

19TH

**Annual Report
2011-2012**



SABOO SODIUM CHLORO LIMITED

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

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BOARD OF DIRECTORS

Shri Girdhar Saboo
Managing Director (Executive)

Shri Mahendra Kumar
Director (Non-Executive)

Shri Pradeep Saxena
Director (Non-Executive)

Shri Bikash Kumar Lakhotia
Director (Executive)

COMPLIANCE OFFICER

Shri V.P. Gagrani

Statutory Auditors

N.Kataria & Associates

Chartered Accountants

109-110, Pinkcity Towers, Nr Peetal Factory,
Jhotwara Road, Jaipur

Corporate Advisors

Naredi Vinod & Associates

Jaipur Tower,

M.I.Road

Company Secretaries

Jaipur-302 001

Registered Office

'Surya House'

L-5, B – II, Krishna Marg,
C-Scheme, Jaipur 302001,
(RAJASTHAN)

Bankers

State Bank of India

State Bank of Bikaner & Jaipur

HDFC Bank Ltd

INDUSIND Bank

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

Works

1. Village Govind, Nawa City,
Nagour (Raj.)

2. Survey No. 416, Village Moti Chirai,
Taluka Bachau, Gandhidham (Gujrat)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 19th Annual General Meeting of the members of **Saboo Sodium Chloro Limited** will be held on Friday, 14th day of September, 2012 at 11:00 A.M. at Surya House, L-5, B - II, Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012, 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 and Mahendra Kumar 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 Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310 and Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and/or any statutory modification or re-enactments thereof from time to time and in force and subject to such other approvals as may be necessary, if any, consent of the Company be and is hereby accorded for increase of Remuneration of Mr. Girdhar Saboo, Managing Director of the Company.”

”RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to amend/alter the terms and conditions relating to remuneration subject to the provisions of section I of Part II of Schedule XIII and other applicable provisions of the Companies Act, 1956.”

“RESOLVED FURTHER THAT in absence of or inadequacy of profits in any financial year during the aforesaid period, the remuneration will be paid as minimum remuneration subject to the provisions of Section II of Part II of Schedule XIII of the Companies Act, 1956 or such other amount as may be provided in Schedule XIII as may be amended from time to time or any equivalent statutory re-enactments thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to appoint such person amongst themselves to file all documents with the Registrar of Companies, Rajasthan and to do all such acts, deeds and things as may be required and to complete all formalities that may be necessary to give effect to this resolution.”

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO**

APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THEN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The register of Members and Share Transfer Books of the Company will remain closed from 8th Day of September, 2012 to, the 14th day of September, 2012 (Both days inclusive).
3. Non-Resident Indian Shareholders are requested to inform M/s Beetal Financial & Computer Services (P) Ltd, the Registrar and Share Transfer Agent of the Company immediately about:
 - a) the change in the Residential status on return to India for permanent settlement.
 - b) the particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
4. Members requiring information on the accounts are requested to write to the company at least 10 (Ten) days before the date of the meeting to enable the company to furnish the information.
5. Members are requested to:
 - i) Intimate change in their Registered Addresses, if any, in respect of Equity Shares held in electronic form (Dematerialized form) to their Depository Participant(s).
 - ii) Intimate the Registrar & Share Transfer Agent about any change in their Registered Addresses in respect of equity shares held in physical form.
 - iii) Quote the registered folio number / DP-ID and CL-ID in all future correspondence.
 - iv) To address their grievances to the Company Secretary, if they require at the Registered Office of the Company.
6. Members are requested to please bring their copies of Annual Report at the meeting.
7. Members and Proxies attending the meeting should bring the attendance slip duly filled in for attending the meeting.
8. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special business mentioned under item No. 4 of the Notice is annexed hereto.
9. Members are informed that in case of Joint holders attending the meeting, only the joint holder higher in the order of the names will be entitled to vote.
10. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.

11. As required under Clause 49 of the Listing Agreement, the Particulars of Director proposed to be appointed / re appointed are being published in this Annual Report as Annexure “A”.

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

Item No. 4

The Remuneration Committee of the Company in their meeting held on 01st April, 2012, subject to the approval of the shareholders in the Annual General Meeting under the applicable provisions of the Companies Act, 1956, have sought to increase of Remuneration of Mr. Girdhar Saboo (Managing Director) of the Company w.e.f. 01.04.2012.

Remuneration:

(I) Basic Salary: Rs. 250000/- per month.

(II) Perquisites:

In addition to Basic Salary, the following Perquisites not exceeding the overall ceiling prescribed under Schedule XIII, annexed to the Companies Act, 1956 will be provided to the Managing Director:

- (I) Provision of Company's car with driver for use on Company's business, Mobile Phone and Telephone at residence will not be considered as perquisites.
- (ii) Personal long distance calls on telephone and use of Car for private purpose shall be billed by the Company to the Managing Director.
- (iii) Reimbursement of entertainment, traveling and all other expenses, actually and properly incurred for the business of the Company.
- (iv) No sitting fees shall be payable to the Managing Director for attending the Meetings of the Board of Directors or Committee thereof.

The terms and conditions, as above, may be altered / varied from time to time by the Board of Directors as it may, in its absolute discretion, deem fit within the maximum amount payable to the appointee in accordance with Schedule XIII annexed to the Companies Act, 1956 as may be amended from time to time or any other relevant Statutory enactment(s) thereof in this regard.

Where in any year, the Company has no profits or its profits are inadequate, the total remuneration payable to Shri Raj Girdhar Saboo, Managing Director, by way of salary/ perquisites, as specified above, shall be limited to the amount laid down under Schedule XIII annexed to the Companies Act, 1956.

Your Directors recommend the proposed Special resolution for your approval.

None of the Directors except Mr. Girdhar Saboo is interested in the resolution.

GENERAL INFORMATION :

Nature of Industry	Salt Manufacturing Industry FMCG
Year of Commencement of Commercial Production	1993
Financial Performance	1369 Lacs
Export Performance	1,32,885 US \$
Foreign Investment	Nil

INFORMATION ABOUT THE APPOINTEE :

Background Details	Mr. Girdhar Saboo, a chemical engineer, who is a dynamic, ambitious and very aggressive young entrepreneur is at the helm of affairs of SSCL as its Managing Director, In fact, the company is his own brain wave.
Past Remuneration	Rs. 1,50,000/- Per Month
Recognition of Awards	N.A.
Job Profile and his suitability	Mr. Girdhar Saboo ex-alumni of Mayo College Ajmer and Chemical Engineering Graduate is a dynamic, ambitious and very aggressive young entrepreneur is at the helm of affairs SSCL as its CMD
Pecuniary Relationship Directly / Indirectly with the Company	N.A.

ANNEXURE TO THE NOTICE OF 19TH AGM

Details of Directors seeking appointment/re-appointment in the Annual General Meeting to be held on 14th, September, 2012, pursuant to Clause 49 of Listing Agreement:

Name of Directors	Mahindra Kumar	Mr. Bikash Kumar Lakhota
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

BY ORDER OF THE BOARD

Place: Jaipur
Date: 16.08.2012

Sd/
GIRDHAR SABOO
(MANAGING DIRECTOR)

DIRECTORS' REPORT

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

Your Directors are pleased to present the 19th Annual Report and the Audited Accounts of the Company for the year ended March 31, 2012.

