



# SABOO SODIUM CHLORO LIMITED

Regd. Office: Surya House, L-5, B-2, Krishna Marg, C-Scheme, Jaipur-302001 Rajasthan (INDIA).

(Ph). : +91 141-2372946, 5191000 • Fax : 0141-2365888

Website : www.suryasalt.com • E-mail : salt@suryasalt.com

CIN : L24117RJ1993PLC007830



**Date: 05.09.2019**

**Ref: SSCL/JPR/2019/31**

To,  
The Manager,  
Department of corporate services  
Bombay Stock Exchange  
25th Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Kala Ghoda, Fort,  
Mumbai, Maharashtra-400001

**Reg.: Submission of 26<sup>th</sup> Annual Report for the year 2018-19**

**Ref: Scrip code 530461**

Dear Sir,

With reference to the subject matter we wish to submit the 26<sup>th</sup> Annual report of the company for the financial year 2018-19 in compliance to the Regulation 34 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the notice of Annual General Meeting of the company.

Kindly take the same on record.

Thanking you

Yours Truly

**For Saboo Sodium Chloro Limited**

  
Anjali Kumawat

**(Company Secretary)**

26<sup>TH</sup>

ANNUAL REPORT  
2018-19





**SAMSKARA RESORT, JAIPUR**



	<b>Contents</b>	<b>Page No.</b>
<b>1</b>	<b>Corporate information</b>	<b>4</b>
<b>2</b>	<b>Notice</b>	<b>6</b>
<b>3</b>	<b>Board's Report</b>	<b>22</b>
<b>4</b>	<b>Management Discussion and Analysis Report</b>	<b>30</b>
<b>5</b>	<b>Report on Corporate Governance</b>	<b>42</b>
<b>6</b>	<b>Certificate by CEO/CFO</b>	<b>55</b>
<b>7</b>	<b>Report on Audit Committee</b>	<b>56</b>
<b>8</b>	<b>Report on Secretarial Audit</b>	<b>63</b>
<b>9</b>	<b>Independent Auditor's Report</b>	<b>67</b>
<b>10</b>	<b>Annexure to the Auditor's Report</b>	<b>70</b>
<b>11</b>	<b>Balance Sheet</b>	<b>76</b>
<b>12</b>	<b>Profit and Loss Account</b>	<b>77</b>
<b>13</b>	<b>Statement of Cash Flow</b>	<b>78</b>
<b>14</b>	<b>Accounting Policies and notes</b>	<b>79</b>
<b>15</b>	<b>Attendance Slip</b>	<b>101</b>
<b>16</b>	<b>Proxy Forms</b>	<b>102</b>
<b>17</b>	<b>Route Map to AGM Venue</b>	<b>104</b>

# Saboo Sodium Chloro Limited

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS & KMP**

Mr. Girdhar Saboo (DIN: 00364750)	Managing Director (Executive)
Mr. Bikash Kumar Lakhota (DIN: 01470180)	Independent Director
Mr. Neeraj Kumar Agarwal (DIN: 05358002)	Independent Director
Mr. Sanjay Sarna (DIN: 07052586)	Independent Director
Smt. Bindu Saboo (DIN: 08238638)	Additional Director (Non-executive)
Mr. Vishnu Prakash Gagrani	Chief Financial Officer
Ms. Anjali Kumawat	Company Secretary & Compliance Officer

### **Board Committees**

#### **Audit Committee**

Mr. Sanjay Sarna	Chairman
Mr. Bikash Kumar Lakhota	Member
Mr. Neeraj Kumar Agarwal	Member

#### **Stakeholders Relationship Committee**

Mr. Sanjay Sarna	Chairman
Mr. Girdha Saboo	Member
Mr. Neeraj Kumar Agarwal	Member

#### **Nomination and Remuneration Committee**

Mr. Sanjay Sarna	Chairman
Mr. Bikash Kumar Lakhota	Member
Mr. Neeraj Kumar Agarwal	Member

#### **Corporate Social Responsibility Committee**

Mr. Sanjay Sarna	Chairman
Mr. Bikash Kumar Lakhota	Member
Mr. Neeraj Kumar Agarwal	Member

