

# Annual Report

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Senbo &  
INDUSTRIES LTD.

## CORPORATE PROFILE

### BOARD OF DIRECTORS

Mr. Kajal Sengupta	<i>Chairman &amp; Managing Director</i>
Mr. Dipankar Chatterji	<i>Director</i>
Mr. P. K. De	<i>Director</i>
Mr. C. S. Choudhury	<i>Director Finance</i>
Mr. S. P. Roychowdhury	<i>Director</i>
Mr. M. L. Meena	<i>Director (WBIDC)</i>
Dr. S. Chakraborty	<i>Director</i>
Mrs. S. Sengupta	<i>Director</i>
Mr. Kingshuk Sengupta	<i>Director</i>

#### CHIEF EXECUTIVE OFFICER

Ms. Papia Chakraborty

#### BANKER

State Bank of India

#### COMPANY SECRETARY

Mr. Sandip Gupta

#### REGISTERED OFFICE

87, Lenin Sarani, Calcutta - 700 013

Phone : (033) 244-1395, 245-0816, 249-0441

Fax : (033) 244-9485

Email : senbo@iasci01.vsnl.net.in

#### MANAGEMENT TEAM

Mr. Bhaskar Sengupta

*General Manager (Works)*

Mr. Dilip Kr. Paul

*Asst. General Manager (Marketing)*

Mr. Sujit Chakraborty

*Asst. General Manager (Marketing)*

Mr. S. K. Choudhury

*Asst. General Manager (Pur. & Stores)*

#### MARKETING OFFICE

251A/59A, N. S. C. Bose Road

Calcutta - 700 047

Phone : (033) 471-4009/8928

Fax : (033) 471-8929

#### AUDITORS

Rajesh Chaturvedi & Associates

Chartered Accountants

2/2C, Ballygunge Place (East) (1<sup>st</sup> Floor)

Calcutta - 700 019

#### WORKS

Karbala, Sonarpur Station Road

Dist. South 24-Parganas

Pin Code : 743 508

Phone : (033) 434-7339/40/42

Fax : (033) 434-7341

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## NOTICE

The Fifth Annual General Meeting of Senbo Industries Ltd., will be held at Science City, J.B.S. Haldane Avenue, Calcutta - 700 046 at 11.00 A.M. on Thursday, the 23rd day of September, 1999 to transact the following business :

1. to receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. to appoint a Director in place of Sri Dipankar Chatterji, who retires by rotation and is eligible for reappointment;
3. to appoint a Director in place of Sri Kingshuk Sengupta, who retires by rotation and is eligible for reappointment;
4. to appoint a Director in place of Dr. Saibal Chakraborty, who retires by rotation and is eligible for reappointment;
5. to appoint a Director in place of Smt. Santwana Sengupta, who retires by rotation and is eligible for reappointment;
6. to appoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

Messrs Rajesh Chaturvedi & Associates, Chartered Accountants, the retiring Auditors, being eligible, offer themselves for reappointment.

## NOTES

- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/herself and a proxy need not be a member.
- The Register of Members and Share Transfer Book will remain closed from September 19, 1999 to September 23, 1999, both days inclusive.

BY ORDER OF THE BOARD

*Registered Office :*  
87, Lenin Sarani,  
Calcutta - 700 013  
July 30, 1999

**S. Gupta**  
Company Secretary

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors present their Fifth Annual Report and Audited Accounts for the Financial Year ended on March 31, 1999.

### OPERATING PERFORMANCE

The year 1998-99 was the second year of commercial production, and at the beginning, it was anticipated that there would be all-round improvement in production, sales and financial results over those of the previous year. Although there were marginal improvements in production and sales, as given below, the financial results were very much depressed for various reasons that are also highlighted hereunder :

	<u>1998 - 99</u>	<u>1997 - 98</u>
Production - No. of Bottles	87,57,113	85,07,067
Sales - No. of bottles	83,37,908	75,06,922
Sales - Rs. Lakhs	964.53	802.15
Net Loss - Rs. Lakhs	(213.82)	(9.86)

### FINANCIAL RESULTS

The break-up of net loss is as tabulated below :

	<u>1998 - 99</u>	<u>1997 - 98</u>
		(Rs. Lakhs)
Profit / (Loss) before Finance Charges & Depreciation	175.97	306.14
Less : Finance Charges	263.90	196.35
Profit / (Loss) before Depreciation	(87.93)	109.79
Less : Depreciation	125.89	119.65
Net Loss	<u>(213.82)</u>	<u>(9.86)</u>

Your Directors observe that despite increase in sales turnover by 20%, there has been substantial drop in profit before finance charges and depreciation as compared to previous year mainly on account of increase in the costs of raw materials, personnel expenses and costs under selling and product development. Further, higher incidence of finance charges worsened the result.

### DIVIDEND

The Directors regret their inability to recommend any dividend for the year due to having incurred losses.

### BUSINESS STRATEGY

Upto end of the financial year under review, the Company had to face tough competition in selling its products in the Trade Market. All I.V. Fluid manufacturing industries in the country traded in the market with the prices lower than the costs thereof in order to take lead and in the process they had to sustain heavy losses. Your Company also had to face keen competition in the market and resorted to cut down the prices in some cases to remain in the market. However, to overcome this situation the Marketing Strategy has been suitably modified by strengthening the marketing activities. Your Directors feel that along with the single line of I.V. Fluid manufacturing process, it is essential to go

for additional lines of manufacture with low capital cost combined with utilising the infrastructure facilities already available. A scheme to this effect is being worked out and action is also being proposed to be taken without losing any more time. Your Directors are confident that the modified Marketing Strategy and the action plan in respect of additional lines of manufacture will yield positive results in years to come.

#### PARTICULARS OF EMPLOYEES

Section 217 (2A) of the Companies Act, 1956, does not apply since there is no Employee drawing salary more than the specified amount during the year.

#### PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

##### A. Conservation of Energy

###### 1. Power and Fuel consumption

i) Electricity from WBSEB		Current Year	Previous Year
Unit	Kwh	13,48,375	12,27,000
Total Amount	Rs.	38,06,204	34,84,199
Rate	Rs./Kwh	2.82	2.84

ii) Furnace Oil			
Quantity	Ltr.	2,95,230	2,92,181
Total Amount	Rs.	17,80,753	18,37,958
Rate	Rs./Ltr.	6.03	6.29

###### 2. Consumption per unit production

Electricity	Kwh / Bottle	0.154	0.144
Furnace Oil	Ltr. / Bottle	0.034	0.034

The Company is taking an attempt to minimise the power consumption.

##### B. Technology Absorption

The Company's scheme in developing R & D of the Products is still in the process of implementation.

##### C. Foreign Exchange Earnings and Expenditure

	Current Year Rs. Lakhs	Previous Year Rs. Lakhs
i) Foreign Exchange Earnings		
Realisation from Export of I.V. Fluids (Previous year - Trading of I.V. Sets)	20.47	3.03
ii) Foreign Exchange Expenditure		
- Capital Goods	Nil	5.65
- Raw Materials	117.79	103.04
- Spares & Components	2.86	1.51
- Travelling	4.29	Nil
- Foreign Delegation Fee	1.54	Nil