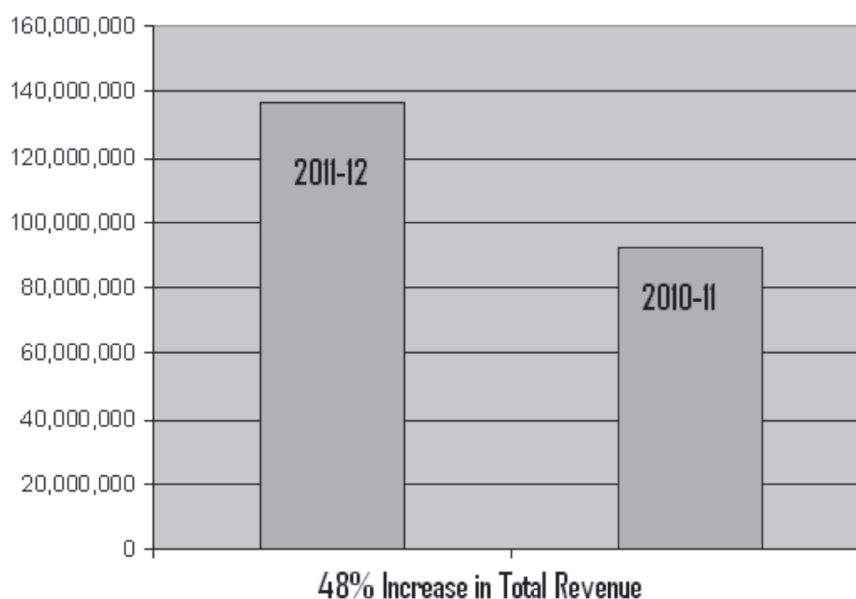
FINANCIAL RESULTS

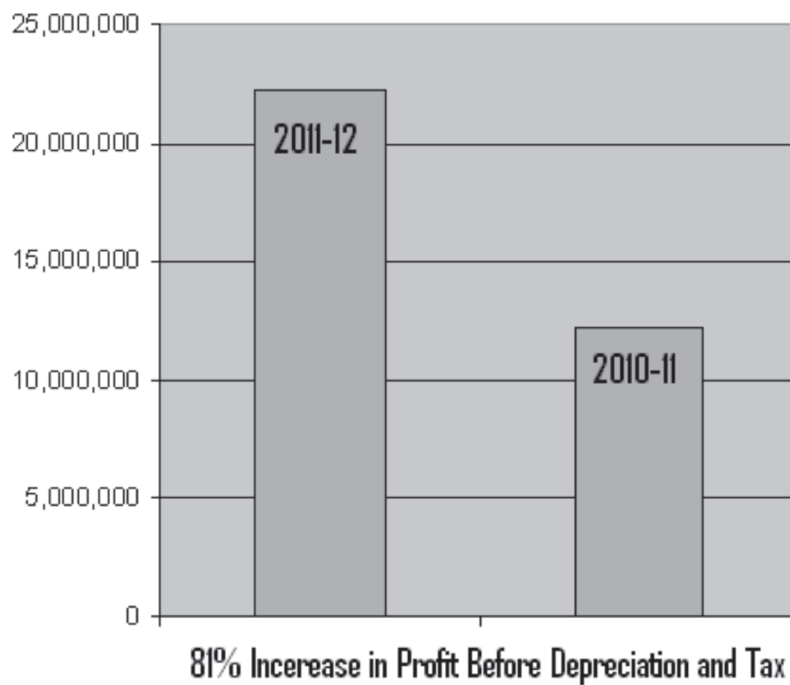
The financial results of the Company for the period under review as compared to the previous year are summarized below:

Particulars	Financial year ended 31st March, 2012	Financial year ended 31st March, 2011
Total Income	136,913,138	92,504,666
Profit before depreciation and taxation	22,234,939	12,289,060
Depreciation	18,375,751	6,590,144
Profit before tax	3,859,188	5,698,916
Taxation(including Deferred Taxation and Short/Excess Provision for Earlier year)	565,513	3,055,399
Profit after Tax	3,293,675	2643517

TURNOVER, PROFITS & FUTURE PROSPECTS

The total income during the year under review is Rs 136,913,138/- as against Rs. 92,504,666/- in the previous year. The profit after tax is Rs. 3,293,675/- as against Rs. 2643517/- in the previous year.





DIVIDEND

In view of the financial position of the Company and to conserve the profits for future expansion, your Directors do not recommend payment of any dividend for the year ended on 31st March, 2012.

BOARD OF DIRECTORS

Retire By Rotation

In accordance with the provisions of the Companies Act, 1956 and Article No. 89 of Articles of Association of the Company, Mr. Bikash Kumar Lakhotia and Mr. Mahendra Kumar retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

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 reappointment.

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.

LISTING AT STOCK EXCHANGE

The Equity Shares of the Company are listed at Jaipur, Ahmedabad, Delhi, Calcutta and Mumbai Stock Exchange.

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.

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.

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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The report on Management Discussion and Analysis as required under the Listing Agreements with the Stock exchange is set out as Annexure B to the Director's Report.

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.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of the Section 217(2AA) of the Companies Act, 1956, Directors confirm that:

- I. In the preparation of the annual accounts for the year 2011-12, the applicable Accounting Standards have been followed and along with proper explanation relating to material departure;
- II. They have selected such accounting policies & applied them consistently & made judgments & estimates that are reasonable & prudent, so as to give a true & fair view of the state of affairs of the Company at the end of the financial year & of the Profits of the Company for the year;
- III. They have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company & for preventing & detecting fraud & other irregularities; and
- IV. They have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the co-operations received from its Bankers, Government Authorities, Customers, Vendors, Business Associates and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the executive, staff and workers of the Company.

CONCLUSION

Your Company's Board and employees are inspired by their vision of sustaining the position of the Company as a dynamic and valuable Company through world class performance, creating enduring value for all stakeholders, including the shareholders and the Indian Society. The Company is continuously engaged in upgrading strategic capability to effectively address the challenge of growth in an increasingly competitive market. The vision of enlarging your Company's contribution to the Indian economy is manifest in the creation of unique business models that foster international competitiveness. Propelled by this vision and powered by the internal vitality, your Directors look forward to the future with confidence.

For and on behalf of the Board of Directors

Date: 16.07.2012
Place: JAIPUR

Sd/-
PRADEEP SAXENA
(Director)

Sd/-
GIRDHAR SABOO
(Managing Director)

ANNEXURE “A” TO THE DIRECTOR'S REPORT:

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

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 is continuously doing research and development regarding production of highest quality salt to meet the demands of its high profile customers. The Company has taken R.S.E.B. connection and is now drawing electricity from the state grid at the cost of approximately Rs. 7/- per unit as against Rs. 20/- per unit it was spending on its own captive diesel generation sets.

The Company has finalized an export deal with many foreign companies and as of now the Company is the largest exporter of salt. The Foreign Exchange Earning and Foreign Exchange Outgo has been nil on account of any imports and exports etc. The company is in quest of exporting more and more in the foreign countries to stamp a place for itself all around the world. The Company has been getting good response from the foreign countries.

ANNEXURE “B” TO THE DIRECTOR'S REPORT:

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Saboo Sodium Chloro Limited is the largest salt refinery in North India producing Surya Iodized Salt, Tota iodized Salt, Tiger Iodized salt, Saboo Iodized Salt and all types of Industrial Salt. The Company is the most prominent and the largest manufacturer of salt in North India. Looking at the rapid economy growth of the Country and rising living standard there is good growth in the consumption of refined iodized salt and we feel that every year the refined iodized salt market is growing and People who are using unbranded non refined common salt are now switching rapidly to triple refined free flow iodized salt due to more awareness of health issues and television advertising.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company proposed to capture the growth potential in FMCG products by entering in retailing of the same.

OUTLOOK

Company continues to enjoy strong support from its promoters. As the Company has entered into the manufacturing of spices and Industrial Salt arena, the business is poised to grow well in to the future. The Company is also planning to enter in the retail market by retailing the FMGC products.

OPPORTUNITIES, THREATS, RISK AND CONCERNS

In the current age of liberation and globalization your board consider it appropriate to explore new business areas / opportunities to broad base investment and industry presence, to attain its main purpose of delivering long term value to the shareholders of new improved mean as etc. hence your Company has diversified its line of business to manufacturing industries by commencement of new

business of manufacturing the spices and industrial salt. Also looking towards the high growth in the retailing sectors in the coming years ahead the company is also planning to enter in the retail market of FMCG products.

As Company planning to enter into the food item business at a large scale the business is poised to grow well in the future.

However, due to increase in the rate of interest and lack of Government support in the food business areas, and due to the uncertainties in the Government Policies, the market of the food business is not as promising as previously thought of.

CHALLENGES

Now the Company is working on building its own brand image. The Company is also setting up its own network for marketing and selling its spices and industrial salt. The brand building image will require recruitment of high quality manpower and setting up of distribution network on large scale. The management is also contemplating of taking steps for cost reduction in order to improve the financial position.

INTERNAL CONTROL SYSTEM

The company remains committed to ensure an effective internal control that provides assurance on the efficiency of operations and security of assets. Your company's well established and robust internal audit processes, both at business and corporate levels, continuously monitor the effectiveness of the internal control environment across the company and the status of compliance with operating systems, internal policies and regulatory requirements.

The company has also undertaken steps to implement new control measures in line with best global practices.

HUMAN RESOURCE DEVELOPMENT

Of all the resources available to the Company, Human Resource is the only asset that appreciates with time. In its continued efforts to nurture the best human talent, during the year the management continued with its strategy of imparting professional training to the executives and staff at various levels with a view to upgrade their competency and remove all levels of inefficiency in order to make the Company more competitive. This is not a luxury, but a necessity, if the Company has to survive in a globally competitive market, providing better product at better cost requires additional efforts to develop skills and efficiency in the new appointees to face the challenge.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is about promoting corporate fairness, transparency, accountability and integrity of the management. It also aims to align, as nearly as possible, the interests of individuals, corporations and society and thereby enhancing the stakeholders' value. Good corporate governance practices have always been an integral part of the Company's philosophy. The commitment to good corporate governance practices predates the laws and mandates of the Securities and Exchange Board of India (SEBI) and the stock exchanges through Clause 49 of their listing agreements. Given below are the Company's corporate governance policies and practices:

2. BOARD OF DIRECTORS

The Board of Directors provides strategic direction and thrust to the operations of the Company, thereby enhancing the value of the stakeholders.

