

# 17<sup>TH</sup>

**Annual Report  
2009-2010**



**SABOO SODIUM CHLORO LIMITED**

**L-5, B - II, Krishna Marg, C-Scheme, JAIPUR - 302001**



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## SABOO SODIUM CHLORO LIMITED

### BOARD OF DIRECTORS

- |                           |   |   |
|---------------------------|---|---|
| Shri Girdhar Saboo        | - | <i>Managing Director</i>  |
| Shri Mahendra Kumar       | - | <i>Non-Executive Independent Director</i><br>(w.e.f 31.10.2009) |
| Shri Pradeep Saxena       | - | <i>Non-Executive Independent Director</i>                       |
| Shri Bikash Kumar Lakhota | - | <i>Non-Executive Independent Director</i>                       |
| Shri V. P. Gagrani        | - | <i>Compliance Officer</i>                                       |

### STATUTORY AUDITORS

**N. Kataria & Associates**  
*Chartered Accountants*  
109-110, Pinkcity Towers,  
Nr. Petal Factory,  
Jhotwara Road, Jaipur-302012

### CORPORATE ADVISORS

**V. M. & Associates**  
*Company Secretaries*  
403, Royal World,  
Sansar Chandra Road,  
Jaipur-302 001

### REGISTRAR & SHARE TRANSFER AGENT

**Beetal Financial & Computer Services (P) Ltd.**  
Beetal House, 3rd Floor, 99, Madangir,  
Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir, New Delhi-62  
Tel : 011 2996 1281/82  
Fax : 011 2996 1284

### BANKERS

HDFC Bank Ltd.  
INDUSIND Bank Ltd.

### REGISTERED OFFICE

'Surya House', L-5, B - II,  
Krishna Marg, C-Scheme,  
Jaipur 302001 (RAJASTHAN)

### Factory & Work Address

Village Govindi, Nawa City,  
Nagour - 341509 (RAJ.)



## **NOTICE OF THE ANNUAL GENERAL MEETING**

**Notice** is hereby given that 17<sup>th</sup> Annual General Meeting of the members of **Saboo Sodium Chloro Limited** will be held on Saturday, the 18<sup>th</sup> day of September, 2010 at 11:00 A.M. at Surya House, L-5, B - II, Krishna Marg, C-Scheme, Jaipur, Rajasthan – 302 001 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2010, Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Bikash Kumar Lakhota who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. N. Kataria & Associates, Chartered Accountants, the retiring Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS**

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**:-

**“RESOLVED THAT** Shri Mahendra Kumar, who was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 on 31<sup>st</sup> October, 2009 and who holds office upto the date of this Annual General Meeting in respect of whom Company has received a notice under Section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**BY ORDER OF THE BOARD**

**Place : JAIPUR**

**Date: 31.07.2010**

Sd/-  
**GIRDHAR SABOO**  
MANAGING DIRECTOR



## SABOO SODIUM CHLORO LIMITED

1. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF SUCH MEMBER AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
**The duly stamped, filled and signed instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the meeting.**
3. Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting.
4. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
5. Members are informed that in case of joint holders attending the Meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, 14<sup>th</sup> September, 2010 to Saturday, 18<sup>th</sup> September, 2010 (both days inclusive).
7. Beetal Financial & Computer Services (P) Ltd. is the Registrar and Share Transfer Agent (RTA) for physical shares and is also the depository interface of the Company with both CDSL and NSDL.
8. Shareholders holding shares in the certificate form are requested to notify/send to facilitate better servicing the followings to Beetal Financial & Computer Services (P) Ltd.:
  - Any change in their address/ mandate/ bank details,
  - Particulars of their bank account, in case the same have not been furnished earlier, and
  - Share certificates held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.
9. The shareholders, who have not converted their shares in demat form, are requested to do so.
10. The documents referred to in the proposed resolutions are available for inspection at the registered office of the Company during working hours between 10.00 A.M. to 1.00 P.M., except on holidays.
11. Queries on accounts and operations may please be sent to the Company, 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
12. Members are requested to bring their personal copy of Annual Report to the Meeting.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**ITEM NO. 4**

Shri Mahendra Kumar was appointed as an Additional Director of the Company in the Board Meeting held on 31<sup>st</sup> October, 2009. As per the provisions of Section 260 of the Act read with Article 78 of the Articles of Association of the Company, the director shall hold office only upto the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as a Director.

The Company has received a Notice in writing from a Member along with a deposit of Rs. 500/- proposing the candidature of Shri Mahendra Kumar for the office of Director of the Company, under the provisions of Section 257 of the Companies Act, 1956 (the Act).

It will be in interest of the Company that Shri Mahendra Kumar is appointed as Non-Executive Director, who if appointed, shall be liable to retire by rotation, in accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company.

Save and except Shri Mahendra Kumar, as appointee, none of the other Directors of the Company are in any way, concerned or interested in this Resolution.

The Board recommends the Ordinary Resolution for approval.

