

SINNAR BIDI UDYOG LIMITED

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

Adm. Office : 'Camel House' , Nasik-Pune Road, Nasik-422011

Ph.no. (0253) 2594231 (3 Lines) Fax : 2595698. website:sinnarbidi.com

Email ID-investor@sinnarbidi.com , CIN-L16002MH1974PLC017734

By Online filing

September 16, 2017

To
Department of Corporate Services
BSE Limited
27th Floor Phiroze Jeejibhoy Towers,
Dalal Street,
Mumbai 400 001

Ref: Code No. 509887

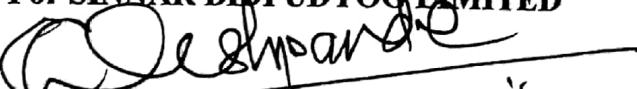
Sub: Annual Report for the year 2016-17 (As per Regulation 34 of the Listing Regulations (LODR) 2015.)

Dear Sir,

1	Name of the company	SINNAR BIDI UDYOG LIMITED
2	Annual financial statements for the year ended	31 st March 2017
3	Type of Audit observation	Un-qualified
4	Frequency of observation	N.A.
5	To be signed by- <ul style="list-style-type: none">• CEO/Managing Director• CFO• Auditor of the company• Audit Committee Chairman	CFO

Kindly take the above on record.

Yours Faithfully,
For SINNAR BIDI UDYOG LIMITED


M.D. DESHPANDE

WHOLE TIME DIRECTOR AND CFO

43RD

ANNUAL REPORT
2016 - 2017

SINNAR
BIDI UDYOG LIMITED

SINNAR BIDI UDYOG LIMITED.

**43rd ANNUAL REPORT
CONTENTS**

Name of Contents	Page No.
Board of Directors	1
Notice of Meeting	2
Directors' Report	5
Secretarial Audit Report	29
Independent Auditors' Report (Standalone)	32
Balance Sheet (Standalone)	39
Statement of Profit and Loss (Standalone)	40
Cash Flow Statement (Standalone)	41
Notes to Financial Statements (Standalone)	42
Independent Auditors' Report (Consolidated)	56
Balance Sheet (Consolidated)	63
Statement of Profit and Loss (Consolidated)	64
Cash Flow Statement (Consolidated)	65
Notes to Financial Statements (Consolidated)	66
Instructions for E-voting	80

**43rd ANNUAL REPORT
2016-17**

BOARD OF DIRECTORS

- M. D. Deshpande Whole Time Director & CFO
- B. S. Pawar Director
- L. M. Karwa Director
- B. S. Sancheti Director
- D. M. Shah Independent Director
- R. N. Tatiya Independent Director
- S. S. Ladda Company Secretary

AUDITORS

- **S. D. BEDMUTHA**
Chartered Accountants
Nashik - 422 002.

BANKERS

- **STATE BANK OF INDIA**
Nashik

REGISTRAR

- **LINK INTIME INDIA PVT. LTD.**
C-101, 247 Park, LBS Marg, Vikhroli (W),
Mumbai - 400 083

REGISTERED OFFICE

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

ADMINISTRATIVE OFFICE

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

SINNAR BIDI UDYOG LIMITED.

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CIN-L16002MH1974PLC017734

Ph.no. (0253) 2594231 (3 Lines) Fax : 2595698 Website : sinnarbidi.com Email : investor@sinnarbidi.com

NOTICE OF THE MEETING

NOTICE is hereby given that the 43rd Annual General Meeting of the members of Sinnar Bidi Udyog Limited will be held at 2, Gurukrupa Apartment, N.C.Kelkar Marg, Dadar(W), Mumbai-400028 on Wednesday 13th September 2017 at 11.30 a.m. to transact the following business :

ORDINARY BUSINESS :

- 1 To consider and adopt the audited financial statements (both standalone and consolidated financial statements) of the Company for the financial year ended 31st March 2017 and the reports of Board of Directors and Auditors thereon.
- 2 To appoint a director in place of Mr. Madhav Digambar Deshpande (DIN:00238917), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Ms. Bharati Subhash Sancheti (DIN:06983828), who retires by rotation and being eligible offers herself for re-appointment.
4. To ratify the appointment of Auditors from the conclusion of this annual general meeting till the conclusion of next annual general meeting.

**On behalf of Board of Directors,
For Sinnar Bidi Udyog Limited**

Place: Nashik

Date: 1 August 2017

Sushil Ladda

Company Secretary

Notes:

1. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member.
2. Authorised Representative of body corporate who is a registered equity shareholder of the Company may attend and vote at the meeting provided a certified copy of the resolution of the Board of Directors authorising such representative to attend and vote at the meeting on behalf of the body corporate is deposited at the registered office of the company.
3. The Register of Members and Share Transfer Book of the Company will remain closed from 6th September 2017 to 13th September, 2017 (both days inclusive).
4. The Company has appointed M/s Link Intime India Private Limited, C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai - 400 083, Maharashtra as its Share Transfer Agents.
5. Complete set of unabridged Financial Statements is available on the website of the Company. In accordance with Section 136 of the Companies Act, 2013 including Rule 10 of the Company (Accounts) Rules, 2014 the hard copies of Abridged Annual Report 2016-17 is being sent to all members. Any member interested in obtaining a copy of the full Annual Report, may write to the Company or the Registrar and Transfer Agent of the Company. The complete set of consolidated and stand alone financial statements is available for inspection at the registered office of the Company during working hours.
6. Members are requested to intimate immediately the changes if any, in their registered address.
7. The instructions for remote e-voting are annexed to the Annual Report.
8. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
9. The company shall provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
10. Electronic copy of the Notice of the 43rd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 43rd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
11. The members receiving the notice in electronic mode are requested to print the Attendance slip and submit a duly filled in Attendance Slip at the venue of the AGM.
12. Members who have not registered their email address with the Company can now register the same with the company or the RTA ie. Link In Time India Private Limited.
13. The register of Directors and Key Managerial Personnel and their shareholdings maintained under

SINNAR BIDI UDYOG LIMITED.

section 170 of the Companies Act, 2013, the register of contracts or arrangements in which directors are interested under section 189 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.

On behalf of Board of Directors,
For Sinnar Bidi Udyog Limited

Place: Nashik
Date: 1 August 2017

Sushil Ladda
Company Secretary



SINNAR BIDI UDYOG LIMITED.

DIRECTORS' REPORT (Pursuant to section 134 (3) of Companies Act, 2013)

Ladies and Gentlemen,

Your Directors have pleasure in presenting their 43rd report along with the audited financial statements (both standalone and Consolidated) for the year ended 31st March, 2017.

1. Financial Results:

The standalone financial results of the Company are as follows-

(Rupees in Lakh)

Particulars	F.Y. 2016-17	F.Y.2015-16
Net Sales	870.56	1005.22
Other Income	2.36	0.40
Total Income	872.92	1005.62
Manufacturing & other Expenses	869.18	971.68
Profit Before Tax	3.74	33.94
Current and Deferred Tax	3.34	12.62
Profit After Tax	0.40	21.32

2. Business Operations:

The Company carried on the activity of trading of Tobacco and processing of Tobacco during the year ended 31st March, 2017. The sales turnover from Tobacco trading and processing was Rs.870.56 lacs during the financial year ended 31st March 2017, as against Rs.1005.20 lacs in the previous financial year. In the forthcoming period, the company plans to continue the activities of processing and trading of Tobacco.

3. Dividend:

With a view to retain the profits for further growth, the directors do not recommend any dividend.

4. Amount carried to the reserves:

The Directors proposed to retain the entire amount of profit after tax in the Profit and Loss Account of the Company.

5. Change in the nature of the Business:

During the year under consideration, the company has not made any changes in the nature of its business.

6. Status of Company's Affairs:

During the year, there was no change in the status of the company. The company is a listed entity and going concern. The shares of the Company continue to be listed on the Bombay Stock Exchange only.

7. Significant and Material Orders passed:

There were no significant and Material orders passed by any regulators, courts or tribunals which have an impact of affecting the company's going concern status and operation of the company in the Future.

8. Material Changes and Commitments:

There are no material changes or commitments affecting the financial position of the Company occurring between the end of the Balance Sheet Date and the date of this report.

SINNAR BIDI UDYOG LIMITED.

9. Board of Directors:

The Composition of Board of Directors of the Company is in accordance with the Companies Act 2013. During the year following changes took place in the Board of Directors of the Company:

Sr No	Name of Director	Date	Particulars of the change
1	Chandrasingh Patil	11 th June 2016	Cessation
2	Laxminarayan Karwa	30 th June 2016	Appointed as Additional Director
3	Shirish Shah	30 th June 2016	Resignation
4	Rajendra Tatiya	14 th September 2016	Appointed as Independent Director
5	Laxminarayan Karwa	14 th September 2016	Change in Designation as Director

10. Meetings of Directors:

During the financial year 2016-17, the Board of Directors of the Company met 7 times on 30 May 2016, 30 June 2016, 12 August 2016, 13 August 2016, 11 November 2016, 11 February 2017 and 31 March 2017. The maximum interval between any two meetings did not exceed 120 days. The details of attendance of Directors for Board as well as Committee meetings is attached to Boards Report as Annexure- 1.

11. Audit Committee:

The Audit Committee Comprises of three Directors namely Mr. Dhanpal Shah (Independent Director), Mr. Rajendra Tatiya (Independent Director) and Mr. Madhav Deshpande (Whole Time Director and Chief Financial Officer).

The audit committee duly met 4 times on 30 May 2016, 12 August 2016, 11 November 2016 and 11 February 2017.

The Board has accepted all the recommendations of Audit Committee.

12. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of Mr. Bhausaheb Pawar, Ms. Bharati Sancheti, Mr. Dhanpal Shah and Mr. Rajendra Tatiya.

The committee met 2 times on 20 June 2016 and 2 August 2016.

13. Shareholders Committee:

The committee comprises of Ms. Bharati Sancheti and Mr. Bhausaheb Pawar.

The committee duly met 12 times on 4 April 2016, 11 July 2016, 1 August 2016, 19 September 2016, 26 September 2016, 10 October 2016, 17 October 2016, 24 October 2016, 19 December 2016, 2 January 2017, 23 January 2017, and 20 March 2017.

14. Meeting of Independent Directors:

The Seperate meeting of Independent Directors of the Company was held on 25 March 2017 in terms of Schedule IV of the Companies Act 2013.

15. Directors retiring by rotation and re-appointment:

In terms of provisions of section 152(6)(a) of the Companies Act, 2013, Mr. Madhav Deshpande and Ms. Bharati Sancheti , directors, retire by rotation and being eligible have offered themselves for reappointment.

16. Declaration by Independent Directors:

The Company has received the Declarations from its Independent Directors pursuant to section 139(7) to the effect that they meet the criteria of Independence and the same is duly recorded in the first Board meeting.

17. Familiarisation programme for Independent Directors:

The company is in the process of making and implementing the familiarisation programme for the independent directors. The company while formalising the programme will make sure that the independent directors get familiarised with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company.

18. Code of conduct for Board Members and Senior Managerial Personnel:

The company has framed a code of conduct for all the Board members and senior management of the company. All the Board members and senior managerial personnel affirm the compliance with the code on annual basis.

19. Vigil Mechanism/ Whistle Blower Policy:

The Company has established a vigil mechanism policy for the directors and its employees to report genuine concerns about the illegal and unethical practices and behaviour, actual or suspected fraud or the violation of the Company's Code of Conduct or the ethics policy and the said policy is posted on the website of the Company. The Policy is established under section 177(10) of the Companies Act, 2013.

20. Remuneration of Directors and employees:

The disclosures as required under section 197 of the Companies Act, 2013 and rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure – 2.

21. Nomination and Remuneration Policy:

The company has framed the nomination and remuneration policy for the remuneration payable to the Key Managerial and Senior Managerial Personnel. The salary payable to the WTD and CFO and Company Secretary is as per the Nomination and Remuneration Policy. The Nomination policy also lays down the criteria for formal annual evaluation of the performance of the Board. The same is attached to the Board's Report as Annexure-3.

22. Risk Management Policy:

The Board has formulated a risk management policy for the company, identifying the areas of risk for the Company and the same has been implemented.

23. Formal Annual Evaluation of performance of Board, its Committees and the individual Directors:

The nomination and remuneration policy lays down the criteria for formal annual evaluation of the performance of the Board and the individual directors. Accordingly the company has evaluated the performance of the Board and the individual directors.

24. Disclosure regarding the receipt of commission by the Managing Director, Whole Time Director from the company, its holding or subsidiary company:

The Whole Time Director does not receive any commission from the company or its associate companies.

25. Ratification of Appointment of Statutory Auditors:

Mr. S.D.Bedmutha, Chartered Accountant, Nashik was appointed as the Auditor for a period of three years, i.e from the conclusion of 41st Annual General Meeting till the conclusion of 44th Annual General Meeting, subject to ratification by the members at every annual general meeting.

The company has received written consent from the auditor to the proposed appointment and certificate to the effect that he satisfies the criteria provided in section 141 of the Act. The matter for ratification of appointment of auditors is placed before the members at the annual general meeting.

26. Statutory Audit Report:

There are no adverse comments or remarks in the Statutory Audit Report, which require clarification from the directors.

27. Secretarial Audit Report:

During the year the company has appointed M/s JHR & Associates, Company Secretaries, Thane to conduct the secretarial audit. The Secretarial Audit report does not contain any adverse comments or remarks. The Secretarial Audit Report in form MR-3 is attached to the Board's Report.

28. Cost Audit:

The provisions for audit of the cost records were not applicable to the Company during the financial year ended 31st March 2017.

29. Corporate Social Responsibility:

The provisions of section 135 of the Companies Act, 2013 regarding the Corporate Social Responsibility are not applicable to the company. However, the Board of Directors recognize the Company's Social obligations and may incur the expenses on CSR activities voluntarily, whenever they deem fit.