• Composition

The Board has an optimum combination of Executive and Non-Executive Directors, and is in conformity with Clause 49 of the Listing Agreement with the stock exchange, in which the Company's shares are listed. The composition of the Board as on March 31, 2012 was as under:

1. Promoter & Executive Chairman (1) Girdhar Saboo (2) Bikash Kumar Lakhotia
2. Non-Executive & Independent Directors (1) Pradeep Saxena (2) Mahendra Kumar

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which he is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

• Details of meeting Held

The Board met 5 times on the following dates during the financial year 2011-2012:

15th April, 2011; 10th August, 2011, 14th November, 2011, 10th February, 2012 and 26th March, 2012

• Category and Attendance of Directors

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year 2011-2012 and at the last Annual General Meeting (AGM), as also the number of Directorships and Committee positions held by them in other Public Limited Companies as on March 31, 2012 are as follows:

Name of Directors	Status	Board Meetings attended during the year	Attendance at last AGM	Number of Directorship Held in other Public companies	Board Committee Membership/ Chairmanship held in other Public companies
Shri Girdhar Saboo	Executive Director	4	Yes	NIL	NIL
Shri Pradeep Saxena	Non- Executive Director and Independent	4	Yes	NIL	NIL
Shri Bikash Kumar Lakhotia	Executive Director	2	No	NIL	NIL
Shri Mahendra Kumar	Non- Executive Director and Independent	2	Yes	NIL	NIL

Shareholding of Non-Executive Directors as on March 31, 2012 is as under:

Sr. No.	Name	No. of shares held	% of Paid-up Capital
1.	Shri Bikash Kumar Lakhotia	NIL	-
2.	Shri Pradeep Saxena	NIL	-
3.	Shri Mahendra Kumar	NIL	-

3. AUDIT COMMITTEE

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock Exchanges. The terms of reference include:

- To investigate any activity within its terms of reference.
- To seek information from any employee/ records of the Company.
- To obtain outside legal or other professional advice.
- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Major accounting entries based on exercise of judgment by management.
- Compliance with accounting standards
- Compliance with Stock Exchange and legal requirements concerning financial statements.
- Any changes in accounting policies and practices.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Reviewing the adequacy of internal audit function.
- Discussion with internal auditor regarding any significant findings and follow up thereon.
- Discussion with external auditors before the audit commences the nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- Review the functioning of the Whistle Blower mechanism.
- Any other item referred to it by the Board.

• Composition:

Name	Designation	Category
Shri Pradeep Saxena	Chairman	Non-Executive & Independent Director
Shri Bikash Kumar Lakhotia	Director	Executive Director
Shri Mahendra Kumar	Director	Non-Executive & Independent Director

• Meeting held :

The committee met four times on the following dates during the financial year 2011-2012:
15th April, 2011; 10th August, 2011, 15th November, 2011, 10th February, 2012 and 26th March, 2012

• Category and Attendance of members:

The names and categories of the Directors on the Committee, their attendance at the Meetings held during the Financial Year 2011-2012 are as follows:

Name	Category	Attendance
Shri Pradeep Saxena	Non-Executive & Independent Director	4
Shri Mahendra Kumar	Non-Executive & Independent Director	4
Shri Bikash Kumar	Executive Director	4

Members of the Audit Committee have requisite financial and management expertise and have held or hold senior positions in other reputed organization.

The Statutory Auditors, Internal Auditors and the Compliance Officer are invited to attend and participate in the meeting of the Committee. The Compliance Officer acts as the Secretary to the Committee.

4. REMUNERATION COMMITTEE

The terms of reference of the remuneration committee includes among others:

- To review, assess and recommend to the Board the appointment of the executive and non-executive Directors and the compensation payable to him.
- To consider and recommend human resource policies relating to the compensation and performance management.

• Composition:

Name	Designation	Category
Shri Pradeep Saxena	Chairman	Non-Executive & Independent Director
Shri Bikash Kumar Lakhotia	Director	Executive Director

During the period under review, the committee met once.

• Category and Attendance of members:

The names and categories of the Directors on the Committee, their attendance at the Meetings held during the Financial Year 2011-2012 are as follows:

Name	Category	Attendance
Shri Mahendra Kumar	Non-Executive & Independent Director	Nil
Shri Bikash Kumar Lakhotia	Executive Director	Nil
Shri Pradeep Saxena	Non-Executive & Independent Director	Nil

The Non – Executive Directors do not draw any remuneration including the sitting fees. The details of the remuneration payable to the Managing Director (Executive) for the financial year 2011-12 are:

Salary	Rs. 11,70,000/- per annum
Allowance	Rs. 6,30,000/- per annum
Benefits Perquisites	Rs. 3,50,915/- per annum

5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Board of Directors constituted the shareholders/ investors' grievance committee to look into redressal of investors' complaints like share transfers, non-receipt of annual reports, issue of duplicate share certificate, transfer and transmission of shares and other allied transactions. Its scope also includes delegating the powers to the executives of Company/ share transfer agents to process share transfers etc.

• **Composition:**

Name	Designation	Category
Shri Pradeep Saxena	Chairman	Non-Executive & Independent Director
Shri Mahendra Kumar	Director	Non-Executive & Independent Director
Shri V.P. Gagrani	Compliance Officer	Compliance Officer

• **Meetings held:**

The Board met 4 times on the following dates during the financial year 2011-12:
15th April, 2011; 10th August, 2011, 14th November, 2011 and 10th February, 2012.

• **Category and Attendance of members:**

The names and categories of the Directors on the Committee, their attendance at the Meetings held during the Financial Year 2011-2012 are as follows:

Name	Category	Attendance
Shri Pradeep Saxena	Non-Executive & Independent Director	4
Shri Girdhar Saboo	Promoter & Executive Director	4
Shri Bikash Kumar Lakhotia	Executive Director	4

• **Status of Investor Complaints**

During the year under review, neither any complaint was pending as on 1st April, 2012 nor was any complaint received.

6. GENERAL BODY MEETINGS

The details of Annual General Meetings held in the last three years are given below:

AGM	Date	Time	Venue	Special Resolution Passed	Special Resolution Passed for Postal Ballot
AGM	11.09.2009	11.00 am	Surya House, L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001 (Raj.)	N. A.	Postal ballot passed in EGM held on 22, Nov. 2012 alteration of object clause of the company
AGM	17.09.2010	11.00 am	Surya House, L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001 (Raj.)	N. A.	
AGM	17.09.2011	11.00 am	Surya House, L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001 (Raj.)	N. A.	

7. CODE OF CONDUCT

The Board has laid down a code of conduct for the Directors and the employees of the Company. The code is being followed in true letter and spirit.

8. DISCLOSURES

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their relatives etc. that may have potential conflict with the interests of the Company at large.

During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on matters related to capital market.

The Company has adopted a Whistle Blower policy and has established the necessary mechanism in line with clause 7 of Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchange,

for employees to report concerns about unethical behaviors. No personnel have been denied access to the audit committee.

9. MEANS OF COMMUNICATION

In compliance with the requirements of Listing Agreement, the Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges immediately after they are taken on record by the Board. Moreover, the said results were put up on the BSE website, apart from being published in Dainik Samachar and "Adhikar".

Management Discussion and Analysis Report forms part of the Annual Report.

10. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Annual General Meeting of the Company will be held on Friday, September 14th, 2012 at 11.00 A.M. at Surya House, L-5, B-II, Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.

No special resolution is proposed to be passed by Postal Ballot at the aforesaid Annual General Meeting.

b. Financial Calendar (Tentative)

- Result for the qtr ending June 30, 2011 Within 45 days from the end of the quarter.
- Result for the qtr ending Sep 30, 2011 Within 45 days from the end of the quarter.
- Result for the qtr ending Dec 31, 2011 Within 45 days from the end of the quarter.
- Result for the qtr ending Mar 31, 2012 Within 45 days from the end of the quarter.

c. Book Closure Date

The Share Transfer Register of the Company shall remain closed from 8th September, 2012 to 14th September, 2012 (both days inclusive).

d. Dividend

No dividend being recommended by the Board during the year.

e. Listing of Equity Shares in Stock Exchange

The share of the Company are Listed at Jaipur, Ahmedabad, Delhi, Calcutta and Mumbai.

f. Demat ISIN exchange number in NSDL & CDSL for equity shares

INE44C01016

g. Stock Code.