# Saboo Sodium Chloro Limited

<b>Statutory Auditor</b>	M/s P.K.S. & Company Chartered Accountants 9/843, Malviya Nagar, Jaipur-302017 (Raj.)
<b>Secretarial Auditor</b>	M/s Naredi Vinod & Associates Company Secretaries, Plot No. 56, Rameshwar Dham, Near Kedia Place, Murlipura, Jaipur- 302013 Rajasthan
<b>Registrar &amp; Share Transfer Agent</b>	Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3 <sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre Near Dada Harsukhdas Mandir, New Delhi-62 Tel: 011 2996 1281/82
<b>Bankers</b>	State Bank of India HDFC Bank
<b>Stock Exchange where co.'s securities are listed</b>	Bombay Stock Exchange (Scrip Code: 530461)
<b>Plants</b>	1. Village Govindi, Nawa City, Nagour (Rajasthan) 2. Survey No. 416, Village Moti Chirai, Taluka Bachau, Gandhidham (Gujarat) 3. Rajgarh, M.P
<b>Registered Office</b>	Surya House, L-5, B-II, Krishna Marg C-Scheme, Jaipur-302001
<b>Resort Address</b>	Samskara Resort & Spa Village Peepla Bharatsingh, Jaisinghpura, Jaipur 302029
<b>Website Address</b>	<a href="http://www.suryasalt.com">www.suryasalt.com</a> <a href="http://www.samskararesorts.com">www.samskararesorts.com</a>

### **Important Communication to members**

The ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this Green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants, Members who hold shares in Physical form are requested to register their e-mail addresses with the Company.

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that 26<sup>th</sup> Annual General Meeting of the members of Saboo Sodium Chloro Limited will be held on Saturday, 28<sup>th</sup> September, 2019 at 4:30 PM at the registered office of the Company at Surya House, L-5, B-II, Krishna Marg, C-Scheme, Jaipur- 302001, Rajasthan to transact the following business.

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the financial statements of the Company for the year ended 31<sup>st</sup> March 2019, including the audited Balance Sheet and the Statement of Profit and Loss of the Company for the year ended on that date, along with the reports of the Board of Directors and Auditors thereon.
2. **To re-appoint M/s P.K.S. & Company., Chartered Accountants, the retiring Statutory Auditors and fix their remuneration and in this connection to consider and if thought fit to pass with or without modification, the following Resolution as an Ordinary Resolution:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s P.K.S. & Company., Chartered Accountants (Firm Registration No. 007007C), be re-appointed as statutory auditors of the Company, to hold office from the conclusion of this 26<sup>th</sup> Annual General Meeting until the conclusion of the 31<sup>st</sup> Annual General Meeting, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company."

### **SPECIAL BUSINESS**

3. **Regularisation of Mrs. Bindu Saboo (DIN:08238638) as a non-executive woman Director of the Company liable to retire by rotation:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions if any of the Companies Act, 2013 read with schedule IV and the rules framed thereunder as amended from time to time, and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, Mrs. Bindu Saboo (DIN:08238638) who was appointed as an Additional Director of the Company with effect from 26<sup>th</sup> September, 2018 and who holds office until this AGM in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Bindu Saboo as a candidate for the office of director of the Company, be and is hereby appointed as a non-executive woman director of the Company, liable to retire by rotation.

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, the Key Managerial Personnel or any director of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may deem fit."

# Saboo Sodium Chloro Limited

## 4. To re-appoint Mr. Girdhar Gopal Saboo (DIN: 00364750) as a Managing Director of the company:

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

**“RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded to the re-appointment of Mr. Girdhar Gopal Saboo (DIN: 00364750) as Managing Director of the Company for the period of five years with effect from 01<sup>st</sup> October, 2019 on the terms and conditions as mentioned below, including the remuneration payable to her as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement which forms part of this resolution notwithstanding that the remuneration may exceed the limits prescribed in provisions of section 197, 198 and Schedule V of the Companies Act, 2013.”