30. Extract of Annual Return:

The Extract of Annual Return as prescribed under section 92(3) of Companies Act, 2013 is annexed to the Boards Report in Form MGT-9 as Annexure-4.

31. Directors' Responsibility Statement:

The Directors confirm that -

- i. In preparation of the Annual Accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii. They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 31st March 2017 and the profit of the Company for the year ended on that date.
- iii They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for the safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv They have prepared the annual accounts on a going concern basis;
- v They have laid down internal financial controls for the Company, and such internal financial controls are adequate and were operating effectively,
- vi They have devised proper systems to ensure compliances with the provisions of all applicable laws and, which, in the opinion of the Board, are adequate and operating effectively.

32. Loans, Guarantees and Investments:

The Company has not given any loans or guarantee or provided security in connection with loan to any other body corporate or persons as governed under the provisions of section 186 of the Companies Act, 2013. The Company has neither acquired nor purchased any securities of any other body corporate during the financial year.

33. Related Party Transactions:

The statement of related party transaction is attached to the Board Report in form AOC-2 as Annexure -5.

34. Subsidiary, Associates and Joint Venture Companies;

The Company has two associate companies:

1. Vidarbha Bidi Limited
2. Tip Top Health Zone Private Limited.

SINNAR BIDI UDYOG LIMITED.

The Company has sold the Shares held in Yogi Ayurvedic Products Private Limited (being the Associate Company). Hence, the Company Yogi ceases to be its Associate Company.

None of the other companies became the subsidiary, joint venture, or Associates companies of the company nor they ceased to be its subsidiary, joint venture or associate. The details of investments held in Associate Companies is annexed to the Board Report in form AOC-1 as Annexure-6.

35. Conservation of Energy, Technology, Foreign Exchange Earnings and Outgo:

The Company has taken steps for conservation of energy at its processing plant and office premises. The activities of the Company offer less scope for absorption of Technology. There was no foreign exchange earning or outgo during the financial year under consideration.

36. Deposits:

The company has not accepted any deposits in the financial year either from Members or public in terms of section 73 and 76 of the Companies Act 2013.

37. Internal Complaints Committee:

The Internal Complaints Committee constituted under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, has not received any cases/ compliants during the year.

38. Internal Financial Control with reference to financial Statements:

The company has adequate internal financial control and procedures commensurate with the size of the company and the nature of its business. Also, the company has laid down set of standards, processes and structures which enables to implement internal financial control across the organisation and ensure that the same are adequate and operating effectively.

39. Corporate Governance:

As per the Regulation 15(2) of the SEBI (LODR) Regulations 2015, as the paid up equity share capital and Net worth of the Company is less than the limits mentioned in the regulations, compliance under Regulation 27(2) of the SEBI (LODR) Regulations, 2015 is not applicable to the Company. As such, the requirement for submitting report on Corporate Governance is not applicable to the Company and hence it does not form a part of this report.

40. Acknowledgment:

Your directors take the opportunity to place on record their appreciation for the devoted services of the employees at all levels throughout the year. The directors also wish to place on record their appreciation for the assistance and continued co-operation extended by the various Government and Non-Government Authorities and the Bankers of the Company.

**For and on Behalf of Board of Directors
Sinnar Bidi Udyog Limited**

**M. D. Deshpande
Chairman, Whole Time Director and CFO
DIN: 00238917**

**Place: Nashik
Date: 29 May 2017**

SINNAR BIDI UDYOG LIMITED.

Annexure 1

Board Meeting Attendance

Sr No	Dates of Meeting	Name of Director							
		Madhav Digambar Deshpande	Bhausahab Shukhadew Pawar	Bharati Subhash Sancheti	Chandrasingh Bhagawan Patil	Dhanpal Motilal Shah	Shirish Bansilal Shah	Laxminarayan Mohanlal Karwa	Rajendra Nemichand Tatiya
1	30.05.2016	Yes	Yes	Yes	No	Yes	Yes	N.A.	N.A.
2	30.06.2016	Yes	Yes	Yes	N.A.	Yes	N.A.	N.A.	N.A.
3	12.08.2016	Yes	Yes	Yes	N.A.	Yes	N.A.	Yes	N.A.
4	13.08.2016	Yes	Yes	Yes	N.A.	Yes	N.A.	Yes	N.A.
5	11.11.2016	Yes	Yes	Yes	N.A.	Yes	N.A.	Yes	Yes
6	11.02.2017	Yes	Yes	Yes	N.A.	Yes	N.A.	Yes	No
7	31.03.2017	Yes	Yes	Yes	N.A.	Yes	N.A.	Yes	Yes

Audit Committee Attendance

Sr No	Dates of Meeting	Name of Director			
		Madhav Digambar Deshpande	Dhanpal Motilal Shah	Shirish Bansilal Shah	Rajendra Nemichand Tatiya
1	30.05.2016	Yes	Yes	Yes	N.A.
2	12.08.2016	Yes	Yes	N.A.	N.A.
3	11.11.2016	Yes	Yes	N.A.	No
4	11.02.2017	Yes	Yes	N.A.	No

Nomination and Remuneration Committee Attendance

Sr No	Dates of Meeting	Name of Director			
		Bharati Subhash Sancheti	Dhanpal Motilal Shah	Shirish Bansilal Shah	Bhausahab Shukhadew Pawar
1	20.06.2016	Yes	Yes	Yes	Yes
2	02.08.2016	Yes	Yes	N.A.	Yes

Shareholders Committee

Sr No	Dates of Meeting	Name of Director	
		Bharati Subhash Sancheti	Bhausahab Shukhadew Pawar
1	04.04.2016	Yes	Yes
2	11.07.2016	Yes	Yes
3	01.08.2016	Yes	Yes
4	19.09.2016	Yes	Yes
5	26.09.2016	Yes	Yes
6	10.10.2016	Yes	Yes
7	17.10.2016	Yes	Yes
8	24.10.2016	Yes	Yes
9	19.12.2016	Yes	Yes
10	02.01.2017	Yes	Yes
11	23.01.2017	Yes	Yes
12	20.03.2017	Yes	Yes

Meeting of Independent Directors

Sr No	Dates of Meeting	Name of Director	
		Dhanpal Motilal Shah	Rajendra Nemichand Tatiya
1	25.03.2017	Yes	Yes

Annexure 2
DISCLOSURE RELATING TO THE REMUNERATION OF DIRECTORS AND
EMPLOYEES REMUNERATION:

The disclosures as required under section 197 of the Companies Act, 2013 and rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

i) Ratio of remuneration of each director to the median employee's remuneration:

Ratio of Remuneration paid to Whole Time Director & CFO Mr. M. D. Deshpande to the median remuneration of employees for the financial year: 9.43 %.

None of the other directors except the Whole Time Director mentioned above was paid any remuneration during the financial year.

ii) The details regarding percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year:

1. Mr. M. D. Deshpande – Whole Time Director and CFO : 7.77%.

2. Mr. Sushil Ladda – Company Secretary: Nil.

3. The Company has not paid any remuneration to other directors and has not appointed any other managerial personnel except above.

iii) The percentage of increase in Median Remuneration of Employees is 30.79 % in the financial year.

iv) Number of Permanent Employees on the rolls of the Company is 56.

v) Relationship between increase in remuneration and company performance:

The turnover of the Company decreased by 14.55% during the financial year 2016-17, as compared to the financial year 2015-16. The aggregate remuneration of employees increased by 13.67% over the previous year.

vi) Relationship between increase in remuneration of Key Managerial Personnel and company performance: remuneration increased by 7.77% whereas turnover decreased by 14.55%.

vii) The Market capitalization of the Company was Rs.8.42 Lakhs on 31st March 2017 as compared to Rs.8.02 Lakhs as on 31st March 2016. The Price earning ratio was 40.10 as on 31st March 2017 as compared to 37.63 as on 31st March 2016. The percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer is not applicable to the company as the company has not made any public issue after listing on Stock Exchange.

Viii) Average Percentile Increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. : remuneration of managerial personnel increased by 7.77% & salaries of employees increased by 15.07%.

SINNAR BIDI UDYOG LIMITED.

ix) Comparison of the each remuneration of the key managerial personnel against the performance of the Company: turnover of the company decreased by 144.50 lakhs and remuneration of key managerial personnel is increased by 1.06 lakhs.

x) The key parameters for any variable component of remuneration availed by the Directors: No such component.

xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not Applicable.

xii) It is affirmed that the remuneration paid to the Whole Time Director and Company Secretary is in accordance with the remuneration policy of the Company.

xiii) There is no employee who receives aggregate remuneration throughout the year in excess of Rs.1.20 Crores.

xiv) There is no employee who receives the remuneration in excess of Rs.8.50 Lakhs per month during the year.

xv) No employee of the company along with his spouse and dependent children holds more than 2% of the equity share capital of the Company.

**For and on Behalf of Board of Directors
Sinnar Bidi Udyog Ltd.**

**M. D. Deshpande
Chairman, Whole Time Director and CFO
DIN: 00238917**

**Place: Nashik
Date : 29 May 2017**

ANNEXURE 3

NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION:

The Company considers the human resources as its invaluable assets. This policy on the nomination and remuneration of Directors, Key Managerial Personnel, (KMPs) and other employees have been formulated in compliances with section 178 of Companies Act, 2013 along with the applicable rules thereto and Clause 49 of the listing agreement, as amended from time to time in order to pay equitable remuneration to the Directors, KMPs, and the employees of the Company and to harmonise the aspirations of the human resources consistent with the goals of the Company.

2. DEFINITIONS:

Remuneration means any money, or its equivalent given or passed to any person for the services rendered by him and includes perquisites as defined under the Income Tax Act, 1961

Key Managerial Personnel means means

- i The Chief Executive Officer or the managing director or the manager or in their absence the Whole Time Director;
- ii The Company Secretary;
- iii The Chief Financial Officer
- iv Such other person as may be prescribed.

Senior Management means the senior management personnel of the Company who are the members of its core management team excluding the Board of Directors including the Functional Heads.

Committee means the Nomination and Remuneration committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and the applicable listing agreement and / or regulations.

Company means the Sinner Bidi Udyog Limited

Board means the Board of Directors of the Company

Directors means the Directors of the Company

Independent Director means the Director referred to in section 149(6) of the Companies Act, 2013 and the rules made thereunder.

Unless the context otherwise requires, words and expressions used in this policy and not

defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

3. OBJECTIVES AND PURPOSE OF THE POLICY:

The objective of the policy is to ensure that

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain, and motivate the directors of the quality required to run the company successfully;
- ii. Relationship of remuneration to performance to is clear and meets appropriate performance benchmarks;
- iii. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentives pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

4. CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Board has re-constituted the Nomination and Remuneration Committee of the Board on 31st March 2015. This is in line with the requirements under the Companies Act, 2013.

The Board has the authority to reconstitute this committee from time to time.

5. ROLE OF THE COMMITTEE:

- i. To guide the Board in relation to appointment and removal of the Directors, Key Managerial Personnel and senior management.
- ii. To formulate the criteria for evaluation of performance of all the directors on the Board.
- iii. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- iv. To recommend the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- v. To devise a policy on Board diversity.
- vi. To identify the persons who are qualified to be directors and the key managerial personnel in accordance with the criteria laid down in this policy.

6. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:

- i. The Committee shall identify and ascertain integrity, qualification, expertise and experience of the person for the appointment as Director, KMP or at Senior Management level and recommended his/ her appointment, as per Company's Policy.
- ii. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfaction for the position.
- iii. The Company shall not appoint or continue the employment of any person as Whole Time Director, who has attained the age of seventy years. Provided that such a person may be

appointed as a Whole Time Director beyond his/ her age exceeding seventy years with the approval of Shareholders by passing a special resolution.

I. TERM/ TENURE:

a) Managing Director / Whole Time Director

The Company shall appoint or reappoint any person as its Managing Director, Whole Time Director, or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director can hold office for a term of five years on the Board of the Company and will be eligible for reappointment on passing a special resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold a office for more than two consecutive terms of upto 5 years, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an independent Director.

Provided than an Independent Director shall not, during the said period of three years, be appointed in or associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

II. EVALUATION:

The Committee shall carry out the evaluation of performance of Director, KMP, and senior management personnel yearly or at such intervals as may be considered necessary.

All the directors are requested annually to provide their assessment of the performance of the Board and its Committees by way of response to a questionnaire. Additionally, all Board members will be asked to do a self-evaluation of their performance annually. The performance of executive directors will be evaluated by the Nomination and Remuneration Committee. The performance evaluation of Independent Directors shall be done by entire board of directors excluding the director being evaluated.

III. REMOVAL:

The Committee may recommend with reasons recording in writing, removal of a director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

IV. RETIREMENT:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act, and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

7. POLICY FOR REMUNERATION TO DIRECTORS/ KMP/ SENIOR MANAGEMENT PERSONNEL:

I. Remuneration to Managing Director/ Whole Time Directors:

The Remuneration / Commission etc. to be paid to Managing Director/ Whole Time Directors, etc. Shall be governed as per the provisions of the Companies Act, 2013 and the rules made thereunder or any enactment for the time being in force and the approval obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors from as it may consider the appropriate with regards to the remuneration to Managing Director/ Whole Time Director.

II. Remuneration to Non Executive Directors/ Independent Directors:

A. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

B. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

C. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

D. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (B) above if the following conditions are satisfied:

- i) The Services are rendered by such Director in his capacity as the professional; and
- ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

III. Remuneration to Key Managerial Personnel and Senior Management:

A. The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

B. The Fixed pay may include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

C. The Incentive pay, if any, be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

8. IMPLEMENTATION:

The Committees may issue guidelines, procedures, formats, reporting mechanism and manuals in supplements and for better implementation of this policy as considered appropriate. The Committee may delegate any of its powers to one or more of its members.