Bombay Stock Exchange Limited, Mumbai – 530461.

h. Market Price data

The high and low prices of every month during the financial year 2011-2012 are given below:

Month	High Price	Low Price	No.of Shares	No.of trades	BSE Sensex High
Apr-11	14.47	12.25	243969	1152	19,811.14
May-11	12.50	9.02	261737	940	19,253.87
June-11	13.93	9.80	334029	1677	18,873.39
Jul-11	13.00	10.50	158467	791	19,131.70
Aug-11	11.50	9.15	279669	1254	18,440.07
Sep-11	11.00	9.42	122507	381	17,211.80
Oct-11	10.57	9.16	56488	194	17,908.13
Nov-11	10.80	8.56	37092	194	17,702.26
Dec-11	11.05	7.47	110416	427	17,003.71
Jan-12	12.88	9.52	31159	215	17,258.97
Feb-12	12.27	9.10	68169	267	18,523.78
Mar-12	12.00	8.08	124452	248	18,040.69

I. REGISTRAR & SHARE TRANSFER AGENT

M/S Beetal Financial & Computer Services (P) Ltd
 Beetal house, 3rd floor, 99, Madangir
 Behind Local Shopping Centre
 Near Dada Harsukhdas Mandir, New Delhi-62
 Telephone no. 011 2996 1281/82
 Fax: 011 2996 1284

j. SHARE TRANSFER SYSTEM

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the power of share transfer to Shareholders' & Investor Grievances Committee. As on date all the work related to the shares both held in physical and electronic form is handled by RTA. All correspondences are to be directed to the RTA at the address mentioned above. The correspondences may also be sent at the Company's address which will be sent by the Company to RTA. Share transfer is normally affected within the maximum period of 30 days from the date of receipt, if all required documentation is submitted.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2012

<i>Shareholding of Nominal value</i>	<i>Number of Shareholders</i>	<i>% of Total</i>	<i>No. of Share</i>	<i>Amount in Rs.</i>	<i>% of Total</i>
Up to 5000	2,883	75.75	5,78,882	57,88,820.00	4.4762
5001 to 10000	402	10.56	3,44,020	34,40,200.00	2.6601
10001 to 20000	220	5.78	3,44,947	34,49,470.00	2.6673
20001 to 30000	102	2.68	2,61,086	26,10,860.00	2.0188
30001 to 40000	53	1.39	1,90,159	19,01,590.00	1.4704
40001 to 50000	23	0.60	1,07,940	10,79,400.00	0.8346
50001 to 100000	58	1.52	4,15,788	41,57,880.00	3.2151
100000 & Above	65	1.71	1,06,89,678	10,68,96,780.00	82.6575
Total	3,822	100.00	1,29,32,500	12,93,25,000.00	100.00

I. SHARE HOLDING PATTERN AS ON 31ST MARCH, 2012

Category of Shareholder	No. of Share holders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	3	7001839	7001839	54.14	54.14	0	0.00
Bodies Corporate	2	406072	406072	3.14	3.14	0	0.00
Sub Total	5	7407911	7407911	57.28	57.28	0	0.00
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	5	7407911	7407911	57.28	57.28	0	0.00
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	5	34600	0	0.27	0.27	0	0.00
Sub Total	5	34600	0	0.27	0.27	0	0.00
(2) Non-Institutions							
Bodies Corporate	140	1229057	1217757	9.50	9.50	0	0.00
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	3538	1966056	1564046	15.20	15.20	0	0.00
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	45	2224494	2174494	17.20	17.20	0	0.00
Any Others (Specify)	73	70382	70382	0.54	0.54	0	0.00
Clearing Members	2	319	319	0.00	0.00	0	0.00
Non Resident Indians	12	7008	7008	0.05	0.05	0	0.00
Hindu Undivided Families	59	63055	63055	0.49	0.49	0	0.00
Sub Total	3796	5489989	5026679	42.45	42.45	0	0.00
Total Public shareholding (B)	3801	5524589	5026679	42.72	42.72	0	0.00
Total (A)+(B)	3806	12932500	12434590	100.00	100.00	0	0.00
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0	0.00
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
(2) Public	0	0	0	0.00	0.00	0	0.00
Sub Total	0	0	0	0.00	0.00	0	0.00
Total (A)+(B)+(C)	3806	12932500	12434590	0.00	100.00	0	0.00

m. DEMATERIALISATION OF SHARES

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March 2012, 12434790 equity shares of the Company forming 96.15% of the share capital of the Company stand dematerialized.

LIQUIDITY OF SHARES

The Equity Shares of the Company have been regularly traded at Mumbai Stock Exchange.

n. OUTSTANDING GDRs/Warrants and Convertible Instruments

The Company has issued 2.25 lacs Warrants @10each amounting Rs. 22.50 lacs which convertible in to equity shares capital of the company subject to terms & condition decided through resolution passed on 12-03-2012.

o. PLANT LOCATIONS

- (1) Village Govindi, Nawa City, Distt: Nagour 341509 (RAJ).
- (2) Survey No. 416, Village Moti Chirai, Taluka Bachau, Gandhidham (Gujrat)

p. ADDRESS FOR CORRESPONDENCE

M/S Beetal Financial & Computer Services (P) Ltd
Beetal house, 3rd floor, 99, Madangir
Behind Local Shopping Centre
Near Dada Harsukhdas Mandir, New Delhi-62
Telephone no. 011 2996 1281/82
Fax: 011 2996 1284

Shareholders may also contact to:

The Compliance officer: L-5, B - II
Krishna Marg C-Scheme, Jaipur-302001,
Rajasthan.

11. SECRETARIAL AUDIT

For each of the quarter in the financial year 2011-12, M/s Naredi Vinod & Associates, Company Secretaries, Jaipur carried out secretarial audits to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit report confirm that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

12. CIN

The Corporate Identification Number ("CIN") of the Company as allotted by Ministry of Company Affairs is: L24117RJ1993PLC007830.

13. CEO/CFO CERTIFICATE

Certificate from CEO/CFO for the financial year ended March 31, 2012 has been given elsewhere in the Annual Report.

For and on behalf of the Board of Directors

Date: 16.07.2012
Place: Jaipur

Sd/-
PRADEEP SAXENA
(Director)

Sd/-
GIRDHAR SABOO
(Managing Director)

AUDITORS' REPORT ON CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS

To,
The Members,
SABOO SODIUM CHLORO LIMITED.

We have examined the compliance of conditions of corporate governance by **SABOO SODIUM CHLORO LIMITED** for the year ended on 31st March, 2012, as stipulated in clause 49 of the listing agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has generally complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Shareholders'/Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For N.Kataria & Associates,
Chartered Accountants

Place: Jaipur
Date: 16.07.2012

Nikhilesh Kataria, FCA
Proprietor
Membership No. 79048

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel.

I confirm that the Company has, in respect of the financial year ended March 31, 2012, received from the members of the Board and the senior management team of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

Place: Jaipur
Date: 16.07.2012

Sd/-
GIRDHAR SABOO
(Managing Director)

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) / CHIEF
FINANCIAL OFFICER (CFO)**

We, Girdhar Saboo, Chief Executive Officer and V.P. Gagrani Chief Financial Officer of **Saboo Sodium Chloro Limited** certify:

That we have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2012 and that to the best of our knowledge and belief;

- These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading.
- These statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct;

We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation on internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies',

We have informed the auditors and the audit committee of:

- significant changes in internal control during the year;
- significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place Jaipur
Date: 16.07.2012

Sd/-
GIRDHAR SABOO
Chief Executive Officer

Sd/-
V.P. GAGRANI
Chief Financial Officer

REPORT OF THE AUDIT COMMITTEE

To,
The Shareholders,
SABOO SODIUM CHLORO LIMITED,
JAIPUR

The Audit Committee of the Board of Directors comprises of 3 Directors (Non-Executive & Independent Directors) of the Company. The Committee operates under a written charter adopted by the Board of Directors, and has been vested with all the powers necessary to effectively discharge its responsibilities.

The committee has primary responsibility for the financial statements and reporting process including the systems of internal controls. During the year, the Committee discussed with the Company's auditors about the overall scope and plans for their audit. The Committee also discussed the result of their examination, their evaluation of the Company's internal controls and the overall quality of the Company's financial reporting.

In fulfilling its oversight responsibilities, the committee has reviewed and discussed the Company's audited financial statements with the management. Relying on the review and discussions with the management and the auditors, the Audit Committee believes that the Company's financial statements are fairly presented in all material aspects.

Further the Committee has recommended that for the year 2011-12, the Board re-appoint **M/s N.Kataria & Associates** as Statutory Auditors.

The Company's Code of Business Conduct and Ethics has the mechanism whereby no personnel intending to make a complaint relating to Securities and financial reporting shall be denied access to the Audit Committee.

Place: Jaipur
Date: 16.07.2012

Sd/-
Pradeep Saxena
(Chairman)
Audit Committee

N. KATARIA & ASSOCIATES
CHARTERED ACCOUNTANTS

To,
The Members,
Saboo Sodium Chloro Limited,
Jaipur

Reports on the Financial Statements

We have audited the attached balance sheet of Saboo Sodium Chloro Ltd. as at 31st March 2012, the profit and loss account and also the cash flow statement for the year ended on that date annexed thereto.

