation) Scheme of LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

35.2.1. On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of Payments of Gratuity Act, 1972 with vesting period of 5 years of service.

35.2.2. On the death in service:

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

**Death Benefit:** The Company provides for death benefit, a defined benefit plan (death benefit plan) to certain categories of employees. The death benefit plan provides a lump sum payment to vested employees on death, being compensation received from the insurance company and restricted to limits set forth in the said plan. The death benefit plan is non funded.

Disclosures for defined benefit plans i.e. Gratuity (Funded Plan), based on actuarial reports as on March 31, 2012 are as under:

Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011
<b>₹ In Lakhs</b>		
<b>i) Changes in present value of obligations</b>		
Present value of as at beginning of the year	24.69	19.93
Current service cost	4.40	3.49
Interest cost	1.98	1.59
Actuarial loss / (gain)	3.00	0.37
Benefit (paid)	0.00	-0.69
<b>Present value of obligations as at end of the year</b>	<b>34.07</b>	<b>24.69</b>
<b>ii) Changes in Fair Value of Assets</b>		
Opening fair value of plan assets	23.81	15.57
Difference between report as per last year & actual balance as per LIC Fund Statement	0.00	0.00
Adjustment to the fund	0.00	0.00
Transfers out of fund	0.00	0.00
Expected return on plan assets	2.47	0.00
Actuarial gain / (loss)	0.00	1.73
Contributions of employer	7.52	7.20
Benefits (paid)	0.00	-0.69
<b>Closing fair value of plan assets</b>	<b>33.81</b>	<b>23.81</b>
<b>iii) Amount recognised in the Balance Sheet</b>		
Present value of the obligations as at the year end	34.07	24.69
Fair value of the plan assets as at the year end	33.81	23.81
<b>Net (asset) / liability recognised as on March 31, 2012</b>	<b>0.26</b>	<b>0.88</b>
<b>iv) Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	4.40	3.49
Interest on defined benefit obligation	1.98	1.59
Expected return on plan assets	-2.47	-1.73
<b>Net actuarial loss/(gain) recognized in the current year</b>	<b>3.00</b>	<b>0.37</b>
<b>Total expense</b>	<b>6.90</b>	<b>3.72</b>
<b>v) Asset information</b>		
Others - Policy of Insurance	0.00	1.00
<b>vi) Principal actuarial assumptions used</b>		
Discount rate (p.a.)	0.08	0.08
Expected rate of return on plan assets (p.a.)	0.00	0.00
Annual increase in salary cost (p.a.)	0.04	0.04

The estimate of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply & demand in the employment market. The above information has been certified by the actuary and relied upon by the auditors.



# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

### 35.3. Leave Encashment:

No Provision has been made in the accounts towards encashment of earned leaves not availed by the employees upto March 31, 2012. Since their encashment as per the rules of the company does not fall due on the same date. The same shall be accounted for as and when paid.

36. Excise duty related to differences between closing and opening stock and other adjustments are stated under operating and other expenses. Excise duty related to turnover is reduced from the Gross Revenue from Operations.

37. Figures unless stated specific are in lakhs.

38. As per the best estimate of the management, no provision is required to be made as per Accounting Standard (AS) 29 "Provision, Contingent Liabilities and Contingent Assets" as notified by the Companies (Accounting Standards) Rules 2006, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources which would be required to settle the obligation.

### 39. Research and Development expenditure:

No Revenue expenses are incurred on research and development during the year.

		₹ In Lakhs	
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
<b>40. Foreign Currency outflow</b>			
<b>C.I.F. Value of Imports:</b>			
Raw Materials	912.99	773.65	

		₹ In Lakhs	
Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011	
<b>41. Earning in Foreign Currency:</b>			
FOB value of Exports	93.15	140.64	

43. Related party disclosure with whom transactions have taken place during the year as required by Accounting Standards 18 are given below :-

Relationships:

#### Directors, Key Management Personnel & their Relatives:

		₹ In Lakhs	
Mr. Vijay Majrekar	Chairman & Managing Director	Salary	60.21
Mr. Devraj Poojary	Executive Director	Salary	3.00
Mr. Vijay Majrekar	Chairman & Managing Director	Rent	6.00
Sitting fees to Directors			0.08

### 44. Note on hedge and unhedged foreign currency assets and liabilities:

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as below:

Particulars	₹ in Lakhs	₹ in Lakhs	Foreign Currency Amt in Lakhs	Foreign Currency Amt in Lakhs	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	
Amount Receivable	10.82	21.21	0.21	0.46	USD
Amount Payable	198.62	197.30	307.46	352.66	JPY

45. The Company has not granted any loan/advances in the nature of loans, as stipulated in the clause 32 of the Listing Agreement with the Stock Exchanges. For this purpose, the loans to employees as per the Company's policy, security deposits paid towards premises taken on leave and license basis have not been considered.

# CENTENIAL SURGICAL SUTURE LTD.

## Annual Report 2011 - 2012

46. **Materials Consumed** ₹ In Lakhs

Particulars	For the Year ended March 31, 2012	For the Year ended March 31, 2011
Raw Material Consumed	2253.51	1269.41
Packing Material Consumed	184.26	956.85
<b>Total</b>	<b>2437.78</b>	<b>2226.29</b>

Particulars	For the Year ended March 31, 2012		For the Year ended March 31, 2011	
	%	₹ in Lakhs	%	₹ in Lakhs
Indigenous	70.51	1772.77	66.53	1499.77
Imported	29.49	741.48	33.47	754.60
<b>Total</b>	<b>100.00</b>	<b>2514.25</b>	<b>100.00</b>	<b>2254.37</b>

No single raw or packing material accounts for more than 10% of total consumption.