**For and on Behalf of Board of Directors
Sinnar Bidi Udyog Ltd.**

**M. D. Deshpande
Chairman, Whole Time Director and CFO
DIN: 00238917**

**Place: Nashik
Date : 29 May 2017**

SINNAR BIDI UDYOG LIMITED.

ANNEXURE 4 FORM NO MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2017

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014

I REGISTRATION AND OTHER DETAILS:-

i	CIN	L16002MH1974PLC017734
ii	Registration Date	30 th August 1974
iii	Name of the Company	Sinnar Bidi Udyog Limited
iv	Category/ Sub-category of the Company	Public Company; Limited by shares
v	Address of the Registered office and Contact Details	Parekh Mahal, 2nd Floor, Room No. 62, Plot no.8-9, Lady Jamshedji Road, Sakharam Keer Marg, Mahim, Mumbai 400016
vi	Whether Listed Company	Yes
vii	Name, Address and Contact Details of Registrar and Transfer Agent if any	Link Intime India Private Limited 247, Lal Bahadur Shastri Marg, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:-

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr No	Name and Description of main products/ services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Tabacco Sales	51227 and 51212	100

III PARTICULARS OF HOLDING, SUBSIDIARY, AND ASSOCIATE COMPANIES:-

Sr No	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Vidarbha Bidi Limited Block No 4, Gurukrupa Towersold Kapad Bazar Tanaji Peth Akola, Maharashtra 444001	U16000MH1991PLC061334	Associate	38.28%	2(6)
2	Tip Top Health Zone Private Limited Parekh Mahal, 2nd Floor, Room No. 62, Plot no.8-9, Lady Jamshedji Road, Sakharam Keer Marg, Mahim, Mumbai 400016	U60300MH1978PTC020144	Associate	24.33%	2(6)

SINNAR BIDI UDYOG LIMITED.

IV SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

i Category-wise share holding

Category of Shareholders	No. of Shares held at the beginning of the year				No of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Shares	Demat	Physical	Total	% of Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	84700	0	84700	42.35	84700	0	84700	42.35	0
b) Central Government	0	0	0	0	0	0	0	0	0
c) State Government	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	62100	0	62100	31.05	62100	0	62100	31.05	0
e) Bank/ Financial Institutions	0	0	0	0	0	0	0	0	0
f) Any other									
SUB TOTAL A(1)	146800	0	146800	73.4	146800	0	146800	73.4	0
(2) Foreign									
a) NRIs Individual	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/ Financial Institutions	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL A(2)	0	0	0	0	0	0	0	0	0
TOTAL SHAREHOLDING OF PROMOTES	146800	0	146800	73.4	146800	0	146800	73.4	0
A=A(1) + A(2)									
B. Public Shareholdings									
1. Institutions									0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/ Financial Institutions	0	0	0	0	0	0	0	0	0
c) Central Government	0	0	0	0	0	0	0	0	0
d) State/ Government	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL B(1)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corporate									
i) Indian	200	650	850	0.425	100	650	750	0.375	-0.05
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									0
i) Individual Shareholders holding nominal shares upto Rs. 1 Lakh	12770	39260	52030	26.01	11420	40610	52030	26.01	
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	0
c) Other (Specify)					0	0	0	0	
Clearing Members	150	0	150	0.75	200	0	200	0.1	-0.65
HUF	170	0	170	0.085	220	0	220	0.11	0.025
SUB TOTAL B (2)	13290	39910	53200	27.27	11940	41260	53200	26.595	-0.675
TOTAL PUBLIC SHAREHOLDING									0
B=B(1) + B(2)	13290	39910	53200	26.6	11940	41260	53200	26.60	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A+B+C)	160090	39910	200000	100	158740	41260	200000	100.00	

SINNAR BIDI UDYOG LIMITED.

ii Shareholding of Promoters

Sr No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	% Change in the shareholding during the year
1	Shrirang Kisanlal Sarda	13720	6.86	0	13720	6.86	0	0
2	STS Exports Limited	3700	1.85	0	3700	1.85	0	0
3	Kisanlal Bastiram Sarda	41170	20.585	0	41170	20.585	0	0
4	Kiran Kisanlal Sarda	18170	9.085	0	18170	9.085	0	0
5	Kisanlal Bastiram Sarda	5590	2.795	0	5590	2.795	0	0
6	Shrilekha Vivek Sisodia	100	0.05	0	100	0.05	0	0
7	Kisanlal Bastiram Sarda	5950	2.975	0	5950	2.975	0	0
8	Rasbihari Enterprises Limited	58400	29.2	0	58400	29.2	0	0
	TOTAL	146800	73.4	0	146800	73.4	0	0

iii Change in Promoters Shareholding (Please specify if there is no change): No Change

Sr No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company*
	At the beginning of the year				
	Date wise increase/ Decrease in the promoters shareholding during the year specifying the reason (eg. Allotment/ Transfer/ Bonus/ Sweat Equity, etc.		NIL		
	At the end of the year				

iv Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR and ADRs)

Sr No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
	For Each of top 10 shareholders*				
	At the beginning of the year				
1	Laxmikant Madanlal Ostwal	2600	1.30	2600	1.30
2	Harsha Hitesh Javeri	2300	1.15	2350	1.18
3	Shashikant Ganapati Bagewadi	2100	1.05	2050	1.03
4	Hitesh Ramji Javeri	1900	0.95	1900	0.95
5	Sunildatta Vinayak Lad	1450	0.73	1450	0.73
6	Goverdhan Bhagirath Hede	1150	0.58	1150	0.58
7	Laxminarayan Mahanlal Karwa	1250	0.63	1250	0.63
8	Deshmukh Sanjay Devram	1000	0.50	1000	0.50
9	Jagdish Kannaiyalal Laddha	1000	0.50	1000	0.50
10	Abhay Rangnath Deshmukh	790	0.40	790	0.40
	At the end of the year	15540	7.77	15540	7.77

* Based on the shareholding pattern of the Company as on 31.03.2017

SINNAR BIDI UDYOG LIMITED.

v Shareholdings of Directors and Key Managerial Personnel:

Sr No	For Each of the Directors and KMPs	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1	Chandrasingh Bhagawan Patil*	500	0.25	0	0
2	Madhav Digambar Deshpande	100	0.05	100	0.05
3	Bhausahab Shukhadew Pawar	150	0.075	150	0.075
4	Dhanpal Motilal Shah	0	0	0	0
5	Shirish Bansilal Shah**	0	0	0	0
6	Bharati Subhash Sancheti	240	0.12	240	0.12
7	Laxminarayan Mohanlal Karwa***	1250	0.625	1250	0.625
8	Rajendra Nemichand Tatiya****	0	0	0	0
	At the end of the year**	2240	1.12	1740	0.87

*Cease to be Director as well as Shareholder w.e.f 11.06.2016

** Resigned as Director of the Company w.e.f 30.06.2016

*** Appointed as Director w.e.f 30.06.2016 but was shareholder of the company since beginning of the year

**** Appointed as Independent Director w.e.f 14.09.2016

V INDEBTEDNESS

Indebtedness of the company including interest outstanding/ accrued but not due for payment

		Secured Loan excluding the deposits	Unsecured loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the year				
i	Principal Amount	37547197	0	0	37547197
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	37547197	0	0	37547197
	Change in Indebtedness during the financial year				
	Addition	0	0	0	0
	Reduction	24645884	0	0	24645884
	Net Change	-24645884	0	0	-24645884
	Indebtedness at the end of the financial year				
i	Principal Amount	12901313	0	0	12901313
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	12901313	0	0	12901313

SINNAR BIDI UDYOG LIMITED.

VI REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole Time Directors and/ or Manager:

Sr No	Particulars of Remuneration	Name of MD/ WTD/ Manager			Total Amount
		Whole Time Director Mr. Madhav Deshpande	Managing Director: N.A.	Manager: N.A.	
1	Gross Salary	1566615	0	0	1566615
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of Salary under section 17(3) of Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	as a % of Profit	0	0	0	0
	Others, specify				
5	Others, please specify	0	0	0	0
	TOTAL (A)	1566615	0	0	1566615
	Ceiling as per the Act				

B Remuneration to other directors: NOT APPLICABLE

Sr No	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors				
	Fees for attending board and committee meetings				
	Commission				
	Others, please specify				
	Total (1)				
2	Other Non- Executive Directors				
	Fees for attending board and committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)= (1+2)				
	Total Managerial Remuneration				
	Over Managerial Ceiling as per Act				

SINNAR BIDI UDYOG LIMITED.

C Remuneration to Key Managerial Personnel other than MD/ Manager / WTD:

Sr No	Particulars of Remuneration	Name of the Key Managerial Personnel			Total Amount
		Chief Financial Officer: Mr. M.D. Deshpande*	Company Secretary: Sushil Ladda	Chief Executive Officer: N.A.	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0	147021	0	147021
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of Salary under section 17(3) of Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as a % of Profit	0	0	0	0
	Others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	TOTAL	0	147021	0	147021

* Mr. M.D.Deshpade is the Whole Time Director as well as Chief Financial Officer. The company does not pay separate remuneration to the CFO

VII. PENALTIES/ PUNISHMENTS/ COMPOUNDING OF OFFENCES : NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal Made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

**For and on Behalf of Board of Directors
Sinnar Bidi Udyog Ltd.**

M. D. Deshpande
Chairman, Whole Time Director and CFO
DIN: 00238917

Place: Nashik
Date : 29 May 2017

SINNAR BIDI UDYOG LIMITED.

ANNEXURE 5 FORM NO AOC-2

(Pursuant to clause (h) of sub-sections (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under this proviso thereto

1. Details of contracts or arrangements or transactions not at arms length basis: Not applicable

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/ arrangements/ transactions	
(c) Duration of the contract/ arrangements/ transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Dates of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at arms length basis

I. STS Exports Limited

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts/ arrangements/ transactions	
(c) Duration of the Contracts/ arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Date(s) of approval by the Board, if any	
(f) Amount paid as advances, if any	

II. Rasbihari Enterprises Limited

(a) Name(s) of the related party and nature of relationship	Rasbihari Enterprises Limited (Director of the company is director in that company)
(b) Nature of contracts/ arrangements/ transactions	Availing of services
(c) Duration of the Contracts/ arrangements/ transactions	The contract is governed by the provisions of Companies Act, 1956 and continuing one.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Factory and Godown rent Amount: Rs. 4,22,400 /-
(e) Date(s) of approval by the Board, if any	The contract is governed by the provisions of Companies Act, 1956 and continuing one.
(f) Amount paid as advances, if any	NIL

For Sinnar Bidi Udyog Limited

M.D.Deshpande
Chairman, Whole Time Director and CFO
DIN:00238917

Date: 29 May 2017
Place: Nashik

ANNEXURE 6

Disclosure relating to investment of Sinnar Bidi Udyog Ltd in following associates companies.

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary/ associate companies/ joint venture

PART A: Subsidiaries NIL

(Information in respect of each subsidiary to be presented with amounts in Rs.)

- 1 Serial No
- 2 Name of the Subsidiary
- 3 The date since when subsidiary was acquired
- 4 Reporting period for the subsidiary concerned, if different from the holding company's reporting period
- 5 Reporting currency and Exchange rate as on the last date of the relevant financial year in case of foreign subsidiary
- 6 Share Capital
- 7 Reserves and Surplus
- 8 Total Assets
- 9 Total Liabilities
- 10 Investments
- 11 Turnover
- 12 Profit before taxation
- 13 Provision for taxation
- 14 Profit after taxation
- 15 Proposed Dividend
- 16 % of Shareholding

Notes: The following information shall be furnished at the end of the Statement

Names of the subsidiaries which are yet to commence operations: NIL

Names of the subsidiaries which have been liquidated or sold during the year: NIL

SINNAR BIDI UDYOG LIMITED.

PART B: Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of the Associates / Joint Ventures	Vidarbha Bidi Limited	Tip Top Health Zone Private Limited
1. Latest Audited Balance Sheet Date	31 st March 2017	31 st March 2017
2. Date on which the Associate or Joint Venture was associated or acquired	31st March 1997	31st March 1998
3. Shares of Associates/ Joint Ventures held by the Company on the year end No.		
Amount of Investment in Associates/ Joint Venture	39,590 Equity Shares	3,650 Equity Shares
Extend of Holding %	38.28%	24.33%
4. Description of how there is significant influence	Control of Share Capital more than 20%	Control of Share Capital more than 20%
5. Reason why the associate/ joint venture is not consolidated	N.A.	N.A.
6. Networth attributable to Shareholding as per latest Audited Balance Sheet	(239,287)	1,903,380
7. Profit/ Loss for the year to the extent of holding	18,984	-410
i. Considered in Consolidation	NIL	-410
ii. Not Considered in Consolidation	Profit not considered in consolidation as we have made provision of diminution in the value of shares.	

Names of the associates or joint ventures which are yet to commence operations: NIL

Names of the associates or joint ventures which have been liquidated or sold during the year: Yogi Ayurvedic Products Private Limited

For Sinnar Bidi Udyog Limited

M. D. Deshpande
Whole Time Director and CFO
DIN: 00238917

B. S. Sancheti
Director
DIN: 06983828

S. S. Ladda
Company Secretary

Date: 29 May 2017

Place: Nashik

SINNAR BIDI UDYOG LIMITED.

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,

Sinnar Bidi Udyog Limited

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sinnar Bidi Udyog Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (Not applicable to the Company during audit period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during audit period)

SINNAR BIDI UDYOG LIMITED.

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during audit period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during audit period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during audit period)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during audit period)
 - i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- vi. There are no laws which specifically apply to the type of activities undertaken by the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines, etc. mentioned above.

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Agreements.

Adequate notice of at least seven days is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent generally seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Thane

Date: 29th May, 2017

For JHR & Associates

Company Secretaries

Sd/-

J. H. Ranade

(Partner)

FCS: 4317, CP: 2520

SINNAR BIDI UDYOG LIMITED.