Management's Responsibility for the Financial Statements

The management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility also includes create, implement and maintain the internal control systems 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 conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Report on Other Legal & Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account ;
 - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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 balance sheet, of the state of affairs of the Company as at 31st March 2012;
- (b) in the case of profit and loss account, of the **profit** for the year ended on that date; and
- © in the case of the cash flow statement, of the cash flows for the year ended on that date.

Place: Jaipur
Dated: 16-07-2012

For N. Kataria & Associates
Chartered Accountants

(Nikhilesh Kataria, FCA)
Proprietor
M. No. 79048

N. KATARIA & ASSOCIATES

CHARTERED ACCOUNTANTS

Annexure to the Auditor's Report

(as referred to in paragraph 3 of the said report)

(As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956)

On the basis of the books and records examined by us in the normal course of audit on such test checks, as we considered necessary and to the best of our knowledge and belief, we state that:

- (i)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The management has physically verified these fixed assets at reasonable intervals and no material discrepancies were noticed on such verification;
 - (c) In our view, no substantial part of the fixed assets has been disposed off during the year.
- (ii)
 - (a) Physical verification of inventory has been conducted at reasonable intervals by the management;
 - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
 - (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification and even if there were any, the same was properly dealt with in the accounts.
- (iii)
 - (a) The Company has taken interest free advances from Saboo Damodar Roapways Private Limited & Spectrum Foods Ltd., the closing balance of which stood at Rs.13.68 lacs & Rs.45.82 lacs respectively. Other than this the company has not taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act.
 - (b) The Company has granted advances of Rs.149.87 lacs which were made to Rajasthan Mega Developers Pvt. Ltd. & Fortress Hotels & Resorts Pvt. Ltd. Other than this the company has not granted any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act.
 - (c) In our opinion, the rate of interest and other terms and conditions of loans/ advance given or taken by the Company, secured or unsecured, are not prima facie prejudicial to the interest of the Company. However, in case of advance made for purchase of shares, no interest is being charged from the parties
 - (d) The Company is regular in repaying the principal amount of the loan/ advance.
 - (e) There is no overdue amount of loans/ advances taken or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act.
- (iv) In our opinion and according to the information and explanation given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.
- (v)
 - (a) According to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into a register in pursuance of section 301 of the Act, have been entered, as also explained to us by the management;
 - (b) According to the information and explanation given to us, we are also of the opinion that each of these transactions has been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the Company has not accepted deposits from the public as referred to in sections 58A and 58AA of the Companies Act, 1956.
- (vii) We are of the opinion that the Company has an internal audit system commensurate with its size and nature of business.
- (viii) The Central Government has not prescribed for the maintenance of the cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the class of industry carried on by the

- Company.
- (ix) (a) The Company is regular in depositing statutory dues including provident fund, income-tax, sales-tax, wealth tax, custom duty, cess etc. with the appropriate authorities
(b) According to the information and explanations given to us, there were no undisputed amounts outstanding in respect of provident fund, investor education and protection fund, income-tax, sales-tax, wealth tax, custom duty etc. for more than six months. Certain demands have been raised by revenue authorities under Custom & Income Tax. However, the same is disputed by the company and the matter is pending before the appropriate authorities.
 - (x) The accumulated losses of the Company did not exceed fifty per cent of its net worth and there are no cash losses in the current or previous financial year.
 - (xi) The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
 - (xii) In our opinion, adequate documents and records are maintained in cases where the Company has not granted loans and advances on the basis of security, by way of pledge of shares, debentures and other securities.
 - (xiii) The provisions of any special statute like nidhi/mutual benefit fund/societies etc. are not applicable to the Company.
 - (xiv) We are of the opinion that the Company has maintained proper records of the transactions in the shares, securities, debentures and other investments held by the Company and timely entries have been made therein. Such shares/ securities has been held by the Company in its own name except 1000 shares of Hindustan Power Plus Ltd., which are still to be transferred in the name of the Company.
 - (xv) As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
 - (xvi) In our opinion, term loans were applied for the purpose for which the loans were obtained, as also explained to us by the management. However, the company has made certain advances out of the same and it is explained that the same is short term in nature pending disposal of the amount for the purpose.
 - (xvii) According to the information and explanations given to us and on the basis of overall examination of the financial statement, we are of the opinion that the funds raised on short-term basis have not been used for long term investment. Similarly, no short-term investment has been made out of long-term funds raised during the year except short term parking of the funds which were raised for new manufacturing facilities and remained unutilized.
 - (xviii) According to the information and explanations given to us, during the year under consideration, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
 - (xix) According to the information and explanations given to us, the Company has not issued any debenture during the year under consideration.
 - (xx) According to the information and explanations given to us, during the year under consideration, the Company has not raised any money by way of public issue.
 - (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under consideration.

For N. Kataria & Associates
Chartered Accountants

Place: Jaipur
Dated: 16-07-2012

(Nikhilesh Kataria, FCA)
Proprietor

M. No. 79048

SABOO SODIUM CHLORO LTD
REPORT OF AUDITORS ON CASH FLOW STATEMENT

To,
The Board of Director's
Saboo Sodium Chloro Ltd.,
Jaipur

We have examined the attached Cash Flow Statement of Saboo Sodium Chloro Ltd. for the year ended 31.3.2012. The statement has been prepared by the Company with the requirements of the Listing Agreements and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For N. Kataria & Associates
Chartered Accountants

Nikhilesh Kataria, FCA
Proprietor

Date : 16-07-2012
Place : Jaipur

BALANCE SHEET AS AT 31st MARCH, 2012

	Note	As at 31.3.2012 (in Rs.)	As at 31.3.2011 (in Rs.)
<u>I. EQUITY AND LIABILITIES</u>			
Shareholders Fund			
Share Capital	2	129,325,000	129,325,000
Reserve & Surplus	3	10,615,009	7,321,333
		139,940,009	136,646,333
Share Application Money Pending Allotment	4	12,445,000	2,020,000
Non-current Liabilities			
Long Term Borrowings	5	82,548,072	75,974,192
Deferred Tax Liabilities	6	8,002,100	7,661,214
Long Term Provision	7	1,308,509	1,234,436
		91,858,681	84,869,842
Current Liabilities			
Short Term Borrowings	8	27,390,075	35,407,003
Trade Payables	9	23,730,013	10,476,939
Other Current Liabilities	10	2,775,503	8,219,856
Short Term Provisions	11	4,256,213	1,136,828
		58,151,804	55,240,626
Total Liabilities		302,395,494	278,776,801
<u>II. ASSETS</u>			
Non-current Assets			
Fixed Assets	12		
Tangible Assets		172,773,552	181,615,896
Intangible Assets		118,200	118,200
Capital Work In Progress		23,868,471	-
		196,760,223	181,734,096
Non Current Investments	13	11,236,004	11,236,004
Long Term Loans & Advances	14	9,009,392	5,230,649
Other Non-current Assets	15	1,852,779	1,389,585
		22,098,175	17,856,238
Current Assets			
Current Investments	16	1,446,437	4,507,561
Inventories	17	23,071,681	4,760,698
Trade Receivables	18	4,392,800	5,543,202
Cash & Cash Equivalents	19	2,472,883	1,072,350
Short Term Loans & Advances	20	44,266,989	62,920,684
Other Current Assets	21	7,886,306	381,972
		83,537,096	79,186,467
Total Assets		302,395,494	278,776,801

As per our report of even date attached
For N. Kataria & Associates
Chartered Accountants

For and on behalf of the Board

Nikhilesh Kataria, FCA
Proprietor
Place: Jaipur
Date: 16-07-2012

Sd/
Girdhar Saboo
Director

Sd/-
Pradeep Saxena
Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2012

	Note	Year Ended 31-03-2012 (in Rs.)	Year Ended 31-03-2011 (in Rs.)
Revenue from operations	22	127,378,486	85,866,565
Other Income	23	9,534,652	6,638,101
Total Revenue		136,913,138	92,504,666
<u>Expenses:</u>			
Cost of materials consumed	24	54,933,368	28,882,668
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(10,411,107)	3,164,429
Employee benefit expense	26	12,098,118	9,040,996
Financial costs	27	4,602,586	12,439,266
Depreciation and amortization expense	12	18,375,751	6,590,144
Auditor's Remuneration	28	27,000	27,000
Selling and Distributions Expenses	29	22,384,097	12,106,435
Other expenses	30	31,044,137	14,554,812
Total Expenses		133,053,950	86,805,750
Profit and Loss before tax		3,859,188	5,698,916
Short/ (Excess) Provision for Earlier Year		224,627	(159,671)
Tax expense:			
Current tax <i>(Provision)</i> (see note 11.1)		-	900,000
Deferred tax <i>(Provision)</i>		340,886	2,315,070
Total Tax Expenses		340,886	3,215,070
Profit and Loss after Tax for the Period		3,293,675	2,643,517