Sr. no.	Particulars
1.	Basic Salary Rs. 2,60,000 /- per month w.e.f. October 01, 2019
2.	Allowances Rs. 1,40,000/- per month w.e.f. October, 01, 2019
3.	Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
4.	Reimbursement of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.
5.	Reimbursement of membership fees for a maximum of three clubs.
6.	Personal accidents and Medclaim Insurance Policy, premium not to exceed Rs. 2,00,000/- per annum.
7.	Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
8.	Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

## 5. To appoint Mr. Durgesh Sharma (DIN: 08540732) as a Whole-time Director of the company, liable to retire by rotation:



# Saboo Sodium Chloro Limited

To consider and if thought fit to pass with or without modification (s) the following resolution as an **Ordinary resolution**:

**“RESOLVED THAT** Mr. Durgesh Sharma (DIN: 08540732), who was appointed as an Additional Director and Whole Time Director of the Company with effect from 12<sup>th</sup> August, 2019 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (“the Act”) and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. Durgesh Sharma as a Whole-time Director of the Company designated as Executive Director for the period and upon the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of appointment and remuneration of Mr. Durgesh Sharma in the best interests of the Company and as may be permissible at law, viz.:

## **Terms and Conditions:**

- A. Period: 5 years w.e.f. 12<sup>th</sup> August, 2019 with the liberty to either party to terminate the appointment on three months’ notice in writing to the other.
- B. Remuneration:
  - i. Basic Salary: Rs. 80,000/- (Rupees Eighty Thousand Only) per month with such increments as the Board may decide from time to time.
  - ii. Other Allowances / benefits, perquisites - any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.

Mr. Durgesh Sharma shall be subject to retire by rotation during his tenure as the Whole-Time Director of the Company. So long as Mr. Durgesh Sharma functions as the Whole-Time Director, he shall not be paid any fees for attending the meetings of the Board or any Committee(s) thereof of the Company.

**RESOLVED FURTHER THAT** consent of the Members of the company be and is hereby accorded to the Board of Directors to modify, change, alter and/or increase the terms and conditions and remuneration of Mr. Durgesh Sharma as Whole Time Director of the company from time to time, as and when required.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

# Saboo Sodium Chloro Limited

## 6. To enter into Related Party Transactions:

To consider and if thought fit to pass with or without modification (s) the following resolution as a **special resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions read with the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 and Regulation 23 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and as per the recommendation of Audit Committee and Board, the consent of the members of the company be and is hereby accorded to enter into the related party transactions by the company with the respective related parties and for the maximum amounts per annum as mentioned herein below:

Sr. no.	Nature of transaction as per Section 188	Name of the Director/KMP who is related and nature of their relationship	Name of the related parties	Amount
1.	Purchase/Sale of goods or material	Mr. Girdhar Gopal Saboo (MD and promoter of Saboo Sodium Chloro Ltd.) Mrs. Bindu Saboo (Additional Director)	Saboo Sodium Chloro Limited	10.00 Cr.
2.	Payment of rent for leasing office premises to the company	Mr. Girdhar Gopal Saboo (MD)	Mr. Girdhar Gopal Saboo	15.00 Lacs

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

## 7. To re-appoint Mr. Neeraj Kumar Agarwal (DIN: 05358002) as an Independent Director:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the Members of the Company by way of special resolution be and is hereby accorded to re-appoint Mr. Neeraj Kumar Agarwal (DIN: 05358002), as an Independent Director of the Company from 28<sup>th</sup> September, 2019 to 27<sup>th</sup> September, 2021 and he shall not be liable to retire by rotation, who has submitted a declaration that he meets the criteria of independence as provided in Section 149 of the Act.”

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid Resolution, including but not limited to signing and execution of necessary forms and documents as may be deemed necessary and expedient in its discretion.”

## 8. To re-appoint Mr. Bikash Kumar Lakhotia (DIN: 01470180) as an Independent Director:

# Saboo Sodium Chloro Limited

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the Members of the Company by way of special resolution be and is hereby accorded to re-appoint Mr. Bikash Kumar Lakhota (DIN: 01470180), as an Independent Director of the Company from 28<sup>th</sup> September, 2019 to 27<sup>th</sup> September, 2021 and he shall not be liable to retire by rotation, who has submitted a declaration that he meets the criteria of independence as provided in Section 149 of the Act.”

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interest of the Company, for giving effect to the aforesaid Resolution, including but not limited to signing and execution of necessary forms and documents as may be deemed necessary and expedient in its discretion.”