The Members,
Sinnar Bidi Udyog Limited
Parekh Mahal, 2nd Floor, Room No 62,
Plot No. 8-9, Lady Jamshedji Road,
Sakharam Keer Marg, Mahim, Mumbai – 400 016

Our Secretarial Audit Report of even date for the Financial Year 2016-17 is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility.

2. Our responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on our audit.

3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

4. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Thane
Date: 29th May, 2017

For JHR & Associates
Company Secretaries

Sd/-
J. H. Ranade
(Partner)
FCS: 4317, CP: 2520

INDEPENDENT AUDITORS' REPORT

To,

The Members of Sinnar Bidi Udyog Limited

Report on Financial Statements

We have audited the accompanying financial statements of Sinnar Bidi Udyog Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the

appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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, 2017;
- (b) In the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143(3) of the Act, we further report that :
 - a We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b 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 ;
 - c The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
 - d In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
 - e On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act
 - f With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

SINNAR BIDI UDYOG LIMITED.

- (i) The Company does not have any pending litigations which would impact its financial position
- (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Company.
- (iv) The Company has provided requisite disclosure in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation, I report that the disclosures are in accordance with books of the accounts maintained by the Company and as produced before me – Refer Note 27 to the financial statements.

(S. D. Bedmutha)
Chartered Accountant

Place: Nashik
Date : 29 May 2017

SINNAR BIDI UDYOG LIMITED.

“Annexure A” to the Independent Auditor's Report of even date on the Financial Statements of SINNAR BIDI UDYOG LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **SINNAR BIDI UDYOG LIMITED** (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of

financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

(S. D. Bedmutha)
Chartered Accountant

Place: Nashik
Date : 29 May 2017

**ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory
Requirements' section of our report of even date)
Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the
Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act')
of Sinnar Bidi Udyog Limited ('the Company')**

- i In respect of the Company's fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii As informed to us the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv As explained to us, Company has not granted any loan, made any investments or provided any guarantees and security to the parties covered under section 185 and 186 during the year ended as at 31st march 2017.
- v The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii According to the information and explanations given to us, in respect of statutory dues:
 - a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts

SINNAR BIDI UDYOG LIMITED.

payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institutions. The Company has not issued any debentures.
- ix The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.
- x To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv During the year, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Para 3(xv) of the Order is not applicable.
- xvi In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

(S. D. Bedmutha)
Chartered Accountant

Place: Nashik
Date : 29 May 2017

SINNAR BIDI UDYOG LIMITED.

BALANCE SHEET (STANDALONE) AS AT 31ST MARCH 2017

Particulars	Note No	31.03.2017 RUPEES	31.03.2017 RUPEES	31.03.2016 RUPEES
I EQUITY AND LIABILITIES				
1 SHAREHOLDERS' FUNDS				
Share Capital	2		2,000,000	2,000,000
Reserves And Surplus	3		42,839,160	42,799,096
			44,839,160	44,799,096
2 NON-CURRENT LIABILITIES				
Long -Term Borrowings	4		-	-
Long -Term Provisions	5		22,241,362	22,791,919
			22,241,362	22,791,919
3 CURRENT LIABILITIES				
Short-Term Borrowings	6		12,901,313	37,547,197
Trade Payable	7		17,426,280	18,039,815
Other Current Liabilities	8		935,144	346,036
Short-Term Provisions	9		1,386,887	1,248,236
			32,649,624	57,181,284
Total			99,730,146	124,772,299
II ASSETS				
1 NON-CURRENT ASSETS				
Fixed Assets				
Tangible Assets	10		6,770,009	7,421,713
Intangible Assets	10		-	-
Non Current Investments	11		3,704,959	3,704,959
Deferred Tax Asset (Net)	12		893,000	979,000
Long -Term Loans & Advances	13		646,514	650,014
			12,014,482	12,755,686
2 CURRENT ASSETS				
Inventories	14		57,529,275	75,251,370
Trade Receivable	15		29,327,732	35,085,448
Cash and Bank Balances	16		266,166	315,855
Short-Term Loans and Advances	17		580,678	1,348,978
Other Current Assets	18		11,813	14,962
			87,715,664	112,016,613
Total			99,730,146	124,772,299
Summary of Significant Accounting Policies	1			

The accompanying notes form an integral part of the financial statements 28.

As per my report of even date

S.D.Bedmutha
Chartered Accountant
Membership No.033679.
Place : Nashik
Date : 29th May 2017.

For and on behalf of the Board

M. D. Deshpande
Whole Time Director and CFO
DIN: 00238917

B. S. Sancheti
Director
DIN: 06983828

S. S. Ladda
Company Secretary

Place : Nashik
Date : 29th May 2017.

SINNAR BIDI UDYOG LIMITED.

STATEMENT OF PROFIT AND LOSS ACCOUNT (STANDALONE) FOR THE YEAR ENDED 31ST MARCH 2017

	Refer Note No.	31.03.2017 RUPEES	31.03.2016 RUPEES
Income			
I Revenue from Operations (Gross)	19	87,056,029	100,522,064
Less : Excise Duty		-	-
Revenue from Operations (Net)		87,056,029	100,522,064
II Other Income	20	235,923	39,791
III Total Revenue (I + II)		<u>87,291,952</u>	<u>100,561,855</u>
Expenses			
Cost of material consumed	21	66,380,325	72,884,753
Changes in Inventory	22	-	-
Employee Benefits Expense	23	10,336,746	9,446,142
Finance Cost	24	4,239,491	5,643,590
Depreciation and Amortization Expense	10	686,583	697,894
Other Expense	25	5,779,057	6,507,084
Exchange rate difference	26	(504,399)	1,263,597
IV Total Expenses		<u>86,917,803</u>	<u>96,443,060</u>
V Profit before exceptional & extraordinary items & tax (III - IV)		<u>374,149</u>	<u>4,118,795</u>
VI Exceptional & Extraordinary Items			
Provision for Diminution in Value of Investment		-	725,022
VII Profit / (Loss) before Tax (V - VI)		<u>374,149</u>	<u>3,393,773</u>
VIII Tax Expenses			
Current Tax		228,000	1,260,000
Prior Period Tax		20,085	-
Deferred Tax		86,000	2,000
IX Profit / (Loss) for the year (VII - VIII)		<u>40,064</u>	<u>2,131,773</u>

Earning Per Equity Share of Face Value of 10/- each.

Basic	0.20	10.66
Diluted	0.20	10.66

Summary of Significant Accounting Policies

The accompanying notes form an integral part of the financial statements 28

As per my report of even date

For and on behalf of the Board

S.D.Bedmutha
Chartered Accountant
Membership No.033679.

M. D. Deshpande
Whole Time Director and CFO
DIN: 00238917

B. S. Sancheti
Director
DIN: 06983828

S. S. Ladda
Company Secretary

Place : Nashik
Date : 29th May 2017.

Place : Nashik
Date : 29th May 2017.

SINNAR BIDI UDYOG LIMITED.

CASH FLOW STATEMENT (STANDALONE) FOR THE PERIOD ENDED 31ST MARCH 2017

	31.03.2017 RUPEES	31.03.2016 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax and Extraordinary Items	374,149	4,118,795
ADJUSTMENTS FOR :		
Depreciation	686,583	697,894
(Gain) / Loss on Sales of Fixed Assets (Net)	(16,779)	(6,699)
Adjust. Relating to Earlier Year (Net) / Extraordinary Items	(504,399)	1,263,597
Interest Paid	4,239,491	5,643,590
Interest Income	(140,948)	(14,914)
Dividend on Investments	(4,121)	(6,642)
(Gain) / Loss on Sales of Investment	(25,550)	-
Operating Profit Before Working Capital Changes	<u>4,608,426</u>	<u>11,695,621</u>
ADJUSTMENTS FOR MOVEMENT IN WORKING CAPITAL		
Trade Payable	(613,535)	(41,005,245)
Short -Term Provisions	92,492	702,157
Other Current Liabilities	589,108	(435,811)
Trade Receivable	5,757,716	(3,467,276)
Short -Term Loans and Advances	17,304	2,438,789
Other Current Assets	3,149	-
Inventories	17,722,095	45,518,566
Cash Generated from Operations	<u>28,176,755</u>	<u>15,446,801</u>
Direct Taxes Refund / (Paid) Net	502,912	(1,120,472)
Cash Flow Before Extra Ordinary Items	<u>28,679,667</u>	<u>14,326,329</u>
Net Cash from /(used in) Operating Activities (A)	<u>28,679,667</u>	<u>14,326,329</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(46,500)	(573,282)
Sale of Fixed Assets	28,400	12,000
Balances not considered as Cash and Cash Equivalents		
- Placed (net)	-	-
(Purchase) / Sale of Investments - Current	-	20,000
Sale of Investments - Non Current	25,550	-
Dividend Received on Investments	4,121	6,642
Investment in FDR	-	-
Interest Received	140,948	14,914
Net Cash from /(used in) Investing Activities (B)	<u>152,519</u>	<u>(519,726)</u>
CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Paid	(4,239,491)	(5,643,590)
Unclaimed Dividend Paid	-	-
Proceeds from Short-term Borrowing	(24,645,884)	(10,270,215)
Proceeds from Long-term Loans & Advances	3,500	-
Net Cash from /(used in) Financing Activities (C)	<u>(28,881,875)</u>	<u>(15,913,805)</u>
Net Cash Inflow/ (Outflow) (A)+(B)+(C)	<u>(49,689)</u>	<u>(2,107,202)</u>
Cash and Cash Equivalents as at 01.04.2016 (Opening Balance) (D)	315,855	2,423,057
Cash and Cash Equivalents as at 31.03.2017 (Closing Balance) (E)	266,166	315,855
Net Increase / (Decrease) In Cash Cash Equivalents (E) - (D)	<u>(49,689)</u>	<u>(2,107,202)</u>

Note :

Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing

Summary of Significant Accounting Policies (Note 1)

The accompanying notes are an integral part of these financial statements - 28

As per my report of even date

For and on behalf of the Board

S.D.Bedmutha
Chartered Accountant
Membership No.033679.
Place : Nashik
Date : 29th May 2017.

M. D. Deshpande
Whole Time Director and CFO
DIN: 00238917

B. S. Sancheti
Director
DIN: 06983828

S. S. Ladda
Company Secretary

Place : Nashik

Date : 29th May 2017.

NOTE 1:**SIGNIFICANT ACCOUNTING POLICIES****A Accounting Convention / Method of Accounting.**

The Financial Statements are prepared under Historical Cost Convention in accordance with generally accepted accounting principles and provisions of Companies Act 2013

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

B Revenue Recognition

Revenue from the sale of products is recognised on transfer of all significant risks and rewards of ownership to the buyer which coincides with despatch of products to customers.

Interest income is recognised on time proportion basis. Dividend income on investment is accounted for when received.

C Use of Estimates

The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known / materialised

D Fixed Assets and Depreciation

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

ii Depreciation is charged over the estimated useful life of the fixed assets as prescribed in Schedule II of the Companies Act, 2013.

E Investments

Long Term Investments are stated at cost less permanent diminution in value, if any.

F Current Assets**a Stocks**

Raw Material, Traded Items and Finished Goods are valued at lower of cost or net realisable value. Cost of finished goods includes cost of material and cost of conversion. Cost is determined on monthly weighted average basis.

b Book Debts, Advances & Deposits

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

G Employee / Retirement Benefits

Retirement Benefits to employees are provided for by payments to Gratuity and Provident Fund.

The gratuity liability is determined on the basis laid down under Employees Approved Gratuity Fund Scheme which takes into account the sum that would have been payable as gratuity to all the eligible employees on the last day of the financial year.

Liability arising on account of accrued leave salary payable is provided in the accounts. The same is worked out on the basis of the amount that would have been payable as leave encashment to all the eligible employees on the last day of the financial year. (Refer Note 28 (2))

H Foreign Currency Transactions

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

I Borrowing Costs.

Borrowing costs directly attributable to acquisition or construction of fixed assets which take substantial period of time to get ready for their intended use are treated as capital expenditure in accordance with Accounting Standard 16 on "Borrowing Costs" .

Other borrowing cost are charged to the statement of profit and loss.

J Leases.

Lease rentals for operating leases are charged to statement of profit and loss on accrual basis in accordance with the respective lease agreement.

K Taxation**a Current Year Charges**

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

b Deferred Tax

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

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

L Contingent Liabilities and Provisions.

Contingent Liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved , in line with the provisions of Accounting Standard (AS) 29.

Provisions are recognised when the company has present obligation (legal/constructive) and on management judgement as a result of past event, for which it is probable that a cash outflow may be required and reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be accrued / realised.

SINNAR BIDI UDYOG LIMITED.

NOTES TO FINANCIAL STATEMENTS (STANDALONE) FOR THE YEAR ENDED ON 31ST MARCH 2017

	31.03.2017 RUPEES	31.03.2017 RUPEES	31.03.2016 RUPEES
Note 2 : Share Capital			
Authorized 2,00,000 Equity Shares of Rs.10/- each		20,00,000	20,00,000
Issued, Subscribed and Paid-up 2,00,000 Equity Shares of of Rs.10/- each fully paid		2,000,000	2,000,000
		2,000,000	2,000,000

Notes:

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
Equity shares**

	31.03.2017		31.03.2016	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
At the beginning of the period	200,000	2,000,000	200,000	2,000,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	200,000	2,000,000	200,000	2,000,000

b) Terms / right attached to equity shares

There are no special right attached to equity shares other than those specified under provisions of various Acts.

c) Details of shareholders holding more than 5% shares in the company

	31.03.2017		31.03.2016	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of Rs.10/- each fully paid				
Rasbihari Enterprises Ltd.	58,400	29.20%	58,400	29.20%
Shri.Kisanlal Bastiramji Sarda	52,710	26.36%	52,710	26.36%
Sou. Kiran Kisanlal Sarda	18170	9.09%	18170	9.09%
Shri.Shrirang Kisanlal Sarda	13,720	6.86%	13,720	6.86%

Note 3 : Reserves and Surplus

General Reserve No.1: As Per Last Balance-Sheet	3,275,000	3,275,000
	3,275,000	3,275,000
General Reserve No.2: As Per Last Balance-Sheet	16,926,000	16,926,000
	16,926,000	16,926,000
Reserve For Bad And Doubtful Advances: As per Last Balance Sheet	69,000	69,000
	69,000	69,000

SINNAR BIDI UDYOG LIMITED.