Earning per equity share:

Basic	0.30	0.37
Diluted	0.25	0.37

Accounting Policies &
Notes to the Accounts

1

As per our report of even date attached

For N. Kataria & Associates
Chartered Accountants

For and on behalf of the Board

Nikhilesh Kataria, FCA
Proprietor

Sd/
Girdhar Saboo
Director

Sd/-
Pradeep Saxena
Director

Place: Jaipur
Date: 16-07-2012

Notes 1 To 32 annexed to and forming integral part of the accounts for the year ended 31st March, 2012

Note 1: Accounting Policies & Notes on Accounts

1.1) Basis of Preparation of Financial Statement

These financial statements are prepared in accordance with Indian General Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. The Indian GAAP comprises mandatory Accounting Standards as prescribed under the Companies (Accounting Standards) Rules, 2006 and the provision of the Companies Act, 1956. The accounting policies not specifically referred to otherwise, are consistent and in consonance with Indian GAAP issued by the Institute of Chartered Accountants of India, provisions of the Companies Act, 1956 & Securities and Exchange Board of India.

1.2) Revenue Recognition

Revenue is primarily derived from sale of iodized salt. Revenues are recognized on accrual basis when the substantial risks and reward of ownership in the goods are transferred to the buyer upon supply of the goods except disputed claims & demands and discounts, rebates etc., which are accounted for on cash basis as per consistent practice. Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities except disputed claims & demands and discounts, rebates etc., which are accounted for on cash basis as per consistent practice.

1.3) Fixed Assets

Fixed assets are stated at their cost of acquisition including all direct cost attributable to the installation less accumulated depreciation. Impairment loss, if any, is provided wherever the carrying value of the assets exceeds the recoverable amount. Assessment is done by the management at the each balance sheet date to ascertain if there is any indication of impairment loss in any carrying value of fixed assets, Whereas Expenditure and outlays of money on uncompleted plant & machinery, building etc., which are of a capital nature, are shown as capital work-in-progress until such time these projects are completed and are put in use. Intangible assets like trademark are shown at cost which are directly incurred to acquire and continue the same.

1.4) Depreciation

Depreciation on fixed assets has been provided as per the rates provided in Schedule XIV of the Companies Act, 1956, on pro-rata basis commencing from the date when the assets are commissioned. However, on the assets costing up to Rs.5000/-, depreciation has not been provided at the rate of one hundred percent. In case of plant & machinery, written down value method and in case of other assets straight-line method has been followed as per last year practice. Accordingly, building, furniture & fixtures, office equipment, computer & vehicles are being depreciated as per the straight line method rate of depreciation. Raw salt kyar is written off at the rate of hundred percent & no depreciation is charged on trademark.

1.5) Inventories

Inventories are valued on the weighted-average basis and taken at the lower of the cost or net realizable value. Unserviceable raw material, if any, is valued at net realizable value. The cost of manufactured finished goods and work-in-progress includes material cost determined on weighted-average basis and also includes an appropriate portion of allocable overheads. However, it does not include interest and administrative overheads which are indirect in nature. There is no change in the valuation method followed by the Company.

1.6) Provisions and Contingent Liabilities

Provisions and contingent liabilities as defined under the relevant accounting standard are provided on the basis of information made available from the management. These are reviewed each year end date and adjusted to reflect the best current estimate.

1.7) Retirement Benefits

Contributions to the employee's scheme like provident fund are charged to the profit and loss account as and when incurred. The company does not provide for leave encashment, medical etc. and the same is accounted for on cash basis as and when actual payment is made. The mandatory accounting standard AS-15 requires that an actuarial valuation of the retirement benefits be made. Though, provision is made as per company's own method, however, no such actuarial valuation report has been taken nor any other prescribed method is followed to provide for the pre or post-retirement benefits for the employees.. To this extent AS-15 not stood complied with, however, impact on profit is not ascertainable. The impact not expected to be substantial no qualification of the audit report is made.

1.8) Investments

Investments are classified into current and long term investments. Current investments are stated at lower of cost or fair value. Long term investments are stated at cost. Investments which are readily realizable and are intended to be held for not more than one year as on the date of the balance sheet are classified as current investment.

1.9) Current & Deferred Tax

a. Current tax is the provision made for income tax liability, if any, on the profits of the current year calculated in accordance with the provisions of the Income Tax Act 1961.

b. Deferred tax is recognized subject to the consideration of prudence on timing difference; being the difference between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and brought forward losses unless there is virtual certainty that sufficient future income shall be available against which the deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rate and the Tax Law as applicable on the Balance Sheet date.

1.10) Foreign Currency Transactions

Foreign currency transactions are accounted for at the exchange rate prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities in foreign currencies are recognized in the profit and loss account.

1.11) Segment Reporting

There is only one visible segment of the company i.e. manufacturing & sale of salt and as such no separate reporting is needed on segment basis.

1.12) Earnings Per Share

Basic earnings per share is calculate by dividing the net profit for the period attributable to equity shareholders by the equity shares outstanding at the end of the year. For the purposes of calculating diluted earnings per share, all potential equity shares have been taken into consideration including convertible warrants.

1.13) Preliminary Expenses

The company has invested in a new plant at Gandhidham, Gujarat in the preceding year and further, it is also in process of setting up a new plant for manufacturing of guar gum at Nawa in Rajasthan. Both being totally separate projects other than the existing manufacturing facility of the company, the expenses on the same have been transferred in the preliminary expenses account till the start of the commercial production. The same are being written off at the rate of 1/5th each year

	As at 31.3.2012	As at 31.3.2011
Note 2 : Share Capital	(in Rs.)	(in Rs.)
a) Authorized :		
1,5250,000 equity shares of Rs. 10/- each (previous Year 1,50,00,000 equity shares of Rs.10 each)	152,500,000	150,000,000
	152,500,000	150,000,000
b) Issued Capital:		
1,29,32,500 equity shares of Rs. 10/- each (Previous Year : no change)	129,325,000	129,325,000
	129,325,000	129,325,000
c) Subscribed & Paid Up Capital:		
1,29,32,500 equity shares of Rs. 10/- each (Previous Year : no change)	129,325,000	129,325,000
	129,325,000	129,325,000

The details of shareholder holding in excess of 5% shares are as under:

	As at 31-3-2012		As at 31-3-2011	
Name of Shareholder	% of shares	No. of Shares	% of shares	No. of Shares
Girdhar Saboo	46.41	6,001,839	46.34	5,992,640
Archana Saboo	7.73	1,000,000	7.73	1,000,000

Note 3 : Reserve and Surplus
Profit & Loss Account

Balance from Previous Year	7,321,333	2,677,816
Add: Profit During the Year	3,293,675	2,643,517
	10,615,009	7,321,333

Note 4: Share Application Money (Convertible Warrant)

Nawa Hotels and Resorts Pvt Ltd	6,887,500	-
Nawa Salts Pvt Ltd	3,537,500	-
Others	2,020,000	2,020,000
	12,445,000	2,020,000

Note 5 : Long Term Borrowings

a) Secured Loan

ICICI Bank Ltd	1,007,282	1,630,262
ABN Amro JCB Loan	-	229,548
SBI Term Loan (Gandhidham)	55,962,075	72,664,382
SBI Term Loan (Govindi)	24,210,590	-
	81,179,947	74,524,192

Note 5.1:

- 1) ICICI Loan is Secured against Car
- 2) SBI term Loan (Gandhidham) is secured against Plant and Machinery (Gandhidham)
- 3) SBI Term Loan (Govindi) is secured against Gwar Gum Plant
- 4) Terms of repayment are given below:
 - a) Loan taken from ICICI Bank Ltd is repayable in monthly EMI of Rs.55000.00 each.
 - b) Term Loan taken from SBI is repayable in monthly installments of Rs.17,00,000 each.
 - c) Term Loan taken from SBI is repayable in quarterly installments of Rs.18,75,000 commencing from March 2013

b) Unsecured Loan

Saboo Damodar Ropeways Pvt Ltd	1,368,125	1,450,000
	1,368,125	1,450,000
Total (a+b)	82,548,072	75,974,192

Note 5.2:- In case of Saboo Damodar Ropeways Pvt Ltd the company have Common Director.