## 9. To make Investments, Give Loans, Guarantees And Provide Securities Under Section 186 of the Companies Act,2013:-

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provision of section 186 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Meeting of Board and its Powers) Rules, 2014, (including any Statutory modification or re-enactment thereof, for the time being in force), the consent of the members of the company be and is hereby accorded to the Board of Directors of the company and/or Committee thereof (hereinafter referred to as “the Board”) which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the power conferred on the Board by this resolution) to make loans or investments, in one or more tranches by subscription, purchase or otherwise in subsidiary(ies)/ anybody/ bodies Corporate in India or abroad (existing or which may be promoted/ incorporated), in any kind of securities, or by providing of guarantee or security in connection with a loan made by any other person to any subsidiary(ies)/ anybody/ Body corporate in India or abroad (existing or which may be promoted or incorporated) in excess of limit prescribed in section 186 of Companies Act, 2013 but subject to a maximum limit of Rs. 50 Crore (Rupees Fifty Crore Only).

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution”

04<sup>th</sup> September, 2019  
Jaipur

By Order of the Board  
Sd/-  
Anjali Kumawat  
Company Secretary

# Saboo Sodium Chloro Limited

## NOTES:

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY 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 THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

1. The Explanatory Statement for Item Nos. 2 to 8, pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of this Notice. The relevant details as required under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), of persons seeking appointment / re-appointment as Directors are also annexed.
2. The register of Members and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September, 2019 to 28<sup>th</sup> September, 2019 (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 7 (Seven) 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 any, 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. 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.
9. 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.
10. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.
11. Voting through electronic means:
  - (a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 26<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):
  - (b) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system or poll paper.

## Saboo Sodium Chloro Limited

- (c) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- (d) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- (e) The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.suryasalt.com](http://www.suryasalt.com) and on the website of CDSL <https://www.evoting.cdsl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and Bombay Stock Exchange Limited, where the shares of the Company are listed
- (f) The instructions for shareholders voting electronically are as under:**
1. The voting period begins on 25<sup>th</sup> September, 2019 at 10:00 AM and ends on 27<sup>th</sup> September, 2019. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (21<sup>st</sup> September, 2019) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  2. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  3. Click on Shareholders.
  4. Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (g) Next enter the Image Verification as displayed and Click on Login.
  - (h) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (i) If you are a first time user follow the steps given below:
  - (j) For Members holding shares in Demat Form and Physical Form
  - (k) Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
  - (l) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
  - (m) In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
  - (n) Dividend Bank Details OR Date of Birth (DOB) Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
  - (o) If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (4).
  - (p) After entering these details appropriately, click on "SUBMIT" tab.
  - (q) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (r) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (s) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
  - (t) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

## Saboo Sodium Chloro Limited

- (u) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (v) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (w) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (y) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (z) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (aa) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 12. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 13. The Company has appointed Mr. Vinod Naredi, Company Secretary in whole time practice as Scrutinizer, for conducting the process in a fair and transparent manner.
- 14. Voting rights will be reckoned on the paid-up value of the shares registered in the name(s) of the public shareholder(s) on the cut-off date i.e. September 21, 2019.
- 15. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- 16. The Scrutinizer will submit his report addressed to the Board of Directors of the Company, Mr. Sanjay Sarna, the Chairman appointed by the Company in this regard or to any other person duly authorized in this behalf by the Chairman, after completion of scrutiny of including e-voting in a fair and transparent manner. The results of the will be announced by the Chairman appointed by the Company in this regard or by the Person authorized in this behalf by the Chairman on the date of AGM September 28, 2019 at 5:00 P.M. at the Registered Office of the Company and will also be published in newspapers and communicated to the Stock Exchanges where the Company’s shares are listed.
- 17. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
- 18. The investors may contact the Company Secretary for redressed of their grievances/queries. For this purpose, they may either write to him at the Registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: [account@suryasalt.com](mailto:account@suryasalt.com)
- 19. Queries on account and operations may please be sent to the Company, 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.

# Saboo Sodium Chloro Limited

## EXPLANATORY STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

**The following Explanatory Statement sets out the material facts relating to Item Nos. 2 to 10 of the accompanying Notice of Annual General Meeting (AGM).**

### Item no. 2:

M/s P.K.S. & Company, Chartered Accountants (Firm Registration No. 007007C), were appointed in place of the resigning auditor M/s Choudhary Gupta & Associates, Chartered Accountants, to fill in the casual vacancy in the Extra-ordinary General Meeting of the company dated 14<sup>th</sup> March, 2019. M/s P.K.S. & Company, Chartered Accountants are liable to retire by rotation in this Annual General Meeting. The board considering the knowledge and experience of Mr. Piyush Singhi the proprietor of the firm has recommended re-appointment of M/s P.K.S. & Company, Chartered Accountants as the statutory Auditor of the company for a term of five years i.e. from the Financial Year 2019-20 to 2023-24.

