

11th

Annual Report
2003-2004



SABOO SODIUM CHLORO LTD.

L-5 B-II, Krishna Marg, C-Scheme, JAIPUR

NOTICE is hereby given that the 11th Annual General Meeting of **M/s SABOO SODIUM CHLORO LIMITED**, Will be held on Tuesday, 20th July, 2004 at the registered office of the Company at L-5, B-II, Krishna Marg , C- Scheme, Jaipur at 11:00 A.M. to transact the following business:-

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31st March, 2004 and the Balance Sheet as that date, and the report of Directors and Auditors thereon
2. To appoint a Director in place of Shri Raghuvir Singh Rathore , who retire by rotation and being eligible, offer himself for re-appointment .
3. To appoint Auditors and fix their remuneration.

To consider and if thought fit to pass, with or without modifications, following resolution

4. **“RESOLVED THAT** Dr. Soumitra Bhardwaj, who was appointed as an additional director in the board meeting held on 31/03/2004 and holds office upto the date of ensuing Annual General Meeting of the Company, and is eligible for appointment and in respect of whom the Company has received notice in writing from member under the provisions of section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as director of the Company. His appointment is subject to retirement by rotation.
5. **“RESOLVED THAT** Shri Randeep Singh Shekhawat , who was appointed as an additional director in the board meeting held on 31/03/2004 and holds office upto the date of ensuing Annual General Meeting of the Company , and is eligible for appointment and in respect of whom the Company has received notice in writing from member under the provisions of section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as director of the Company. His appointment is subject to retirement by rotation.

6. **“RESOLVED THAT** pursuant to the provisions of Section 269, 198, 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, (Including any statutory modification or re-enactment thereof, for the time being in force) consent of the Company be and is hereby accorded to the re-appointment of Mr. Girdhar Saboo as Managing Director of the Company with effect from 1st October, 2004, for a period of five years on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Com-

NOTES

- ### Item no 4

Item No.5

The Board of Director appointed Shri Randeep Singh Shekhawat as an additional Director in the meeting of the Board of director held on 31/03/2004 . The Company has received a notice under section 257 of the Companies Act, 1956 and deposited Rs. 500 member proposing him as the

The board of director of your company recommended passing of above resolution, None of the director except Shri Randeep Singh Shekhawat is concern or interested in the said resolution.

Shri Girdhar Saboo has been associated with the business of the company since its incorporation. He has appointed as Managing Director of the company for a period of five year with effect from 1st October, 1994 and reappointed for further five year on 1st October, 1999, as his terms of appointment last on 30th September, 2004 and he is eligible to reappointment as Managing Director for the further period of five year as per the provision of Schedule XIII of the Companies Act, 1956 the board of director have felt that it would be in the best interest of the Company to re-appoint him as Managing Director of the Company, Consequently, the Board of Director of the Company, seeks approval of shareholders for re-appointment of Shri Girdhar Saboo as Managing Director of the Company, for period of 5 years with effect from 1st October, 2004 in terms of schedule XIII of the Companies Act, 1956, Shri Girdhar Saboo eligible for re-appointment as Managing Director.

By order of the Board

Place: Jaipur

(Girdhar Saboo)

Managing Director

To.

Your Directors have pleasure in presenting the Eleventh Annual Report of your Company along with Audited Account for the year ended 31st March, 2004.

The financial performance of the Company for the year ended on 31st March, 2004 as compared to last year are as follows:

Particulars	Rs. In lakhs	
	2003-04	2002-2003
Turnover	1000.46	1124.18
Other Income	5.68	8.01
Increase/(decrease) in stock in trade	(17.22)	(38.88)
Total Expenditure	876.22	1044.30
Profit before , Depreciation and Tax	112.70	49.01
Depreciation	65.68	314.91
Profit & Loss after depreciation	47.02	(265.89)
Secured liability no longer required W/O	-	283.90
Prior period adjustment	(3.57)	(28.84)
Profit /(Loss) after Tax	43.45	(10.84)

Your Company has always focused on enhancing in competitive edges in cost reduction, brand strength and introducing new value added products, which has a favourable impact on the working of the Company and in spite of reduction in gross turnover by 11% the company had achieved a net profit of Rs. 43.45 Lacs. Compared to net loss of Rs. 10.84 in last year .

Shri Girdhar Saboo, Managing Director of the Company was appointed for five year from 1-10-1999 five year will be end on 30th Sept. 2004 seek for reappointment of the further period of Five Year.

Dr. Soumitra Bhardwaj & Shri Randeep Singh Shekhawat appointed as Additional Director of the company during the year and sought to be appointed as Director the company has received a Notice u/s 257 of the Companies Act, 1956 proposing their appointment as Director. Both the directors are independent directors.

AUDITORS & AUDIT REPORT

Accordingly the said Auditors are proposed to be reappointed as auditors of the Company at the ensuing Annual General Meeting . The notes of the accounts referred to in the audit report are self-explanatory and therefore do not call for any further comments.

Company incurred losses so the director do not recommended payment of dividend for the year ended 31st March, 2004.

As required under Section 217 (2AA) of the Companies Act, 1956 , Your Directors hereby confirms that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation to material departure, if any.
- b) They have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the period.
- c) To the best of their knowledge and information, they have taken proper and sufficient care for the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ,and
- d) They have prepared the annual accounts on a going concern basis.

There are no employees with the Company whose particulars are required to be disclosed under section 217(2A) of the Companies Act, 1956 read with the rules framed thereunder.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO

In accordance with the Companies (Disclosure of Particulars in the Report of the Directors) Rules, 1988, the details of conservation of Energy, Technology absorption and Foreign Exchange Earning and Outgo are given below:

Conservation of Energy

Energy conservation measures have been implemented wherever possible and company is using improved operational method in order to optimize the consumption of energy per unit. The company has also installed capacitors and introduced better housekeeping and preventive maintenance, which also contribute to conservation of energy power and fuel consumption. Detail annexed herewith.

Technology absorption

(a) Research and Development

1. Specific areas in which R&D carried out by the Company. The Company does not have specific R&D Department, it is constantly trying to improve the quality of its product, by adhering to strict international quality control procedure.
2. Benefits derived as a result of the above R&D reduction in cost of output by improving recovery ratio, market, improvement in quality and better marketability.
3. Plan and action: The above activities shall continue .The company proposes to concentrate in the use of development processes know how which will eliminate/ reduce wastage.
4. Expenditure on R&D: The technology is being modernized and improved along with production itself without incurring additional expenses on research.

(b) Technology absorption, adaptation & innovation

1. The efforts in brief toward technology absorption, adoption innovation: The Company product development, import substitution will reflected in coming years working.
2. Details of Imported Technology
The Company is using most modern & sophisticated PLC controlled Rovema FFS Machines, however it is not working satisfactorily.

DETAIL OF POWER AND FUEL CONSUMPTION

1. Electricity	2003-04	2002-03
a Purchases	-	-
Unit (KWH lacs)	-	-
Total amount	-	-
Rate/ Unit (Rs.)	-	-