

Annual Report 1999 - 2000



Senbo 
INDUSTRIES LTD.

CORPORATE PROFILE

BOARD OF DIRECTORS

Mr. Kajal Sengupta	<i>Chairman & Managing Director</i>
Mr. C. S. Choudhury	<i>Director Finance</i>
Mr. P. K. De	<i>Director</i>
Mr. S. P. Roychowdhury	<i>Director</i>
Dr. S. Chakraborty	<i>Director</i>
Mrs. S. Sengupta	<i>Director</i>
Mr. Kingshuk Sengupta	<i>Director</i>

COMPANY SECRETARY

Mr. Subhankar Roychowdhuri

BANKER

State Bank of India

MANAGEMENT TEAM

Ms. Papia Chakraborty

Chief Executive Officer

Mr. Bhaskar Sengupta

General Manager (Works)

Mr. Biplab Das

Asst. General Manager (Commercial)

Mr. Sujit Chakraborty

Asst. General Manager (Marketing)

Mr. S. K. Choudhury

Asst. General Manager (Pur. & Stores)

Mr. Ananda Sankar Basak

Asst. General Manager (Production)

Mr. Amitav Routhray

Asst. General Manager (Mech. & Ele.)

Mr. Subrata Basu

Asst. General Manager (QC. & RD.)

AUDITORS

Rajesh Chaturvedi & Associates

Chartered Accountants

2/2C, Ballygunge Place (East), (1ST Floor)

Calcutta - 700 019

REGISTERED OFFICE

87, Lenin Sarani, Calcutta - 700 013

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

Fax : (033) 244-9485

Email : senbo@giascl01.vsnl.net.in

MARKETING OFFICE

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

Calcutta - 700 047

Phone : (033) 471-4009/8928

Fax : (033) 471-8929

WORKS

Karbala, Sonarpur Station Road

Dist. South 24-Parganas

Pin Code : 743 508

Phone : (033) 434-7339/40

Fax : (033) 434-7341


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CONTENTS

	Page No.
Notice	01
Directors' Report	02
Auditors' Report	05
Annexure to Auditors' Report	06
Balance Sheet	08
Profit & Loss Account	09
Schedules to the Balance Sheet	10
Schedules to the Profit & Loss Account	13
Notes to the Accounts	15
Cash Flow Statement	20
Attendance Slip and Proxy	21

NOTICE

The Sixth 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 Tuesday the 26th day of September, 2000 to transact the following business :

1. to receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000 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 P. K. De, who retires by rotation and is eligible for reappointment;
3. to appoint a Director in place of Sri S. P. Roychowdhury, who retires by rotation and is eligible for reappointment;
4. to appoint a Director in place of Sri C. S. Choudhury, who retires by rotation and is eligible for reappointment;
5. 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 himself/herself and a proxy need not be a member.
- The Register of Members and Share Transfer Book will remain closed from September 22, 2000 to September 26, 2000, both days inclusive.

BY ORDER OF THE BOARD

Registered Office :
87, Lenin Sarani,
Calcutta - 700 013
August 07, 2000

C. S. Choudhury
Director Finance

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have the pleasure to present their Sixth Annual Report and Audited Accounts for the Financial Year ended on March 31, 2000.

OPERATING PERFORMANCE

During the year under review, production was kept to the minimum level at 66.08 lakh bottles as compared to 87.57 lakh bottles in the previous year just to meet the market requirement. While supplies to Government institutions in West Bengal were stable and selling rates received were also higher than those of the previous year, supplies to Trade markets in the States other than West Bengal were restricted to the quantities, which could be sold against receipt of advances.

In the earlier years, sales were boosted up in the Trade markets by allowing credits and lowering the selling rates but results were negative. The Company had to face difficulties in realising dues from the Distributors.

On the basis of experience gained in the Trade Market, a Super-Stockist was appointed towards later part of the year 1999-2000 in the Eastern Region and accordingly the Marketing Department was reorganised by reducing manpower resulting in lower selling and distribution expenses.

However, despatch of only 66.10 lakh bottles in the year 1999-2000 resulted into the Sales Turnover of Rs. 925.90 lakhs against the previous year's despatch of 83.37 lakh bottles fetching Sales Turnover of Rs. 964.53 lakhs due to average realisation being better at Rs. 14.01 per bottle as compared to Rs. 11.57 per bottle in the previous year.

FINANCIAL RESULTS

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

	(Rs. Lakhs)	
	<u>1999-2000</u>	<u>1998-1999</u>
Profit / (Loss) before Finance Charges & Depreciation	329.78	175.97
Less : Finance Charges	<u>256.30</u>	<u>263.90</u>
Profit / (Loss) before Depreciation	73.48	(87.93)
Less : Depreciation	<u>130.76</u>	<u>125.89</u>
Net Loss	<u>(57.28)</u>	<u>(213.82)</u>

Although Sales Turnover was marginally lower, there were improvement in the Financial results. Better net realisation per bottle, substantial reduction in overhead and selling & product development expenses contributed significantly to reduce the loss from Rs. 213.82 lakhs to Rs. 57.28 lakhs. In view of accumulated losses the Directors regret their inability to recommend payment of any Dividend.

FUTURE PROSPECT

The appointment of the Super-Stockist is expected to yield better results in the Trade Markets and the Company's Sales Turnover would increase with more or less same quantities of supplies to Government Institutions. The Scheme of the Company's going for additional formulations is at the final stage and once the Board is satisfied on viability of the Scheme it will recommend for its implementation.

Your Directors feel that the above mentioned action plan would improve the Company's performance.

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) <u>Electricity from WBSEB</u>		<u>Current Year</u>	<u>Previous Year</u>
Unit	Kwh	9,25,160	13,48,375
Total Amount	Rs.	35,59,054	38,06,204
Rate	Rs. / Kwh	3.85	2.82
ii) <u>Furnace Oil</u>			
Quantity	Ltr.	2,46,645	2,95,230
Total Amount	Rs.	21,36,476	17,80,753
Rate	Rs. / Ltr.	8.66	6.03

2. Consumption per unit production

Electricity	Kwh / Bottle	0.140	0.154
Furnace Oil	Ltr. / Bottle	0.037	0.034

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

B. Technology Absorption

The Company's scheme in developing Research & Development of the products is still in the process of implementation.

C. Foreign Exchange Earnings and Expenditure (Rs. Lakhs)

	<u>Current Year</u>	<u>Previous Year</u>
i) Foreign Exchange Earnings		
Realisation from Export of I.V. Fluids	NIL	20.47
ii) Foreign Exchange Expenditure		
- Raw Materials	15.91	117.79
- Spares & Components	6.43	2.86
- Travelling	0.71	4.29
- Foreign Technical Fee	—	1.54