M/s P.K.S. & Company, Chartered Accountants (Firm Registration No. 007007C) have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

The Board therefore recommends the resolution for your approval.

None of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

### Item no. 3:

Mrs. Bindu Saboo (DIN:08238638), who was appointed as an Additional Director in the meeting of Board of Directors of the company held on 26<sup>th</sup> September, 2018, is proposed to be appointed her as non-executive non independent woman director liable to retire by rotation, as required by Section 149, 152 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Copy of draft letters for respective appointment of Mrs. Bindu Saboo as a non-executive non-independent directors setting out the terms and conditions are available for inspection by members at the registered office of the Company during 11:00 a.m. to 1 p.m. on all working days. Mrs. Bindu Saboo is interested in the resolution which relates to his appointment respectively. Her relatives, if any, are also interested to the extent of their shareholding in the company.

The Board therefore recommends the resolution for your approval.

Except Mrs. Bindu Saboo (the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

### Item No. 4

The Board of Directors at its meeting held on May 30, 2019 re-appointed Mr. Girdhar Gopal Saboo (DIN: 00364750) as Managing Director of the Company with effect from October 1, 2019 for the period of five years subject to approval of shareholders in ensuing Annual General Meeting and on the basis of recommendation of Nomination and Remuneration Committee. The Board of Directors, Pursuant to the special resolution passed by the company in their annual general meeting held on 28<sup>th</sup> September, 2016 and provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 , applicable clauses of the Articles of Association of the Company and

# Saboo Sodium Chloro Limited

recommendation of Nomination and Remuneration Committee and Audit Committee has revised the remuneration of Mr. Girdhar Gopal Saboo, Managing Director of the company w.e.f. 01<sup>st</sup> October, 2019.

For the purpose, an agreement has been entered into by the Company with the Managing Director on May 30, 2019. The main terms and conditions of his re-appointment as Managing Director, as contained in the said agreement are furnished below:

- a) **Term of appointment:** - Five years with effect from October 1, 2019
- b) **Salary:** Rs. 400,000/- (Rupees Four Lacs only) per month. The annual increment will be decided by the Board of Directors of the Company within the ceiling as specified by the members of the company in their meeting held on 28<sup>th</sup> September, 2016.
- c) **Perquisites:**
  - 1) Leave travel allowance for self and family thrice in a year as per rules of the Company.
  - 2) Medical expenses actually incurred by him and his family subject to maximum of one month salary.
  - 3) Reimbursement of membership fees for a maximum of three clubs..
  - 4) Personal accidents and Mediclaim Insurance Policy, premium not to exceed Rs. 2,00,000/- per annum.
  - 5) Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
  - 6) Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

The Board therefore recommends the resolution for your approval.

Except Mr. Girdhar Gopal Saboo (the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

## **Item No. 5:**

On the recommendation of the Nomination & Remuneration Committee, Mr. Durgesh Sharma (DIN:08540732) was appointed as an Additional Director of the Company on 12<sup>th</sup> August, 2019 in terms of Section 161(1) of the Companies Act, 2013. Further Mr. Durgesh Sharma was also appointed subject to the confirmation and approval by the members of the company in general meeting, as Whole Time Director designated as Executive Director for the period of 5 years with effect from 12<sup>th</sup> August, 2019 in the same meeting in terms of section 196, 197 and other applicable provisions of the Companies Act, 2013 at the remuneration as provided in the resolution, to provide his professional services and expertise to the growth and benefits of the company.

Members are requested to note that as an Additional Director, Mr. Durgesh Sharma holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from the member along with deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company. The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Durgesh Sharma as an Executive Director. Accordingly the Board recommends the resolution in relation to appointment of Mr. Durgesh Sharma as a Director and further to approve his appointment as Whole Time Director designated as Executive Director, for the approval by the shareholders of the Company.

The Board therefore recommends the resolution for your approval.