	31.03.2017 RUPEES	31.03.2017 RUPEES	31.03.2016 RUPEES
Surplus / (Deficit) in the Statement of Profit and Loss			
Balance as per last financial statement	22,529,096		20,397,323
Profit for the year	40,064		2,131,773
		22,569,160	22,529,096
		42,839,160	42,799,096
Note 4 : Other Long Term Liabilities			
*Unsecured Loan – Fixed Deposit		-	-
Interest accrued but not due		-	-
		-	-
Note : 5 Long – Term Provisions			
Gratutiy Payable		342,005	388,164
Escrow Fund Provision (Please refer Note : 26)		21,899,357	22,403,755
		22,241,362	22,791,919
Note : 6 Short Term Borrowings			
Asset Based Lending (From State Bank of India)		12,901,313	37,547,197
		12,901,313	37,547,197
a. Secured by hypothecation of all current assets of the company both present and future			
b. The above credit facility is further secured by equitable mortgage of certain fixed assets.			
c. The above credit facility is secured by personal guarantee of Shri K B Sarda.			
Note : 7 Trade Payable			
Trade Payable			
- Due to Micro Enterprises and Small Enterprises		-	-
- Due to Others (Net)		17,426,280	18,039,815
		17,426,280	18,039,815
Note : The company has not received any intimation from its suppliers regarding their status under the Micro Small and Medium Enterprises Development Act , 2006 and hence disclosures , if any , relating to amounts unpaid as at the year end as required under the said act have not been furnished.			
Note : 8 Other Current Liabilities			
Other Payable	929,897		345,069
Advances Received From Customers	5,247		967
		935,144	346,036
		935,144	346,036
Note : 9 Short Term Provisions			
Other Provisions	1,386,887		1,248,236
Income Tax Provision (Net)	-		Nil
		1,386,887	1,248,236
		1,386,887	1,248,236

SINNAR BIDI UDYOG LIMITED.

NOTES TO FINANCIAL STATEMENTS (STANDALONE) FOR THE YEAR ENDED ON 31ST MARCH 2017

Note : 10

A) Tangible Assets

	(Amount in Rs.)									
	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 1.4.2016	Additions During The Year	Deductions & Transfers During The Year	As at 31.03.2017	As at 1.4.2016	For the year 2016-2017	Written Back	Total up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
Freehold Land	542,616	-		542,616	-			-	542,616	542,616
Buildings	10,117,317			10,117,317	5,409,434	239,284		5,648,718	4,468,599	4,707,883
Plant And Machinery	3,605,224	-	161,400	3,443,824	1,842,822	325,277	153,330	2,014,769	1,429,055	1,762,402
Electric Installation	1,057,137			1,057,137	893,294	33,138		926,432	130,705	163,843
Furniture & Fixture	1,372,879	-	13,700	1,359,179	1,317,085	12,114	12,137	1,317,062	42,117	55,794
Office & Other Equipments	3,934,224	46,500	55,243	3,925,481	3,793,422	62,605	53,255	3,802,772	122,709	140,802
Computers & Dataprocessing Eqp	49,400			49,400	44,410	3,422		47,832	1,568	4,990
Vehicles	82,664			82,664	39,281	10,743		50,024	32,640	43,383
Total	20,761,461	46,500	230,343	20,577,618	13,339,748	686,583	218,722	13,807,609	6,770,009	7,421,713
Previous Year I	20,371,374	573,282	183,195	20,761,461	12,819,748	697,894	177,894	13,339,748	7,421,713	7,551,626

B) Intangible Assets

	(Amount in Rs.)									
	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 1.4.2016	Additions During The Year	Deductions & Transfers During The Year	As at 31.03.2017	As at 1.4.2016	For the year	Written Back	Total up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
Trade Mark	-			-	-	-		-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Previous Year II	-	-	-	-	-	-	-	-	-	-
Total (A+B)	20,761,461	46,500	230,343	20,577,618	13,339,748	686,583	218,722	13,807,609	6,770,009	7,421,713
Previous Year I+II	20,371,374	573,282	183,195	20,761,461	12,819,748	697,894	177,894	13,339,748	7,421,713	7,551,626

SINNAR BIDI UDYOG LIMITED.

NOTES TO FINANCIAL STATEMENTS (STANDALONE) FOR THE YEAR ENDED ON 31ST MARCH 2017

	31.03.2017	31.03.2017	31.03.2016
	RUPEES	RUPEES	RUPEES

Note : 11 Non Current Investment

Investment in Shares

Non Trade. (At Cost.)

A) Fully Paid-up Equity Shares in Companies

Company	Numbers	Face Value	Rupees		
	31-03-2017	31-03-2016			
i) Quoted Shares					
Britannia Industries Ltd.	50	50	2	6,700	6,700
Castrol India Ltd.	4	4	10	240	240
Dabur India Ltd.	600	600	1	6,500	6,500
Merck (India) Ltd	10	10	10	4,700	4,700
Hindustan Lever Ltd.	100	100	1	21,500	21,500
Novartis India Ltd.	10	10	5	<u>3,250</u>	<u>3,250</u>
				42,890	42,890
ii) Unquoted Shares					
Rasbihari Enterprises Ltd.	88496	88496	10	2,716,972	2,716,972
STS Exports Ltd.	490	490	100	49,245	49,245
Syngenta India Ltd.	100	100	5	<u>7,500</u>	<u>7,500</u>
				2,773,717	2,773,717
iii) Unquoted Shares in Associate Company					
Yogi Ayurvedic Product Pvt. Ltd.	0	25550	10	-	256,603
Less : Prov. for Dimunation in value of Investment				-	256,603
				-	-
Vidarbha Bidi Ltd.	39590	39590	10	468,419	468,419
Less : Prov. for Dimunation in value of Investment				468,419	<u>468,419</u>
				-	-
Tip Top Health Zone Pvt Ltd.	3650	3650	100	<u>877,352</u>	877,352
				877,352	877,352
B) Others Unquoted					
Ordinary Shares in					
National Saving Certificates	-	-	-	<u>11,000</u>	11,000
(Security Lodged with Sales Tax / Excise Authorities)				11,000	<u>11,000</u>
				<u>3,704,959</u>	<u>3,704,959</u>

NOTES

Quoted Investments (Shares) :

Cost	42,890	42,890
Market Value	445,315	384,629
Quoted Investments (Debentures) :		
Cost	Nil	Nil
Market Value	Nil	Nil
Un-quoted Investments (Shares) :		
Cost	3,651,069	3,651,069
Aggregate Face Value of Shares	1,299,460	1,299,460

SINNAR BIDI UDYOG LIMITED.

NOTES TO FINANCIAL STATEMENTS (STANDALONE) FOR THE YEAR ENDED ON 31ST MARCH 2017

	31.03.2017	31.03.2016
	RUPEES	RUPEES
Note : 12 Deferred Tax Asset (Net)		
Deferred Tax Asset		
Impact of the expenditure charged to the statement of profit and loss account but allowable for tax purpose on payment basis	1,577,000	1,865,000
Gross Deferred Tax Asset	<u>1,577,000</u>	<u>1,865,000</u>
Deferred Tax Liability		
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortization charged for financial reporting	684,000	886,000
Gross Deferred Tax Liability	<u>684,000</u>	<u>886,000</u>
Net Deferred Tax Asset	<u>893,000</u>	<u>979,000</u>
Note : 13 Long Term Loans and Advances.		
Security Deposits	646,514	650,014
	<u>646,514</u>	<u>650,014</u>
Note : 14 Inventories (At lower of cost or net realisable value)		
Raw Material	57,284,915	75,251,370
Traded Goods / Other Stock	244,360	-
	<u>57,529,275</u>	<u>75,251,370</u>
Note : 15 Trade Receivables		
Unsecured considered good unless otherwise stated		
Due within Six Months	29,327,732	35,085,448
Above Six Months	-	-
	<u>29,327,732</u>	<u>35,085,448</u>
Note : 16 Cash And Bank Balances		
a. Cash on Hand	19,665	71,835
b. <u>With Scheduled Banks</u> :		
In Current Accounts	246,501	234,020
In Fixed Deposit Accounts (Given as Security to Sales Tax Authorities)	-	10,000
	<u>266,166</u>	<u>315,855</u>
Note : 17 Short-Term Loans and Advances		
(Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind or for value to be received		
Considered good	30,234	52,623
Prepaid Expenses	290,950	285,865
Advance Income Tax (Net)	259,494	1,010,490
Other Deposit	-	-
	<u>580,678</u>	<u>1,348,978</u>
Note : 18 Other Current Assets		
Interest Accrued	11,813	14,962
	<u>11,813</u>	<u>14,962</u>

SINNAR BIDI UDYOG LIMITED.

NOTES TO FINANCIAL STATEMENTS (STANDALONE) FOR THE YEAR ENDED ON 31ST MARCH 2017

	31.03.2017	31.03.2016
	RUPEES	RUPEES

Note : 19 Revenue from Operations

A) Revenue from Operations (Gross)

Sales of Tobacco	84,211,284	98,423,515
Sales of By-Products	672,632	910,216
	<u>84,883,916</u>	<u>99,333,731</u>

B) Other Operating Revenue (Processing Charges)

Storage Charges	6,963	1,342
	<u>87,056,029</u>	<u>100,522,064</u>

Note : 20 Other Income

Interest (Gross)	140,948	14,914
Dividend Received on Shares / Mutual Funds	4,121	6,642
Interest Received	963	-
Profit on Sale of Assets	16,779	6,699
Profit on Sale of Investments	25,550	-
Sundry Receipts	18,843	11,536
Dr Cr Balance Written Off	28,719	-
	<u>235,923</u>	<u>39,791</u>

Note : 21 Cost of Material Consumed

A) Raw Material

Opening Stock	75,251,370	120,769,936
Add : Purchases	47,838,230	27,366,187
	<u>123,089,600</u>	<u>148,136,123</u>
Less : Closing Stock	57,284,915	75,251,370
	<u>65,804,685</u>	<u>72,884,753</u>

B) Packing Materials and Stores Consumed

Opening Stock	-	-
Add : Purchases	820,000	-
	<u>820,000</u>	<u>-</u>
Less : Closing Stock	244,360	-
	<u>575,640</u>	<u>-</u>
(A + B)	<u>663,803,225</u>	<u>72,884,753</u>

SINNAR BIDI UDYOG LIMITED.

	31.03.2017 RUPEES	31.03.2016 RUPEES
Note : 22 Changes in Inventory		
Opening Stock	-	-
- Finished Goods / Traded Goods	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
Closing Stock	-	-
- Finished Goods / Traded Goods	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
Note : 23 Employee Benefit Expenses		
Salaries, Wages, Bonus, Gratuity and Ex-gratia	9,155,172	8,477,746
Contribution to Provident Fund and Other Funds	950,517	781,706
Welfare Expenses	231,057	186,690
	<u>10,336,746</u>	<u>9,446,142</u>
Note : 24 Finance Cost		
Interest on Working Capital	4,224,601	5,456,917
Interest Other	14,890	753
Stamp Duty And Processing Charges	-	185,920
	<u>4,239,491</u>	<u>5,643,590</u>
Note : 25 Other Expenses		
Rent	508,800	503,400
Rates and Taxes	258,012	144,873
Insurance	409,069	409,903
Repairs and Maintenance	919,613	834,742
Transport, Coolie And Cartages	1,128,596	1,334,738
Travelling and Conveyance	344,523	374,749
Electricity Charges	541,982	506,694
Legal and Professional	531,493	463,984
Printing and Stationery	39,609	45,696
Postage and Telephone Expenses	71,647	85,867
Office Expenses	264,521	275,845
Bank Commission	39,640	523,935
Welfare Expenses (Farmer)	372,538	637,314
Other Expenses (Including Filing Fees, Listing Fee, Membership & Subscription, Factory Exp, etc.)	257,552	295,021
Vehicle Expenses	12,094	4,700
Miscellaneous Expenses	79,368	65,623
	<u>5,779,057</u>	<u>6,507,084</u>

SINNAR BIDI UDYOG LIMITED.

31.03.2017 31.03.2016
RUPEES RUPEES

Note : 26 Exchange rate difference

Exchange Loss / (Gain) on restatement of Escrow Fund Demand Liability	(504,399)	1,263,597
	(504,399)	1,263,597

Note:-

In past the company used to manufacture and sell 'Bidis'

The Bidis manufactured by the company were sold to Traders/ Exporters, who used to export them to various countries. Bidis sold to some such Traders / Exporters were exported by them to USA.

As per the prevailing law in USA, the responsibility of depositing the amount in Escrow Deposit Fund (On account of sales of tobacco products in that country) was of the manufacturer of tobacco products.

Accordingly, on the basis of demand raised against the company for non-fulfillment of this requirement - a sum of Rs.218.99 Lacs is provided for in the books of the company upto 31st March 2017. (31st March 2016 - Rs 224.04 Lacs) (Refer Note No.5)

During the current year no any fresh demand was made against the company. The current year figure of appearing in Statement of Profit and Loss Rs.5.04 Lacs represents foreign exchange gain on restatement of outstanding liability of escrow fund demand provision already made in earlier years (Previous year : Loss Rs.12.64 Lacs)

Note : 27

Details of specified Bank Notes held and transacted during the period 8th November 2016 to 30th December 2016 :

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand as on 08.11.2016	58500	23786	82286
(+) Permitted receipts	-	551089	551089
(-) Permitted payments	-	536170	536170
(-) Amount deposited in Banks	58500	-	58500
Closing cash in hand as on 30.12.2016	-	38705	38705

SINNAR BIDI UDYOG LIMITED.