**Place: JAIPUR**

**BY ORDER OF THE BOARD**

**Date: 31.07.2010**

Sd/-  
**GIRDHAR SABOO**  
MANAGING DIRECTOR



**ANNEXURE TO THE NOTICE OF 17<sup>TH</sup> AGM**

Details of Directors seeking appointment/re-appointment in the Annual General Meeting to be held on Saturday, the 18<sup>th</sup> day of September, 2010, pursuant to Clause 49 of Listing Agreement:

Name of Directors	Shri Mahendra Kumar	Shri Bikash Kumar Lakhotia
Date of Birth	14.07.1963	07.08.1975
Date of Appointment	31.10.2009	30.01.2009
Designation	Director	Director
Qualifications	Engineer	Graduate
Directorship held in other Public Limited companies	Nil	Nil
Membership/Chairmanship of Committees of other public companies	Nil	Nil

**Place: JAIPUR**

**BY ORDER OF THE BOARD**

**Date: 31.07.2010**

Sd/-  
**GIRDHAR SABOO**  
MANAGING DIRECTOR



**DIRECTORS' REPORT**

To,  
The Members,  
Saboo Sodium Chloro Ltd.,  
Jaipur.

Your Directors are pleased to present the 17<sup>th</sup> Annual Report and the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2010.

**1. FINANCIAL PERFORMANCE**

The financial results of the Company for the period under review as compared to the previous year are summarized below:

Particulars	(Rs. in lacs)	
	Financial Year 2009-10	Financial Year 2008-09
Total Income	99,834,782	121,701,927
Profit before Depreciation & Taxation	68, 70,074	1, 52, 40,048
Depreciation	53, 59,623	60, 66,120
Profit before tax	15, 10,451	91, 73,928
Taxation (including FBT & Deferred Taxation)	79,21,694	11,07,769
Profit / (Loss) after Tax	(64, 11,243)	80, 66,159

**2. TURNOVER, PROFITS & FUTURE PROSPECTS**

The total income during the year under review was Rs. 99,834,782/- as against Rs 121,701,927/- in the previous year. The Financial performance of the Company has slumped in the financial year 2009-10 as compared to the financial year 2008-09, because of the overall economic turndown.

**3. DIVIDEND**

In view of the losses incurred by the Company during the current financial year, your Directors do not recommend payment of any dividend for the year ended on 31<sup>st</sup> March, 2010.





#### **4. BOARD OF DIRECTORS**

##### **Retire by Rotation**

In accordance with the provisions of the Companies Act, 1956 and Article No. 89 of the Articles of Association, Shri Bikash Kumar Lakhota retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

##### **Appointment of Additional Director**

Shri Mahendra Kumar was appointment as an Additional Director w.e.f 31<sup>st</sup> October, 2009. The Board received a notice u/s 257 of the Companies Act, 1956 from a member proposing the candidature of Shri Mahendra Kumar as a Director.

In view of this the Board recommends his appointment as a regular Non-Executive Independent Director of the Company liable to retire by rotation.

The Details are furnished in Explanatory Statement annexed to the Notice calling AGM.

##### **Resignation of Director**

During the financial year 2009-10 Shri Raghuvir Singh Rathore ceased to be Director of the Company w.e.f 31<sup>st</sup> October, 2009 by tendering his resignation to the Board of Directors of the Company.

#### **5. AUDITORS**

M/s N. Kataria & Associates, Chartered Accountants, Jaipur, Auditors of the Company retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

The Company has received the necessary certificate from them pursuant to section 224 (1B) of the Companies Act 1956, regarding their eligibility for re-appointment. Accordingly, approval of members is being sought at the forthcoming Annual General Meeting.

The qualifications / observations of the Auditors are explained wherever necessary in appropriate notes to Accounts.

#### **6. LISTING AT STOCK EXCHANGE**

The Equity Shares of the Company are listed at JSE, ASE, DSE, CSE and BSE.

#### **7. PARTICULARS OF EMPLOYEES**

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



## **8. FIXED DEPOSITS**

During the year under review, your Company has not invited any fixed deposit from the public in the terms of the provision of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975.

## **9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The particulars regarding foreign exchange earning and expenditure, conservation of energy, research and development and technological absorption are set out in the 'Annexure A' to this report.

## **10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The report on Management Discussion and Analysis as required under the Listing Agreements with the Stock exchange, forms part of the Annual Report of the Company.

## **11. CORPORATE GOVERNANCE REPORT**

The Company has complied with all the mandatory requirements of Corporate Governance specified by Securities & Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement. As required by the said clause, a separate Report on Corporate Governance forms part of the Annual Report of the Company.

## **12. DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

1. in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed, along with proper explanation relating to material departures.
2. the Directors had selected such accounting policies & applied them consistently & made judgments & estimates that are reasonable & prudent so to as give a true & fair view of the state of affairs of the Company at the end of the financial year ended on 31<sup>st</sup> March, 2010 and of the Profits of the Company for the year.
3. the Directors had taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud & other irregularities.
4. the Directors had prepared the annual accounts on a going concern basis.