Except Mr. Durgesh Sharma (the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

## **Item no. 6:**

Under Section 188 of the companies Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Related Party Transactions shall



## Saboo Sodium Chloro Limited

require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Shareholders through resolution. The said Regulation further provides a definition of the term 'Material' as follows:

"A transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company."

As a part of its regular business, the company purchase salt from Spectrum Foods Limited at an arm's length basis under the purchase order raised from time to time and in the financial year 2018-19, the aggregate value of these transactions is likely to be around Rs. 5.75 Cr. (On going transactions). It may be noted that during the financial year 2017-18, the annual turnover of the company was Rs. 23.26 Cr. and the company had transactions with Spectrum Foods Limited 5.75 Cr. (24.73%).

Mr. Girdhar Gopal Saboo is the managing Director of the company is also the Managing Director of Spectrum Foods Limited. Similar trend of transactions with Spectrum Foods Limited is expected in the current year.

Apart from the above the company is also giving rent to Mr. Girdhar Saboo, Managing Director of the company for the office premises given on lease by him to the company. Company paid Rs. 12 Lacs in the year 2018-19 to Mr. Girdhar Saboo which is well within the limit as prescribed under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and company is now increasing the rent amount to Rs. 15 Lacs per annum and hence requires your approval.

The Audit Committee of the Board of Directors of the Company has reviewed the company's on-going transactions with Spectrum Foods Limited and recommended the same for approval by the Board of Directors and Members of the Company at their meeting held on May 30, 2019. The Board of Directors also at their meeting held on May 30, 2019, reviewed the on-going transactions and proposed the same to be placed before the Members for their approval.

The Members' approval to the above material related party transactions is sought in terms of Section 188 of the Companies Act, 2013 and relevant rules therein and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Item No. 7:**

The shareholders of the company in their meeting held on 30<sup>th</sup> September, 2014 appointed Mr. Neeraj Kumar Agarwal (DIN:05358002), as an Independent to hold office for five consecutive years for a term up to 30<sup>th</sup> September, 2019 as required by Section 149, 152 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The company proposes to re-appoint Mr. Neeraj Kumar Agarwal as an Independent Director for another term of 5 years. The Company has received from Mr. Neeraj Kumar Agarwal, consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified as per Section 164(2) of the Companies Act, 2013; and a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee and Board of Directors at their meetings held on 30<sup>th</sup> May, 2019 on the basis of the report of performance evaluation of Independent Directors have recommended the re-appointment of Mr. Neeraj Kumar Agarwal as an Independent Director for a further period of 2 years effective from 28<sup>th</sup> September, 2019 to 27<sup>th</sup> September, 2021. In the opinion of the Board, Mr. Neeraj Kumar Agarwal fulfills the conditions specified in the Companies Act, 2013 and the Rules framed there under and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

## Saboo Sodium Chloro Limited

Regulations, 2015 for re-appointment as an Independent Director and he is independent of the management. He is not holding any equity shares of the Company and he is not related to any Director of the Company. As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall be eligible for re-appointment subject to approval of shareholders by way of a Special Resolution.

The Resolution set out at Item No.8 of the notice is put forth for consideration of the members as a Special Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for re-appointment of Mr. Neeraj Kumar Agarwal as an Independent Director. The terms and conditions of re-appointment of Mr. Neeraj Kumar Agarwal shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Copy of draft letters for respective appointment of Mr. Neeraj Kumar Agarwal as independent directors setting out the terms and conditions are available for inspection by members at the registered office of the Company during 11:00 a.m. to 1 p.m. on all working days. Mr. Neeraj Kumar Agarwal is interested in the resolution which relates to his appointment respectively. His relatives, if any, are also interested to the extent of their shareholding in the company.

The Board therefore recommends the resolution for your approval.