NOTES TO FINANCIAL STATEMENTS (STANDALONE) FOR THE YEAR ENDED ON 31ST MARCH 2017.

	2016-2017 RUPEES	2015-2016 RUPEES
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NOTE 28:

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DATE

1. Contingent Liabilities

Claims against the company not acknowledged as debts :

a) Escrow Fund Matter	2,372,896	2,333,299
b) Labour / ESIC Matters	813,514	813,514
No interest is calculated on the above contingent liabilities for want of information.	<u>3,186,410</u>	<u>3,146,813</u>

In the opinion of the management , no provision is required against contingent liabilities stated above.

2. A) The company has established a seperate Gratuity Fund Trust to take care of the Gratuity Liability of its employees. It is informed that against the accrued gratuity liability as on 31st March, 2017 ascertained by the company of Rs. 16,96,068/- (Previous year Rs.13,89,422/-) the Gratuity Fund Trust has investments to the tune of Rs 13,54,063/- (Previous year Rs 1001258/-) The shortfall of Rs 342005/- (Previous year Rs. 388164/-) has been provided for in the accounts of the current year.

B) This gratuity liability calculated by the company/trust takes into account the sum that would have been payable as gratuity to all the eligible employees as on the last day of the financial year as per the Payment of Gratuity Act, 1972 in the absence of Acturial Valuation as per Accounting Standard - 15 (Revised).

C) Similarly the liability arising on account of accrued leave salary is provided for in the accounts which considers the sum that would have been payable to the eligible employees as on the last day of the financial year in absence of Acturial Valuation as per Accounting Standard - 15 (Revised).

D) Looking at the small number of employees as on 31st March 2017, the management is of the opinion that, the liability provided for in the books/ funds available with the Gratuity Fund Trust are sufficient to cover these obligations.

- 3 It is informed that Income Tax Assessments have been completed upto A.Y.2016-17 .

- 4 Amounts paid and/or payable to the Auditor for services rendered:

Audit Fees	75,000	75,000
Tax Audit Fees	25,000	25,000
Certification Work / Other Misc.	46,000	28,800

SINNAR BIDI UDYOG LIMITED.

NOTES TO FINANCIAL STATEMENTS (STANDALONE) FOR THE YEAR ENDED ON 31ST MARCH 2017.

	2016-2017 RUPEES	2015-2016 RUPEES
5 Earning Per Share (EPS)		
Profit/(Loss) attributable to Equity Shareholders (A)	40,064	2,131,773
Basic/ Weighted averagenos. of Equity sharesoutstanding during the year (B)	200,000	200,000
Nominal Value of Equity Shares	10	10
Basic & Diluted Earning per share (A/B)	0.20	10.66
6 Payment provided for or made during the year to Directors : Salary to Whole Time Director & CFO	1,566,615	1,449,011
7 Segment Reporting:		
a) Primary Segment :		
The company considers Tobacco and Tobacco Products and Bidi leaves as one business segment		
b) Secondary Segment : NIL		
i) Sales :-		
Within India	87,056,029	100,522,064
Outside India	Nil	Nil
ii) All Assets and Liabilities of the company are within India except for :-		
Long Term Provisions (Escrow Fund Liability)	21,899,357	22,403,755
8 Value Imported and Indigenous Material Consumed.		
Raw Materials Consumed		
Imported	Nil	Nil
Percentage	Nil	Nil
Indigenous	65,804,685	72,884,753
Percentage	100%	100%
Purchase of Stock- in-Trade		
Imported	Nil	Nil
Percentage	Nil	Nil
Indigenous	Nil	Nil
Percentage	Nil	Nil
9 Earning and Expenditure in Foreign Currency	Nil	Nil

SINNAR BIDI UDYOG LIMITED.

NOTES TO FINANCIAL STATEMENTS (STANDALONE) FOR THE YEAR ENDED ON 31ST MARCH 2017.

	2016-2017	2015-2016
	RUPEES	RUPEES

10. RELATED PARTY DISCLOSURES :

RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS, ETC

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

1. Rasbihari Enterprises Ltd.
2. Vidarbha Bidi Ltd.
3. Yogi Ayurvedic Products Pvt Ltd.
4. Tip Top Health Zone Pvt.Ltd.
5. STS Exports Ltd.
6. M/s. S.K. Sarda.
7. Sungrowth Manpower Services Pvt Ltd.
8. City Centre Mall Nashik Pvt. Ltd.
9. Sarda Milk & Agro Produce Pvt. Ltd.
10. Sarda Fresh Fruits Pvt. Ltd.
11. Rasbihari Properties Pvt. Ltd.
12. Nashik Natural Products Pvt. Ltd.
13. S.K.Sarda Developers Pvt. Ltd.

(ii) Relatives / Members of Promoter Group :

1. Shri K B Sarda.
2. Sau K.K.Sarda.
3. Shri S K Sarda .
4. Sau. S.S.Sarda.
5. Sau.S.V.Sisodiya.

(iii) Key Management Personnel :

Shri.M.D.Deshpande Whole Time Director & CFO
Shri.S. S. Ladda Company Secretary

Sr No.	(Rs.)	(Rs.)
1. Income / Receipts		
Other Income		
M/s Shirrang Kisanlal Sarda	-	22,050
Kisanlal Bastiram Sarda	25,550	-
2. Expenditure / Payments		
Salary Expenses (Including Employer PF Contribution)		
Shri.M.D.Deshpande	1,743,258	1,612,907
Other Expenses		
Rasbihari Enterprises Ltd.	422,400	408,000
Sou S.V.Sisodiya	86,400	86,400
M/s Shirrang Kisanlal Sarda	250	-

SINNAR BIDI UDYOG LIMITED.

	2016-2017 RUPEES	2015-2016 RUPEES
3. Closing Balances		
Assets		
Trade Receivables		
STS Exports Ltd.	-	5,343,525
Investments		
Rasbihari Enterprises Ltd.	2,716,972	2,716,972
Vidarbha Bidi Ltd.	468,419	468,419
Yogi Aurvedic Products Pvt.Ltd.	-	256,603
Tip Top Health Zone Pvt.Ltd.	877,352	877,352
STS Exports Ltd.	49,245	49,245
Security Deposit		
Rasbihari Enterprises Ltd.	285,000	285,000
Liabilities		
Rent Payable		
Sou S.V.Sisodiya	86,400	86,400

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

INDEPENDENT AUDITORS' REPORT

To,

The Members of Sinnar Bidi Udyog Limited

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Sinnar Bidi Udyog Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the

appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated financial statements give the information required by the Act 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 Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) In the case of the Consolidated Statement of Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143(3) of the Act, we further report that :
 - a We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b 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 ;
 - c The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
 - d In our opinion, the aforesaid consolidated financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
 - e On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act
 - f With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g In our opinion and to the best of our information and according to the explanations

given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

- (i) The Company does not have any pending litigations which would impact its financial position
- (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Company.
- (iv) The Company has provided requisite disclosure in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation, I report that the disclosures are in accordance with books of the accounts maintained by the Company and as produced before me – Refer Note 27 to the consolidated financial statements.

(S. D. Bedmutha)
Chartered Accountant

Place: Nashik
Date : 29 May 2017

“Annexure A” to the Independent Auditor's Report of even date on the Consolidated Financial Statements of SINNAR BIDI UDYOG LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **SINNAR BIDI UDYOG LIMITED** (“the Company”) as of March 31, 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of

consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

(S. D. Bedmutha)
Chartered Accountant

Place: Nashik
Date : 29 May 2017

**ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)
Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Sinnar Bidi Udyog Limited ('the Company')**

- i In respect of the Company's fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii As informed to us the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv As explained to us, Company has not granted any loan, made any investments or provided any guarantees and security to the parties covered under section 185 and 186 during the year ended as at 31st march 2017.
- v The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii According to the information and explanations given to us, in respect of statutory dues:
 - a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts

SINNAR BIDI UDYOG LIMITED.

payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institutions. The Company has not issued any debentures.
- ix The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.
- x To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv During the year, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Para 3(xv) of the Order is not applicable.
- xvi In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

(S. D. Bedmutha)
Chartered Accountant

Place: Nashik
Date : 29 May 2017

SINNAR BIDI UDYOG LIMITED.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2017.

Particulars	Note No	31.03.2017 RUPEES	31.03.2016 RUPEES	31.03.2016 RUPEES
I EQUITY AND LIABILITIES				
1 SHAREHOLDERS' FUNDS				
Share Capital	2	2,000,000		2,000,000
Reserves And Surplus	3	<u>44,129,812</u>		<u>44,090,158</u>
		46,129,812		46,090,158
2 NON-CURRENT LIABILITIES				
Long -Term Borrowings	4	-		-
Long -Term Provisions	5	<u>22,241,362</u>		<u>22,791,919</u>
		22,241,362		22,791,919
3 CURRENT LIABILITIES				
Short-Term Borrowings	6	12,901,313		37,547,197
Trade Payable	7	17,426,280		18,039,815
Other Current Liabilities	8	935,144		346,036
Short-Term Provisions	9	<u>1,386,887</u>		<u>1,248,236</u>
		32,649,624		57,181,284
Total		<u>101,020,798</u>		<u>126,063,361</u>
II ASSETS				
1 NON-CURRENT ASSETS				
Fixed Assets				
Tangible Assets	10	6,770,009		7,421,713
Intangible Assets	10	-		-
Non Current Investments	11	4,995,611		4,996,021
Deferred Tax Asset (Net)	12	893,000		979,000
Long -Term Loans & Advances	13	<u>646,514</u>		<u>650,014</u>
		13,305,134		14,046,748
2 CURRENT ASSETS				
Inventories	14	57,529,275		75,251,370
Trade Receivable	15	29,327,732		35,085,448
Cash and Bank Balances	16	266,166		315,855
Short-Term Loans and Advances	17	580,678		1,348,978
Other Current Assets	18	<u>11,813</u>		<u>14,962</u>
		87,715,664		112,016,613
Total		<u>101,020,798</u>		<u>126,063,361</u>
Summary of Significant Accounting Policies	1			

The accompanying notes form an integral part of the financial statements 28.

As per my report of even date

For and on behalf of the Board

S.D.Bedmutha
Chartered Accountant
Membership No.033679.
Place : Nashik
Date : 29th May 2017.

M. D. Deshpande
Whole Time Director and CFO
DIN: 00238917

B. S. Sancheti
Director
DIN: 06983828

S. S. Ladda
Company Secretary

Place : Nashik
Date : 29th May 2017.

SINNAR BIDI UDYOG LIMITED.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2017

	Refer Note No.	31.03.2017 RUPEES	31.03.2016 RUPEES
Income			
I Revenue from Operations (Gross)	19	87,056,029	100,522,064
Less : Excise Duty		-	-
Revenue from Operations (Net)		<u>87,056,029</u>	<u>100,522,064</u>
II Other Income	20	<u>235,513</u>	<u>68,976</u>
III Total Revenue (I + II)		<u>87,291,542</u>	<u>100,591,040</u>
Expenses			
Cost of material consumed	21	66,380,325	72,884,753
Changes in Inventory	22	-	-
Employee Benefits Expense	23	10,336,746	9,446,142
Finance Cost	24	4,239,491	5,643,590
Depreciation and Amortization Expense	10	686,583	697,894
Other Expense	25	5,779,057	6,507,084
Exchange rate difference	26	(504,399)	1,263,597
IV Total Expenses		<u>86,917,803</u>	<u>96,443,060</u>
V Profit before exceptional & extraordinary items & tax (III - IV)		<u>373,739</u>	<u>4,147,980</u>
VI Exceptional & Extraordinary Items			
Provision for Diminution in Value of Investment		-	725,022
VII Profit / (Loss) before Tax (V - VI)		<u>373,739</u>	<u>3,422,958</u>
VIII Tax Expenses			
Current Tax		228,000	1,260,000
Prior Period Tax		20,085	-
Deferred Tax		86,000	2,000
IX Profit / (Loss) for the year (VII - VIII)		<u>39,654</u>	<u>2,160,958</u>
Earning Per Equity Share of Face Value of 10/- each.			
Basic		0.20	10.80
Diluted		0.20	10.80
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the financial statements 28			

As per my report of even date

For and on behalf of the Board

S.D.Bedmutha
Chartered Accountant
Membership No.033679.
Place : Nashik
Date : 29th May 2017.

M. D. Deshpande
Whole Time Director and CFO
DIN: 00238917

B. S. Sancheti
Director
DIN: 06983828

S. S. Ladda
Company Secretary
Place : Nashik
Date : 29th May 2017.

SINNAR BIDI UDYOG LIMITED.