47. **Purchase of Traded Goods** ₹ In Lakhs

Category	For the Year ended March 31, 2012	For the Year ended March 31, 2011
Surgical Staplers	66.77	23.02
<b>Total</b>	<b>66.77</b>	<b>23.02</b>

48. **Sale of Products comprises** ₹ In Lakhs

Category	Manufactured Goods		Traded Goods	
	For the Year ended March 31, 2012	For the Year ended March 31, 2011	For the Year ended March 31, 2012	For the Year ended March 31, 2011
Atraumatic Needles and Sutures, etc. (Absorbable and Non Absorbable)	5368.89	5090.10	0.00	0.00
Surgical Staplers	0.00	0.00	120.42	117.21
<b>Total</b>	<b>5368.89</b>	<b>5090.10</b>	<b>120.42</b>	<b>117.21</b>

49. **Details of Closing Stock as on March 31 :** ₹ In Lakhs

Category	Manufactured Goods*			Traded Goods		
	2012	2011	2010	2012	2011	2010
Atraumatic Needles and Sutures, etc. (Absorbable and Non Absorbable)	545.60	553.78	563.61	0.00	0.00	0.00
Surgical Staplers	0.00	0.00	0.00	43.38	5.79	1.57
<b>Total</b>	<b>545.60</b>	<b>553.78</b>	<b>563.61</b>	<b>43.38</b>	<b>5.79</b>	<b>1.57</b>

50. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosures made in the financial statements. Previous years figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**In terms of our report attached**  
For **VIPUL N. SHAH & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 111547W

**Vipul N. Shah**  
Proprietor  
Membership No.: 40346  
Mumbai, August 13, 2012

**For and on behalf of Board of Directors**  
**CENTENIAL SURGICAL SUTURE LTD.**

**Vijay Majrekar**                      **Devraj Poojary**  
Chairman & Managing Director      Executive Director

Mumbai, August 13, 2012  
Centenial Surgical Suture Ltd.      38  
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CENTENIAL SURGICAL SUTURE LTD.

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CENTENIAL SURGICAL SUTURE LTD.

REGISTERED OFFICE: 29, MIDLAND AVENUE, MURBAD, THANE - 421401, NAGPUR DISTRICT, MAHARASHTRA

ATTENDANCE SLIP

Shareholders attending the Meeting in person or by proxy are requested to deposit their duly filled Attendance Slip at the entrance of the meeting hall.

I hereby request my presence at the SEVENTEENTH ANNUAL GENERAL MEETING of CENTENIAL SURGICAL SUTURE LTD. Registered Office situated at 29, MIDAV, Murbad, Thane - 421401, Nagpur District, Maharashtra on the date of the meeting 18/11/2012.

Form with fields for Name of the Shareholder, Address, DP ID No., & Client ID No., and Signature.

Form with fields for Name of Proxy, Address, and Signature.

Note: Shareholder/Proxy who has registered for the meeting should bring the copy of the Annual Report to be read on the meeting.

CENTENIAL SURGICAL SUTURE LTD.

REGISTERED OFFICE: 29, MIDLAND AVENUE, MURBAD, THANE - 421401, NAGPUR DISTRICT, MAHARASHTRA

PROXY FORM

We, \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being Member / Members of the above named Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my / our proxy to attend and vote at the SEVENTEENTH ANNUAL GENERAL MEETING of CENTENIAL SURGICAL SUTURE LTD. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Name No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ & Client ID No. \_\_\_\_\_

Applicable for members holding shares in electronic form.

No. of Shares \_\_\_\_\_

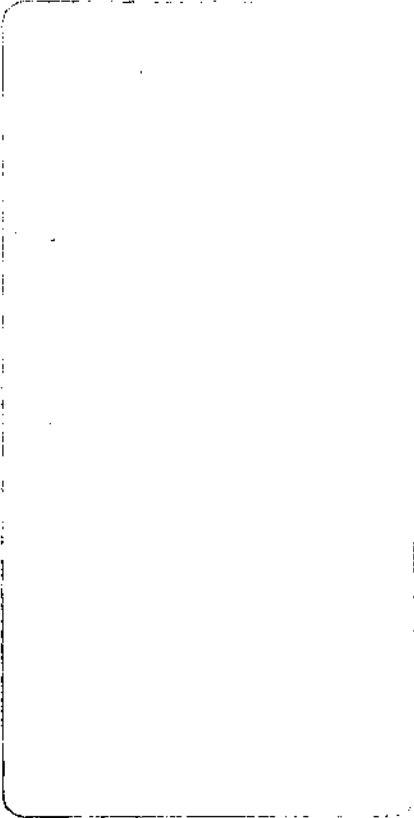


This form is to be used \_\_\_\_\_ in favour of the resolution / \_\_\_\_\_ against \_\_\_\_\_

Shareholder / Proxy (as the case may be)

Note: (i) The proxy must be obtained so as to reach the Registered Office of the Company at 29, MIDAV, Murbad, Thane - 421401, Nagpur District not less than 48 HOURS before the date of the meeting. (ii) The proxy form should be filled in duplicate and the original to be submitted to the Company Secretary.

**CHENNAI MERCHANTS COFFERS**  
Annual Report 2012-13



*Please Return to:*

**CHENNAI MERCHANTS COFFERS LTD.**  
Regd. Office: F-29, MIDC, Marbad,  
Thane-421411.