Except Mr. Neeraj Kumar Agarwal (the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

### **Item No. 8:**

The shareholders of the company in their meeting held on 30<sup>th</sup> September, 2014 appointed Mr. Bikash Kumar Lakhotia (DIN: 01470180), as an Independent to hold office for five consecutive years for a term up to 30<sup>th</sup> September, 2019 as required by Section 149, 152 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The company proposes to re-appoint Mr. Bikash Kumar Lakhotia as an Independent Director for another term of 2 years. The Company has received from Mr. Bikash Kumar Lakhotia, consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified as per Section 164(2) of the Companies Act, 2013; and a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee and Board of Directors at their meetings held on 30<sup>th</sup> May, 2019 on the basis of the report of performance evaluation of Independent Directors have recommended the re-appointment of Mr. Bikash Kumar Lakhotia as an Independent Director for a further period of 2 years effective from 28<sup>th</sup> September, 2019 to 27<sup>th</sup> September, 2021. In the opinion of the Board, Mr. Bikash Kumar Lakhotia fulfills the conditions specified in the Companies Act, 2013 and the Rules framed there under and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as an Independent Director and he is independent of the management. He is not holding any equity shares of the Company and he is not related to any Director of the Company. As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall be eligible for re-appointment subject to approval of shareholders by way of a Special Resolution.

The Resolution set out at Item No.8 of the notice is put forth for consideration of the members as a Special Resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for re-appointment of Mr. Bikash Kumar Lakhotia as an Independent Director. The terms and conditions of re-appointment of Mr. Bikash Kumar Lakhotia shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

# Saboo Sodium Chloro Limited

Copy of draft letters for respective appointment of Mr. Bikash Kumar Lakhotia as an independent directors setting out the terms and conditions are available for inspection by members at the registered office of the Company during 11:00 a.m. to 1 p.m. on all working days. Mr. Bikash Kumar Lakhotia is interested in the resolution which relates to his appointment respectively.

The Board therefore recommends the resolution for your approval.

Except Mr. Bikash Kumar Lakhotia (the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

## Item no. 9:

In terms of section 186 of the Companies Act, 2013, members are requested to take note that as per provisions of section 186 of the Companies Act, 2013, the Board of directors of a Company could give any loan, guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities by way of subscription, purchase or otherwise to any person or body corporate to the extent of sixty percent paid up share capital, free reserves and securities premium or one hundred per cent of its free reserves and securities premium account whichever is more and for giving any loan or providing guarantee and security in excess of limit specified above, the approval of the members of the company in Annual General Meeting by way of Special resolution has to be obtained.

Members are further requested to take note that company is engaged in the business of salt manufacturing and hospitality and in relations to the business operations of the company, there has to be provided guarantee from time to time to perform the business contract(s). Therefore for business and investment purpose of company, Company has to give loans and guarantee to the person(s) and make investments by acquiring securities by way of purchase or subscription or otherwise from time to time. So in this regard authority is proposed to be given to the Board of directors to give any loan or guarantee or providing security to body corporate or any other person and to invest funds to the limit of Rs. 50.00 Crore (Rupees Fifty Crore only) and approval of the members of the company is sought in this general meeting None of the directors, key managerial personnel and relatives of directors and/or key managerial personnel (as defined in the Companies Act, 2013) are concerned or interested in the proposed resolution, except in the ordinary course of business.

## Details of Directors Seeking Appointment and Re-appointment at the 24<sup>th</sup> Annual General Meeting of the Company (Pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India]

Name of the Director	Mrs. Bindu Saboo	Mr. Girdhar Gopal Saboo	Mr. Durgesh Sharma
DIN	08238638	03647560	08540732
Date of Birth and Age	26-03-1962; 57 years	09-12-1967; 52 years	30-06-1973; 46 years
Date of first Appointment in the Board	26-09-2018	18-08-2014	12-08-2019
Qualifications	Graduate in commerce	Bachelor in Engineering	Graduate in commerce and MBA
Expertise in specific functional areas	Mrs. Bindu Saboo has been in the administration from the last 25 years and is related to hospitality	Mr. Girdhar Gopal Saboo, a Chemical Engineer, who is a dynamic, ambitious and very aggressive young entrepreneur, is at the helm	Mr. Durgesh Sharma has a Master degree in Business Administration and is related to hospitality industry from the last 21