Note 6 : Deferred Tax Liabilities

Net Timing Difference	25,896,763	24,793,573
Tax on Net Timing Difference (calculated at current rates)	8,002,100	7,661,214
Provision already made	7,661,214	5,346,144
New Provision to be Made	340,886	2,315,070

Note 7 : Long Term Provision

Gratuity Payable	1,308,509	1,234,436
	1,308,509	1,234,436

CURRENT LAIBILITIES

Note 8 :Short Term Borrowings

Govind Bihari Gupta	2,000,000	-
Radhey Shyam Sharma	1,000,000	-
Spectrum Foods Ltd	4,581,993	28,517,993
SBI CC A/c	19,808,082	6,889,010
	27,390,075	35,407,003

Note 8.1 : Working Capital Loans are secured by first pari passu charge on present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, etc., and second pari passu charge on the Total Fixed Assets

Note 8.2 : In case of Spectrum Foods Ltd the director of the company is having substantial shareholding above 10%

Note 9: Trade Payables

Sundry Creditors	19,120,611	8,605,591
Advances From Customers	4,609,402	1,871,348
	23,730,013	10,476,939

Note 10 : Other Current Liabilities

Service Tax Payable	14,449	10,438
TDS Payble	86,997	51,652
Contingent Liability For Export Damages (see note 10.2)	-	2,438,143
Stale Cheques	-	30,130
Administrative Chrges On P.F. (Payable)	2,631	2,822
Audit Fee Payable	33,905	28,905
Bonus Payable	151,680	164,038
Interest Payable	-	815,901
P. F. (Employee Contribution)	12,420	12,348
P. F. (Employer) - Payable	29,907	32,098
Salary Payable	48,168	52,168
Stipend Payable	109,848	26,268
Tax Audit Fees Payable	28,000	22,000
Wages Payable	551,713	481,360
Security Deposits	1,705,785	4,051,585
	2,775,503	8,219,856

Note 10.1 : Out of the above amount , Rs. nil pertain to the Micro, Small and Medium Enterprises (MSME) as defined under "Micro, Small and Medium Enterprises Development Act, 2006" based on the information available with the Company. There is no interest payable to such parties as at March 31, 2012 (March 31, 2011 : Rs. NIL)

Note 10.2: The company earlier provided for the contingent liability which could arise against export made to Jercy Foodstuff in FY 2008-09. However, it is predicted by the management that no such liability could arise or exist now and as such the provision made of Rs.24.38 lacs is reversed.

Note 11 : Short Term Provisions

Provision For Exp.	558,314	236,828
Provision For Taxation (see note 11.1)	3,697,899	900,000
	4,256,213	1,136,828

Note 11.1: The company has Rs.45.97 lacs as MAT credit entitlement. It is predicted that the company will be able to utilized this MAT credit entitlement as now the company has started paying tax at the normal rates. Therefore, as per the relevant guidance note issued by the ICAI, this MAT credit entitlement has been accounted for as an assets while creating provision for taxation with the similar amount. During the year, appx. Rs.9.00 lacs liability would arise on account of tax payable by the company and the same is adjusted against the MAT credit entitlement

Note 12 : Fixed Assets

Tangible Fixed Assets

PARTICULARS	Gross Block			Depreciation			Net Block	
	As at 31-March 2011	Addition/ Transfer During the Year	As at 31-March 2012	As at 31-March 2011	For the Year	As at 31-March 2012	As at 31-March 2012	As at 31-March 2011
1. Land & Site Development	25997143	0	25997143	0	0	0	25997143	25997143
2. Building	67546880	1740842	69287722	18257180	2208667	20465847	48821875	49289700
3. Plant & Machinery	185195949	6585734	191781683	83778356	15193943	98972299	92809384	101417593
4. Furniture & Fixture	2401352	4600	2405952	1995256	152647	2147903	258049	406096
5. Vehicles	7836356	662500	8498856	3786836	637156	4423992	4074864	4049520
6. Office Equipments	1933355	539731	2473086	1477511	183338	1660849	812237	455844
Sub-Total	290911035	9533407	300444442	109295139	18375751	127670890	172773552	181615896
7. WIP							23868471	
Total	290911035	9533407	300444442	109295139	18375751	127670890	196642023	181615896

Intangible Fixed Assets

PARTICULARS	Gross Block			Depreciation			Net Block	
	As at 31-March 2011	Addition/ Transfer During the Year	As at 31-March 2012	As at 31-March 2011	For the Year	As at 31-March 2012	As at 31-March 2012	As at 31-March 2011
Trade Mark	118200	-	118200	-	-	-	118200	118200
Total	118200	-	118200	-	-	-	118200	118200

Note 13: Non Current Investments

NSC Post Office	25,000	25,000
Share Of Fortress Hotels & Resorts P Ltd	11,065,500	11,065,500
Investment in Shares	145,504	145,504
	11,236,004	11,236,004

Note 14 : Long Term Loans & Advances

(Unsecured considered good)

Tds & Advance Tax	790,981	712,137
MAT Credit Entitlement <i>(see note 11.1)</i>	3,697,899	-
Security Deposit	4,520,512	4,518,512
	9,009,392	5,230,649

Note 15 : Other Non Current- Unamortised Expenses

Preliminary Expenses-Gandhidham	1,042,189	1,389,585
Preliminary Expenses-Govindi	810,590	-
	1,852,779	1,389,585

CURRENT ASSETS

Note 16 : Current Investments

FDR With State Bank Of India	1,416,886	4,482,010
FDR With DCCE Ajmer	29,551	25,551
	1,446,437	4,507,561

Note 17 : Inventories

Raw Material	4,049,264	290,165
Packing Material	5,459,826	1,460,798
Consumables <i>(Stores and Spares)</i>	790,881	649,132
Finished goods	12,753,560	2,342,453
Wastage and Salvage Goods	18,150	18,150
	23,071,681	4,760,698

Note 18 :Trade Receivables

(unsecured and considered good)

More than 6 Months	1,801,786	3,025,220
Others	2,591,014	2,517,982
	4,392,800	5,543,202

Note 19 : Cash And Cash Equivalents

Cash In hand	174,171	160,445
Balances with Scheduled Banks	2,298,712	911,905
	2,472,883	1,072,350

Note 20.1: Loans & advances also includes advances made for purchase of shares or making of investments.

Note 21 : Other Current Assets

Interest Earned but not Due	-	3,045
Interest Subsidy Receivable (see note 21.1)	7,500,000	-
Prepaid Insurance	386,306	378,927
	<u>7,886,306</u>	<u>381,972</u>

Note 21.1: The company is expected to receive Rs.75.00 lacs from the State Government of Gujarat towards Interest Subsidy. The subsidy pertains to the current financial year as well as preceding two years. As a matter of prudence, this subsidy on interest is accounted for as income in the current year itself. This amount of subsidy of Rs.75.00 lacs is being reduced from the interest paid during the year under consideration

Note 22 : Income From Operations

Products

Sales Salt (<i>Export</i>)	6,760,433	-
Sales Salt	120,618,053	85,866,565
	<u>127,378,486</u>	<u>85,866,565</u>

Note 23 : Other Income

Balance Written Off (<i>see note 23.1</i>)	717,561	(5,862)
Provision Witten Back (<i>see note 10.2</i>)	2,438,143	-
Discount Received	9,936	737,330
Duty Draw Back	79,935	-
Dividend Received	144	173
Interest From Parties	84,650	69,491
Interest On FDR	195,331	573,130
Interest Received	5,960,342	4,834,216
Profit on Sale of Investments	-	47,694
Truck Freight Income	-	2,500
Miscellaneous Income	48,610	379,429
	<u>9,534,652</u>	<u>6,638,101</u>

Note 23.1: Balance written off includes both credit and debit balances against which no any amount is payable or receivable as per the management

Note 24 : Cost of Raw Material Consumed

Raw Material Consumed (<i>see note 24.1</i>)	31,428,012	9,049,927
Packing Material Consumed (<i>see note 24.1</i>)	23,505,356	19,832,741
	<u>54,933,368</u>	<u>28,882,668</u>

Note 24.1:

a) Raw Material Consumed Includes

Raw Salt	28,771,790	7,981,085
Iodine	2,606,287	1,044,035
PFC	49,936	24,807
	31,428,012	9,049,927

b) Packing Material Consumed Includes

HDPE Bardana	4,023,952	3,765,752
LDPE Polythene	1,292,414	2,726,315
Poly Pouch	18,046,765	13,302,160
Liner	142,225	38,514
	23,505,356	19,832,741

Note 25 : Changes in Inventoris of Finished Goods, WIP & Stores

Opening Stock

Salt	2,342,453	5,506,882
	2,342,453	5,506,882

Closing Stock

Salt	12,753,560	2,342,453
	12,753,560	2,342,453
	(10,411,107)	3,164,429

Note 26 : Employees Benefit Expenses

Allowances on Salary	241,431	205,290
Salaries	705,859	607,138
Directors Remuneration & Perquisites	2,150,915	2,099,310
Allowances on Wages	2,063,550	1,585,299
Bonus	153,559	184,550
Canteen Exp.	112,301	47,075
Employer Contribution to P.F.	375,138	395,542
Gratuity	90,331	116,278
Leave encashment	3,389	1,806
Stipend to Apprentice	852,865	446,607