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2017

	31.03.2017 RUPEES	31.03.2016 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax and Extraordinary Items	373,739	4,147,980
ADJUSTMENTS FOR :		
Depreciation	686,583	697,894
(Gain) / Loss on Sales of Fixed Assets (Net)	(16,779)	(6,699)
Adjust. Relating to Earlier Year (Net) / Extraordinary Items	(504,399)	1,263,597
Interest Paid	4,239,491	5,643,590
Interest Income	(140,948)	(14,914)
Dividend on Investments	(4,121)	(6,642)
(Gain) / Loss on Sales of Investment	(25,550)	-
Operating Profit Before Working Capital Changes	<u>4,608,016</u>	<u>11,724,806</u>
ADJUSTMENTS FOR MOVEMENT IN WORKING CAPITAL		
Trade Payable	(613,535)	(41,005,245)
Short -Term Provisions	92,492	702,157
Other Current Liabilities	589,108	(435,811)
Trade Receivable	5,757,716	(3,467,276)
Short -Term Loans and Advances	17,304	2,438,789
Other Current Assets	3,149	-
Inventories	17,722,095	45,518,566
Cash Generated from Operations	<u>28,176,345</u>	<u>15,475,986</u>
Direct Taxes Refund / (Paid) Net	502,912	(1,120,472)
Cash Flow Before Extra Ordinary Items	<u>28,679,257</u>	<u>14,355,514</u>
Net Cash from /(used in) Operating Activities (A)	<u>28,679,257</u>	<u>14,355,514</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(46,500)	(573,282)
Sale of Fixed Assets	28,400	12,000
Balances not considered as Cash and Cash Equivalents - Placed (net)	-	-
(Purchase) / Sale of Investments - Current	410	(9,185)
Sale of Investments - Non Current	25,550	-
Dividend Received on Investments	4,121	6,642
Investment in FDR	-	-
Interest Received	140,948	14,914
Net Cash from /(used in) Investing Activities (B)	<u>152,929</u>	<u>(548,911)</u>
CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Paid	(4,239,491)	(5,643,590)
Unclaimed Dividend Paid	-	-
Proceeds from Short-term Borrowing	(24,645,884)	(10,270,215)
Proceeds from Unsecured Long Term Borrowings (Fixed Deposit)	-	-
Proceeds from Long-term Loans & Advances	3,500	-
Net Cash from /(used in) Financing Activities (C)	<u>(28,881,875)</u>	<u>(15,913,805)</u>
Net Cash Inflow/ (Outflow) (A)+(B)+(C)	<u>(49,689)</u>	<u>(2,107,202)</u>
Cash and Cash Equivalents as at 01.04.2016 (Opening Balance)	(D) 315,855	2,423,057
Cash and Cash Equivalents as at 31.03.2017 (Closing Balance)	(E) 266,166	315,855
Net Increase / (Decrease) In Cash Cash Equivalents	(E) - (D)	<u>(49,689)</u>

Note :

Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing Summary of Significant Accounting Policies (Note 1)

The accompanying notes are an integral part of these financial statements - 28

As per my report of even date

S.D.Bedmutha
Chartered Accountant
Membership No.033679.
Place : Nashik
Date : 29th May 2017.

For and on behalf of the Board

M. D. Deshpande
Whole Time Director and CFO
DIN: 00238917

B. S. Sancheti
Director
DIN: 06983828

S. S. Ladda
Company Secretary

Place : Nashik

Date : 29th May 2017.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**A Accounting Convention / Method of Accounting.**

The Financial Statements are prepared under Historical Cost Convention in accordance with generally accepted accounting principles and provisions of Companies Act 2013

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

B Revenue Recognition

Revenue from the sale of products is recognised on transfer of all significant risks and rewards of ownership to the buyer which coincides with despatch of products to customers.

Interest income is recognised on time proportion basis. Dividend income on investment is accounted for when received.

C Use of Estimates

The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known / materialised

D Fixed Assets and Depreciation

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

ii Depreciation is charged over the estimated useful life of the fixed assets as prescribed in Schedule II of the Companies Act, 2013.

E Investments

Long Term Investments are stated at cost less permanent diminution in value, if any.

F Current Assets**a Stocks**

Raw Material, Traded Items and Finished Goods are valued at lower of cost or net realisable value. Cost of finished goods includes cost of material and cost of conversion. Cost is determined on monthly weighted average basis.

b Book Debts, Advances & Deposits

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

G Employee / Retirement Benefits

Retirement Benefits to employees are provided for by payments to Gratuity and Provident Fund.

The gratuity liability is determined on the basis laid down under Employees Approved Gratuity Fund Scheme which takes into account the sum that would have been payable as gratuity to all the eligible employees on the last day of the financial year.

Liability arising on account of accrued leave salary payable is provided in the accounts. The same is worked out on the basis of the amount that would have been payable as leave encashment to all the eligible employees on the last day of the financial year. (Refer Note 28 (2))

H Foreign Currency Transactions

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

I Borrowing Costs.

Borrowing costs directly attributable to acquisition or construction of fixed assets which take substantial period of time to get ready for their intended use are treated as capital expenditure in accordance with Accounting Standard 16 on "Borrowing Costs" .

Other borrowing cost are charged to the statement of profit and loss.

J Leases.

Lease rentals for operating leases are charged to statement of profit and loss on accrual basis in accordance with the respective lease agreement.

K Taxation**a Current Year Charges**

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

b Deferred Tax

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

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

L Contingent Liabilities and Provisions.

Contingent Liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved , in line with the provisions of Accounting Standard (AS) 29.

Provisions are recognised when the company has present obligation (legal/constructive) and on management judgement as a result of past event, for which it is probable that a cash outflow may be required and reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be accrued / realised.

SINNAR BIDI UDYOG LIMITED.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2017

	31.03.2017 RUPEES	31.03.2016 RUPEES	31.03.2016 RUPEES
Note 2 : Share Capital			
Authorized 2,00,000 Equity Shares of Rs.10/- each		20,00,000	20,00,000
Issued, Subscribed and Paid-up 2,00,000 Equity Shares of of Rs.10/- each fully paid		2,000,000	2,000,000
		2,000,000	2,000,000

Notes:

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
Equity shares**

	31.03.2017		31.03.2016	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
At the beginning of the period	200,000	2,000,000	200,000	2,000,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	200,000	2,000,000	200,000	2,000,000

b) Terms / right attached to equity shares

There are no special right attached to equity shares other than those specified under provisions of various Acts.

c) Details of shareholders holding more than 5% shares in the company

	31.03.2017		31.03.2016	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of Rs.10/- each fully paid				
Rasbihari Enterprises Ltd.	58,400	29.20%	58,400	29.20%
Shri.Kisanlal Bastiramji Sarda	52,710	26.36%	52,710	26.36%
Sou. Kiran Kisanlal Sarda	18170	9.09%	18170	9.09%
Shri.Shrirang Kisanlal Sarda	13,720	6.86%	13,720	6.86%

Note 3 : Reserves and Surplus

General Reserve No.1: As Per Last Balance-Sheet	3,275,000	3,275,000
	3,275,000	3,275,000
General Reserve No.2: As Per Last Balance-Sheet	16,926,000	16,926,000
	16,926,000	16,926,000
Reserve For Bad And Doubtful Advances: As per Last Balance Sheet	69,000	69,000
	69,000	69,000

SINNAR BIDI UDYOG LIMITED.

	31.03.2017 RUPEES	31.03.2017 RUPEES	31.03.2016 RUPEES
Surplus / (Deficit) in the Statement of Profit and Loss			
Balance as per last financial statement	23,820,158		21,659,200
Profit for the year	<u>39,654</u>		<u>2,160,958</u>
		23,859,812	23,820,158
		<u>44,129,812</u>	<u>44,090,158</u>

Note 4 : Other Long Term Liabilities

*Unsecured Loan – Fixed Deposit		-	-
Interest accrued but not due		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

Note : 5 Long – Term Provisions

Gratuity Payable		342,005	388,164
Escrow Fund Provision (Please refer Note : 26)		<u>21,899,357</u>	<u>22,403,755</u>
		<u>22,241,362</u>	<u>22,791,919</u>

Note : 6 Short Term Borrowings

Asset Based Lending (From State Bank of India)		12,901,313	37,547,197
		<u>12,901,313</u>	<u>37,547,197</u>

- a. Secured by hypothecation of all current assets of the company both present and future
- b. The above credit facility is further secured by equitable mortgage of certain fixed assets.
- c. The above credit facility is secured by personal guarantee of Shri K B Sarda.

Note : 7 Trade Payable

Trade Payable			
- Due to Micro Enterprises and Small Enterprises		-	-
- Due to Others (Net)		<u>17,426,280</u>	<u>18,039,815</u>
		<u>17,426,280</u>	<u>18,039,815</u>

Note : The company has not received any intimation from its suppliers regarding their status under the Micro Small and Medium Enterprises Development Act , 2006 and hence disclosures , if any , relating to amounts unpaid as at the year end as required under the said act have not been furnished.

Note : 8 Other Current Liabilities

Other Payable	929,897		345,069
Advances Received From Customers	<u>5,247</u>		<u>967</u>
		935,144	346,036
		<u>935,144</u>	<u>346,036</u>

Note : 9 Short Term Provisions

Other Provisions	1,386,887		1,248,236
Income Tax Provision (Net)	<u>-</u>		<u>Nil</u>
		1,386,887	1,248,236
		<u>1,386,887</u>	<u>1,248,236</u>

SINNAR BIDI UDYOG LIMITED.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2017

Note : 10

A) Tangible Assets

(Amount in Rs.)

	GROSS BLOCK			As at 31.03.2017	DEPRECIATION				NET BLOCK	
	As at 1.4.2016	Additions During The Year	Deductions & Transfers During The Year		As at 1.4.2016	For the year 2016-2017	Written Back	Total up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
Freehold Land	542,616	-		542,616	-			-	542,616	542,616
Buildings	10,117,317			10,117,317	5,409,434	239,284		5,648,718	4,468,599	4,707,883
Plant And Machinery	3,605,224	-	161,400	3,443,824	1,842,822	325,277	153,330	2,014,769	1,429,055	1,762,402
Electric Installation	1,057,137			1,057,137	893,294	33,138		926,432	130,705	163,843
Furniture & Fixture	1,372,879	-	13,700	1,359,179	1,317,085	12,114	12,137	1,317,062	42,117	55,794
Office & Other Equipments	3,934,224	46,500	55,243	3,925,481	3,793,422	62,605	53,255	3,802,772	122,709	140,802
Computers & Dataprocessing Eqp	49,400			49,400	44,410	3,422		47,832	1,568	4,990
Vehicles	82,664			82,664	39,281	10,743		50,024	32,640	43,383
Total	20,761,461	46,500	230,343	20,577,618	13,339,748	686,583	218,722	13,807,609	6,770,009	7,421,713
Previous Year I	20,371,374	573,282	183,195	20,761,461	12,819,748	697,894	177,894	13,339,748	7,421,713	7,551,626

B) Intangible Assets

(Amount in Rs.)

	GROSS BLOCK			As at 31.03.2017	DEPRECIATION				NET BLOCK	
	As at 1.4.2016	Additions During The Year	Deductions & Transfers During The Year		As at 1.4.2016	For the year	Written Back	Total up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
Trade Mark	-			-	-			-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Previous Year II	-	-	-	-	-	-	-	-	-	-
Total (A+B)	20,761,461	46,500	230,343	20,577,618	13,339,748	686,583	218,722	13,807,609	6,770,009	7,421,713
Previous Year I+II	20,371,374	573,282	183,195	20,761,461	12,819,748	697,894	177,894	13,339,748	7,421,713	7,551,626

SINNAR BIDI UDYOG LIMITED.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2017

	31.03.2017	31.03.2017	31.03.2016
	RUPEES	RUPEES	RUPEES
Note : 11 Non Current Investment			
Investment in Shares			
Non Trade. (At Cost.)			
A) Fully Paid-up Equity Shares in Companies			
Company	Numbers	Face Value	
	31-03-2017	31-03-2016	Rupees
i) Quoted Shares			
Britannia Industries Ltd.	50	50	2, 6,700
Castrol India Ltd.	4	4	10, 240
Dabur India Ltd.	600	600	1, 6,500
Merck (India) Ltd	10	10	10, 4,700
Hindustan Lever Ltd.	100	100	1, 21,500
Novartis India Ltd.	10	10	5, 3,250
			42,890
ii) Unquoted Shares			
Rasbihari Enterprises Ltd.	88496	88496	10, 2,716,972
STS Exports Ltd.	490	490	100, 49,245
Syngenta India Ltd.	100	100	5, 7,500
			2,773,717
iii) Unquoted Shares in Associate Company			
Yogi Ayurvedic Product Pvt. Ltd.	25550	25550	10, -
Less : Prov. for Dimunation in value of Investment			-
			256,603
Vidarbha Bidi Ltd.	39590	39590	10, 468,419
Less : Prov. for Dimunation in value of Investment			-
			468,419
Tip Top Health Zone Pvt Ltd.	3650	3650	100, 2,168,004
			2,168,004
B) Others Unquoted			
Ordinary Shares in			
Shrilekha Nagari Sahakari Adhikosh Ltd.	800	800	25, -
National Saving Certificates	-	-	-
(Security Lodged with Sales Tax / Excise Authorities)			11,000
			11,000
			4,995,611
			4,996,021

NOTES

Quoted Investments (Shares) :

Cost	42,890	42,890
Market Value	445,315	384,629

Quoted Investments (Debentures) :

Cost	Nil	Nil
Market Value	Nil	Nil

Un-quoted Investments (Shares) :

Cost	4,941,721	4,942,131
Aggregate Face Value of Shares	1,299,460	1,299,460

SINNAR BIDI UDYOG LIMITED.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2017

	31.03.2017 RUPEES	31.03.2016 RUPEES
Note : 12 Deferred Tax Asset (Net)		
Deferred Tax Asset		
Impact of the expenditure charged to the statement of profit and loss account but allowable for tax purpose on payment basis	1,577,000	1,865,000
Gross Deferred Tax Asset	<u>1,577,000</u>	<u>1,865,000</u>
Deferred Tax Liability		
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortization charged for financial reporting	684,000	886,000
Gross Deferred Tax Liability	<u>684,000</u>	<u>886,000</u>
Net Deferred Tax Asset	<u>893,000</u>	<u>979,000</u>
Note : 13 Long Term Loans and Advances.		
Security Deposits	646,514	650,014
	<u>646,514</u>	<u>650,014</u>
Note : 14 Inventories (At lower of cost or net realisable value)		
Raw Material	57,529,275	75,251,370
Traded Goods / Other Stock	-	-
	<u>57,529,275</u>	<u>75,251,370</u>
Note : 15 Trade Receivables		
Unsecured considered good unless otherwise stated		
Due within Six Months	29,327,732	35,085,448
Above Six Months	-	-
	<u>29,327,732</u>	<u>35,085,448</u>
Note : 16 Cash And Bank Balances		
a. Cash on Hand	19,665	71,835
b. <u>With Scheduled Banks</u> :		
In Current Accounts	246,501	234,020
In Fixed Deposit Accounts (Given as Security to Sales Tax Authorities)	-	10,000
F.D. with Bank of Maharashtra	-	-
	<u>266,166</u>	<u>315,855</u>
Note : 17 Short-Term Loans and Advances		
(Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind or for value to be received		
Considered good	30,234	52,623
Prepaid Expenses	290,950	285,865
Advance Income Tax (Net)	259,494	1,010,490
Other Deposit	-	-
(With Shrilekha Nagari Sahakari Adhikosh Ltd. In Saving Account)	<u>580,678</u>	<u>1,348,978</u>
Note : 18 Other Current Assets		
Interest Accrued	11,813	14,962
	<u>11,813</u>	<u>14,962</u>

SINNAR BIDI UDYOG LIMITED.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2017.