Wages	5,249,819	3,266,505
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Workmen & Staff Welfare	98,961	85,596
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	12,098,118	9,040,996
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Note 27 : Financial Costs

Bank Commission & charges	90,139	34,349
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Brokerage	38,605	17,648
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Interest ON TDS	120	2,061
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Processing Fees on Bank Loan	87,515	80,000
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Interest On Bank Borrowing & Others	4,386,207	12,305,208
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	4,602,586	12,439,266
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Note 28 : Auditor's Remuneration

Statutory Audit Fees	16,000	16,000
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Tax Audit Fees	11,000	11,000
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	27,000	27,000
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Note 29 : Selling & Distribution Exp

Advertisement Expenses	5,232,001	4,424,897
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Damaged Goods Claim	18,900	-
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Discount & Rebate	73,115	80,500
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Sales Distribution & Retailing Exp.	4,481,945	2,156,008
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Export Expenses	3,712,488	-
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Freight Outward (Factory)	8,536,406	5,161,394
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Freight Outward (Other)	-	1,040
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Godown Rent (Kolkata)	2,178	-
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Sales Promotion Exp.	35,709	126,856
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Travelling Exp.	291,355	155,740
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	22,384,097	12,106,435
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Note 30 : OTHER EXPENSES

a) Manufacturing Expenses

Electricity & Duty Exp.	5,363,671	2,423,920
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Entry Tax	59,968	194,262
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Freight Inward	743,517	90,462
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Laboratory Expenses	36,256	15,358
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Power & Fuel (<i>diesel & furnace oil Fire wood</i>)	12,543,631	7,065,750
Loading & Unloading Exp	128,807	1,300
JCB & Loder Exp	35,086	-
Labour Exp	473,471	-
Store & Spares	1,805,850	684,885
Building Repair & Maintenance	1,220,824	540,245
Insurance	156,710	90,806
Oil & Lubricants Exp.	47,292	22,873
Plant & Machinery Repair	485,558	141,717
Raw salt Kyar Repair	-	5,338
Repair & Maintenance (D.G.Set)	69,742	4,162
Repair & Maintenance Of J.C.B.	32,454	3,221
Total (a)	23,202,837	11,284,299

b) Administrative Expenses

Administrative Charges on PF	31,924	34,778
Annual Custodial Fees	66,018	66,345
Bad Debts Written Off	2,273,796	-
Computer Exp.	9,000	8,851
Electricity & Water	466,346	271,354
Environment Exp.	262,330	90,566
General Expenses	272,051	114,046
Insurance	392,226	342,379
Legal & Professional charges	971,030	419,014
Listing Fees	154,420	33,090
Membership & Subscription	20,360	10,572
Postage Telegram & Telephone Expenses	163,492	160,597
Printing & Stationery	163,557	74,208
Recruitment Expenses	198,018	77,772
Rent Rates & Taxes	721,700	-
Rating Exp	77,210	77,210

Repair & Maintenance	298,223	210,472
Share Transfer Expenses	34,839	39,575
Travelling & Conveyance	917,364	892,288
Preliminary Exp W/O	347,396	347,396
Total (b)	7,841,300	3,270,513
Total (a+b)	31,044,137	14,554,812

Note 31: Basic & Diluted EPS

Basic Earnings Per Share

	March 31, 2012	March 31, 2011
Net Profit/Loss (after tax)	3859188.34	4798916.00
No. of Share	12932500.00	12932500.00
Face Value (Per Share)	Rs. 10	Rs. 10
EPS-Basic	0.30	0.37

Diluted Earnings Per Share

Net Profit/Loss (after tax)	3859188.34	4798916.00
No. of Share (including convertible warrants)	15182500.00	12932500.00
Face Value (Per Share)	Rs. 10	Rs. 10
EPS- Diluted	0.25	0.37

Note 32: Related Party Disclosures

Key Management Personnel

Girdhar Saboo
Bikas Kumar Iakhotia
Pradeep Kumar Saxena

***Other Related Parties**

Spectrum Foods Ltd.

** on the basis of information provided by the management*

Disclosure of Transation

(Rs. Lacs)

Director Remuneration & Sitting Fees	18.00
Perquisites and benefits to Director	3.51
Rent	6.00
Sale of Salt	67.45

SABOO SODIUM CHLORO LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2012
(Annexed to the Balance Sheet for FY 2011-12)

PARTICULARS	31.03.2012	31.03.2011 (Rs. in lacs)
<u>A. Cash Flow from Operating Activities</u>		
Net Profit before Tax and extraordinary items	38.59	56.99
<i>Adjustments for :</i>		
Secured Liability no longer required W/B	-	-
Prior Period Adjustments	-	-
Loss /(Profit) On Sale of Investments	-	(0.48)
Loss /(Profit) On Sale of Fixed Assets	-	-
Depreciation	183.76	65.90
Self Asst. Tax & FBT	-	-
Dividend received	(0.00)	(0.00)
Interest (Income)	(62.40)	(6.43)
Interest Expense	43.86	74.71
Operating Profit before Working Capital Changes	203.81	190.70
<i>Adjustments for :</i>		
Decrease (Increase) in Inventories	(183.11)	81.25
Decrease (Increase) in Trade & Other Receivables	11.50	(2.29)
Decrease (Increase) in Other Assets	(75.04)	
Increase (Decrease) in Current Liability	119.02	23.01
Preliminary Exp. Not Written Off	(4.63)	(7.15)
Cash Generated From Operations	71.55	285.51
Income Tax	(11.25)	(3.67)
Net Cash from Operating Activities	60.30	281.84

B. Cash Flow from Investing Activities

Purchase of Fixed Assets	(334.02)	(201.97)
Sale of Fixed Assets	-	-
Interest Received	62.40	6.43
Sale/ (Purchase) of Investments	30.61	93.57
Decrease (Increase) in Loans & Advances and Other Assets	148.75	(544.44)
Dividend Income	0.00	0.00
Net Cash from Investing Activities	(92.25)	(646.41)

C. Cash Flow from Financing Activities

Proceeds/(Repayment) of Long Term Borrowings	65.74	105.35
Proceed/(Repayment) of Short Term Borrowings	(80.17)	299.68
Issue of Share Capital/ Share Application Money	104.25	-
Interest paid	(43.86)	(74.71)
Net Cash from Financing Activities	45.96	330.32
Net Increase (Decrease) in Cash and Cash Equivalents	14.00	(34.25)
Cash and Cash Equivalents at the Beginning of the year*	10.72	44.97
Cash and Cash Equivalents at the end of the year	24.73	10.72

**investment in fdr is regrouped in investment instead of cash & cash equivalents*

For N. Kataria & Associates
Chartered Accountants

For and on behalf of the Board

Nikhilesh Kataria, FCA
Proprietor

Sd/
Girdhar Saboo
Director

Sd/-
Pradeep Saxena
Director

Place: Jaipur
Date: 16-07-2012

***** SABOO SODIUM CHLORO LIMITED *****

SABOO SODIUM CHLORO LIMITED
Registered office: Surya House, L- 5, B - II Krishna Marg, C-Scheme,
Jaipur-302001, Rajasthan

PROXY FORM

Master Folio No.	DP ID	Client ID

I/We.....
ofbeing a member/members
of Saboo Sodium Chloro Limited, appoint Mr. /Ms.
or failing himof
as my / our proxy to vote for me / us and on my / our behalf at the 16th Annual General Meeting to be held on
Friday, the 14th September, 2012 at 11.00 A.M. at Surya House, L- 5, B - II Krishna Marg, C-Scheme, Jaipur-
302001, Rajasthan or at any adjournment thereof.

Signed this.....day of2012

Signature of member

Affix one
Rupee
Revenue
Stamp

Note: The Proxy must be returned so as to reach the registered office of the Company not less than 48 hours
before the time for holding the aforesaid meeting. The proxy need not be a member of the Company

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SABOO SODIUM CHLORO LIMITED
Registered office: Surya House, L- 5, B - II Krishna Marg, C-Scheme,
Jaipur-302001, Rajasthan

Attendance Slip

Name and Address of the Share Holder:.....

No. of shares held:.....

Master Folio No..... DP ID..... & Client ID.....

I, hereby record my presence at the 18th Annual General Meeting of the Company held on Friday, the 14th day of
September, 2012 at 11.00 A.M. at Surya House, L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.

Name of the Member or Proxy*
*Strike out whichever is not applicable.

Please fill in attendance slip and hand it over at the entrance of the meeting hall. Joint share holders may obtain
additional attendance slip on request.

***** 43 *****

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"Surya House, L-5, B-II, Krishna Marg,
C-Scheme, JAIPUR-302001