	31.03.2017	31.03.2016
	RUPEES	RUPEES
Note : 19 Revenue from Operations		
A) Revenue from Operations (Gross)		
Sales of Tobacco	84,211,284	98,423,515
Sales of By-Products	672,632	910,216
	<u>84,883,916</u>	<u>99,333,731</u>
B) Other Operating Revenue (Processing Charges)		
Storage Charges	6,963	1,342
	<u>87,056,029</u>	<u>100,522,064</u>
Note : 20 Other Income		
Interest (Gross)	140,948	14,914
Dividend Received on Shares / Mutual Funds	4,121	6,642
Interest Received	963	-
Profit on Sale of Assets	16,779	6,699
Profit on Sale of Investments	25,550	-
Insurance Claims Received	-	-
Sundry Receipts	18,843	11,536
Dr Cr Balance Written Off	28,719	-
Share of Profit from Tip Top Health Zone Pvt.Ltd.	(410)	29,185
	<u>235,513</u>	<u>68,976</u>
Note : 21 Cost of Material Consumed		
A) Raw Material		
Opening Stock	75,251,370	120,769,936
Add : Purchases	47,838,230	27,366,187
	<u>123,089,600</u>	<u>148,136,123</u>
Less : Closing Stock	57,284,915	75,251,370
	<u>65,804,685</u>	<u>72,884,753</u>
Opening Stock	-	-
B) Packing Materials and Stores Consumed		
Add : Purchases	820,000	-
	<u>820,000</u>	<u>-</u>
Less : Consumption / Expenses	-	-
Less : Transferred to Stationary Exps	-	-
Less : Closing Stock	244,360	-
	<u>575640.00</u>	<u>-</u>
(A + B)	<u>66380325</u>	<u>72884753</u>

SINNAR BIDI UDYOG LIMITED.

	31.03.2017 RUPEES	31.03.2016 RUPEES
Note : 22 Changes in Inventory		
Opening Stock		
- Finished Goods / Traded Goods	-	-
Closing Stock		
- Finished Goods / Traded Goods	-	-
	-	-
	-	-
	-	-
Note : 23 Employee Benefit Expenses		
Salaries, Wages, Bonus, Gratuity and Ex-gratia	9,155,172	8,477,746
Contribution to Provident Fund and Other Funds	950,517	781,706
Welfare Expenses	231,057	186,690
	<u>10,336,746</u>	<u>9,446,142</u>
Note : 24 Finance Cost		
Interest on Working Capital	4,224,601	5,456,917
Interest on Fixed Deposits	-	-
Interest Other	14,890	753
Stamp Duty And Processing Charges	-	185,920
	<u>4,239,491</u>	<u>5,643,590</u>
Note : 25 Other Expenses		
Rent	508,800	503,400
Rates and Taxes	258,012	144,873
Insurance	409,069	409,903
Repairs and Maintenance	919,613	834,742
Transport, Coolie And Cartages	1,128,596	1,334,738
Travelling and Conveyance	344,523	374,749
Electricity Charges	541,982	506,694
Legal and Professional	531,493	463,984
Printing and Stationery	39,609	45,696
Postage and Telephone Expenses	71,647	85,867
Office Expenses	264,521	275,845
Bank Commission	39,640	523,935
Welfare Expenses (Farmer)	372,538	637,314
Other Expenses (Including Filing Fees, Listing Fee, Membership & Subscription, Factory Exp, etc.)	257,552	295,021
Vehicle Expences	12,094	4,700
Miscellaneous Expenses	79,368	65,623
	<u>5,779,057</u>	<u>6,507,084</u>

SINNAR BIDI UDYOG LIMITED.

31.03.2017 31.03.2016
RUPEES RUPEES

Note : 26 Exchange rate difference

Exchange Loss / (Gain) on restatement of Escrow Fund Demand Liability	(504,399)	1,263,597
	(504,399)	1,263,597

Note:-

In past the company used to manufacture and sell 'Bidis'

The Bidi's manufacture by the company were sold to Traders/ Exporters, who used to export them to various countries. Bidi's sold to some such Traders / Exporters were exported by them to USA.

As per the prevailing law in USA, the responsibility of depositing the amount in Escrow Deposit Fund (On account of sales of tobacco products in that country) was of the manufacturer of tobacco products.

Accordingly, on the basis of demand raised against the company for non-fulfillment of this requirement - a sum of Rs.218.99 Lacs is provided for in the books of the company upto 31st March 2017. (31st March 2016 - Rs 224.04 Lacs) (Refer Note No.5)

During the current year no any fresh demand was made against the company. The current year figure of appearing in Statement of Profit and Loss Rs.5.04 Lacs represents foreign exchange gain on restatement of outstanding liability of escrow fund demand provision already made in earlier years (Previous year : Loss Rs.12.64 Lacs)

Note : 27

Details of specified Bank Notes held and transacted during the period 8th November 2016 to 30th December 2016 :

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand as on 08.11.2016	58500	23786	82286
(+) Permitted receipts	-	551089	551089
(-) Permitted payments	-	536170	536170
(-) Amount deposited in Banks	58500	-	58500
Closing cash in hand as on 30.12.2016	-	38705	38705

SINNAR BIDI UDYOG LIMITED.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2017.

	2016-2017 RUPEES	2015-2016 RUPEES
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NOTE 28:

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2016 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DATE

1. Contingent Liabilities

Claims against the company not acknowledged as debts :

a) Escrow Fund Matter	2,372,896	2,333,299
b) Labour / ESIC Matters	813,514	813,514
No interest is calculated on the above contingent liabilities for want of information.	3,186,410	3,146,813

In the opinion of the management , no provision is required against contingent liabilities stated above.

2. A) The company has established a separate Gratuity Fund Trust to take care of the Gratuity Liability of its employees. It is informed that against the accrued gratuity liability as on 31st March, 2017 ascertained by the company of Rs. 16,96,068/- (Previous year Rs.13,89,422/-) the Gratuity Fund Trust has investments to the tune of Rs 13,54,063/- (Previous year Rs 1001258/-) The shortfall of Rs 342005/- (Previous year Rs. 388164/-) has been provided for in the accounts of the current year.

B) This gratuity liability calculated by the company/trust takes into account the sum that would have been payable as gratuity to all the eligible employees as on the last day of the financial year as per the Payment of Gratuity Act, 1972 in the absence of Actuarial Valuation as per Accounting Standard - 15 (Revised).

C) Similarly the liability arising on account of accrued leave salary is provided for in the accounts which considers the sum that would have been payable to the eligible employees as on the last day of the financial year in absence of Actuarial Valuation as per Accounting Standard - 15 (Revised).

D) Looking at the small number of employees as on 31st March 2017, the management is of the opinion that, the liability provided for in the books / funds available with the Gratuity Fund Trust are sufficient to cover these obligations.

- 3 It is informed that Income Tax Assessments have been completed upto A.Y.2017-18 .

- 4 Amounts paid and/or payable to the Auditor for services rendered:

Audit Fees	75,000	75,000
Tax Audit Fees	25,000	25,000
Certification Work / Other Misc.	46,000	28,800

SINNAR BIDI UDYOG LIMITED.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2017.

	2016-2017 RUPEES	2015-2016 RUPEES
5 Earning Per Share (EPS)		
Profit/(Loss) attributable to Equity Shareholders (A)	39,654	2,160,958
Basic/ Weighted averagenos. of Equity sharesoutstanding during the year (B)	200,000	200,000
Nominal Value of Equity Shares	10	10
Basic & Diluted Earning per share (A/B)	0.20	10.80
6 Payment provided for or made during the year to Directors : Salary to Whole Time Director & CFO	1,566,615	1,449,011
7 Segment Reporting:		
a) Primary Segment :		
The company considers Tobacco and Tobacco Products and Bidi leaves as one business segment		
b) Secondary Segment : NIL		
i) Sales :-		
Within India	87,056,029	100,522,064
Outside India	Nil	Nil
ii) All Assets and Liabilities of the company are within India except for :-		
Long Term Provisions (Escrow Fund Liability)	21,899,357	22,403,755
8 Value Imported and Indigenous Material Consumed.		
Raw Materials Consumed		
Imported	Nil	Nil
Percentage	Nil	Nil
Indigenous	65,804,685	72,884,753
Percentage	100%	100%
Purchase of Stock- in-Trade		
Imported	Nil	Nil
Percentage	Nil	Nil
Indigenous	Nil	Nil
Percentage	Nil	Nil
9 Earning and Expenditure in Foreign Currency	Nil	Nil

SINNAR BIDI UDYOG LIMITED.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2017.

	2016-2017	2015-2016
	RUPEES	RUPEES

10. RELATED PARTY DISCLOSURES :

RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS, ETC

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

1. Rasbihari Enterprises Ltd.
2. Vidarbha Bidi Ltd.
3. Yogi Ayurvedic Products Pvt Ltd.
4. Tip Top Health Zone Pvt.Ltd.
5. STS Exports Ltd.
6. M/s. S.K. Sarda.
7. Sungrowth Manpower Services Pvt Ltd.
8. City Centre Mall Nashik Pvt. Ltd.
9. Sarda Milk & Agro Produce Pvt. Ltd.
10. Sarda Fresh Fruits Pvt. Ltd.
11. Rasbihari Properties Pvt. Ltd.
12. Nashik Natural Products Pvt. Ltd.
13. S.K.Sarda Developers Pvt. Ltd.

(ii) Relatives / Members of Promoter Group :

1. Shri K B Sarda.
2. Sau K.K.Sarda.
3. Shri S K Sarda .
4. Sau. S.S.Sarda.
5. Sau.S.V.Sisodiya.

(iii) Key Management Personnel :

Shri.M.D.Deshpande Whole Time Director & CFO

Shri.S. S. Ladda Company Secretary

Sr No.	(Rs.)	(Rs.)
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1. Income / Receipts

Sales / Income from Operations

STS Exports Ltd.	-	-
------------------	---	---

Other Income

M/s Shrirang Kisanlal Sarda	-	22,050
-----------------------------	---	--------

Kisanlal Bastiram Sarda	25,550	-
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2. Expenditure / Payments

Salary Expenses (Including Employer PF Contribution)

Shri.M.D.Deshpande	1,585,775	1,612,907
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Other Expenses

Rasbihari Enterprises Ltd.	422,400	408,000
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Sou S.V.Sisodiya	86,400	86,400
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M/s Shrirang Kisanlal Sarda	250	-
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SINNAR BIDI UDYOG LIMITED.

	2016-2017	2015-2016
	RUPEES	RUPEES
3. Closing Balances		
Assets		
Trade Receivables		
STS Exports Ltd.	-	-
Investments		
Rasbihari Enterprises Ltd.	2,716,972	2,716,972
Vidarbha Bidi Ltd.	468,419	468,419
Yogi Aurvedic Products Pvt.Ltd.	-	256,603
Tip Top Health Zone Pvt.Ltd.	877,352	877,352
STS Exports Ltd.	49,245	49,245
Security Deposit		
Rasbihari Enterprises Ltd.	285,000	285,000
Liabilities		
Rent Payable		
Rasbihari Enterprises Ltd.	-	-
Sou S.V.Sisodiya	86400	86,400

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

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **10th September 2017 at 9.00 am and ends on 12th September 2017 at 5.00 pm**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **6th September 2017**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on the address sticker / Attendance slip
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password

SINNAR BIDI UDYOG LIMITED.

Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **SINNAR BIDI UDYOG LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

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

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

SINNAR BIDI UDYOG LIMITED.

Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management And Administration) Rules, 2014]

CIN: **L16002MH1974PLC017734**

Name of the Company: **SINNAR BIDI UDYOG LIMITED**

Registered Office: **Parekh Mahal, 2nd Floor, Room No. 62, Plot no.8-9, Lady Jamshedji Road, Sakharam Keer Marg, Mahim, Mumbai Maharashtra INDIA 400016**

Name of the Member (s): _____

Registered Address: _____

Email Id: _____

Folio No/ Client ID: _____ DP ID: _____

I/ We, being the member(s) of _____ shares of the above named company, hereby appoint

1. Name: _____

Address: _____

Email Id; _____ Signature: _____, or failing him

2. Name: _____

Address: _____

Email Id; _____ Signature: _____, or failing him

3. Name: _____

Address: _____

Email Id; _____ Signature: _____, or failing him

as my/ our proxy to attend and vote (on a poll) for me/ us and on my /our behalf at the 43rd Annual General Meeting / Extraordinary General Meeting of the company, to be held on Wednesday, 13th September 2017 At 11.30 A.M. At 2, Gurukrupa Apartment, N.C.Kelkar Marg, Dadar (W), Mumbai-400028 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1 _____

2 _____

3 _____

Affix one
Rupee
Revenue
Stamp

Signed this _____ day of _____ 20 ____

Signature of Shareholders

Signature of Proxy holders (s)

Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the Commencement of the Meeting.