## Saboo Sodium Chloro Limited

	industry since few years.	of affairs of SSCL as its Managing Director, In fact, the Company is his own brain wave.	years.
Relationship with other Directors and other Key Managerial Personnel of the Company	Not related to Directors, Manager and other Key Managerial Personnel of the Company.	Not related to Directors, Manager and other Key Managerial Personnel of the Company.	Not related to Directors, Manager and other Key Managerial Personnel of the Company.
Nature of appointment (appointment/reappointment)	Reappointment as a Non-executive no independent Director	Reappointment as Managing Director	Reappointment as a Whole-time Director
Terms and Conditions of appointment/reappointment	Terms and conditions of re-appointment are as per the resolution at Item No.3 of the Notice convening Annual General Meeting read with explanatory statement thereto	Terms and conditions of re-appointment are as per the resolution at Item No.4 of the Notice convening Annual General Meeting read with explanatory statement thereto	Terms and conditions of re-appointment are as per the resolution at Item No.5 of the Notice convening Annual General Meeting read with explanatory statement thereto
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Sitting fees , the details are given in Corporate Governance Report	36 Lacs per annum	NIL
Shareholding in the Company	NIL	NIL	NIL
The number of Meetings of the Board attended during the year	3 out of 9 as she joined the Board w.e.f. 26.09.2018	9 out of 9	Has been appointed w.e.f. 12 <sup>th</sup> August, 2019 and has attended 1 Board meeting in the F.Y. 2018-19 till now.
List of Companies in which outside Directorship held as on 31.03.2019	1. Spectrum Foods Limited	1. Spectrum Foods Limited 2. Saboo Damodar Ropeways Pvt. Ltd. 3. Fortress Hotels & resorts Pvt. Ltd. 4. Rajasthan Mega Developers Pvt. Ltd. 5. Sunstone Energy Pvt. Ltd. 6. Abrassive Emery td. 7. Saboo Energy & Power Pvt. Ltd.	NIL
Chairman/Member of the *Committees of other Companies in which he is a Director as on 31.03.2019	NIL	Member of Stakeholder Relationship & Grievance Committee	NIL

## Saboo Sodium Chloro Limited

<b>Name of the Director</b>	<b>Mr. Neeraj Kumar Agarwal</b>	<b>Mr. Bikash Kumar Lakhota</b>
DIN	05358002	01470180
Date of Birth and Age	10-08-1958	07-08-1975 44 years
Date of first Appointment in the Board	23-01-2013	13-08-2014
Qualifications	Graduate	Graduate
Expertise in specific functional areas	Business Development	Project Development and Execution
Relationship with other Directors and other Key Managerial Personnel of the Company	Not related to Directors, Manager and other Key Managerial Personnel of the Company.	Not related to Directors, Manager and other Key Managerial Personnel of the Company.
Nature of appointment (appointment/reappointment)	Re-appointment as Independent Director for second term of 5 years	Re-appointment as Independent Director for second term of 5 years
Terms and Conditions of appointment/reappointment	Terms and conditions of re-appointment are as per the resolution at Item No.7 of the Notice convening Annual General Meeting read with explanatory statement thereto	Terms and conditions of re-appointment are as per the resolution at Item No.8 of the Notice convening Annual General Meeting read with explanatory statement thereto
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Sitting fees , the details are given in Corporate Governance Report	Sitting fees , the details are given in Corporate Governance Report
Shareholding in the Company	NIL	0.001
The number of Meetings of the Board attended during the year	9 out of 9	8 out of 9
List of Companies in which outside Directorship held as on 31.03.2019	1. Spectrum Foods Ltd.	NIL
Chairman/Member of the *Committees of other Companies on which he is a Director as on 31.03.2019	1. Spectrum Foods Ltd.	NIL

### GENERAL INFORMATION OF THE COMPANY:

<b>Nature of Industry</b>	The company is engaged in Hotel Industry FMCG and Hospitality
<b>Year of Commencement of</b>	Company commenced its business of Salt manufacturing in the

# Saboo Sodium Chloro Limited

<b>Commercial Production</b>	year 1993 and entered into hotel industry in the year 2017 and the hotel commenced its operations in the year 2018.
<b>Financial Performance</b>	Rs. 291,531,227
<b>Export Performance</b>	The company did not exported in the fiscal year 2018-19.
<b>Foreign Investment</b>	The company has not invested any sum in foreign investments.

## **OTHER INFORMATION:**

### **1) Reasons for Inadequate Profits:**

The sale of Company's Food grade salt has declined during the year under purview hence company has incurred losses.

### **2) Steps taken or proposed to be taken for improvement:**

The company has undertaken stringent cost actions. The management continuous to explore new avenues to increase revenue of the company through judicious investments in capabilities. Company has set up a five star Resort and Spa named as "Samskara Resorts" at Jaipur which is in operations from September 2018 and considering the growth in hotel industry, the company. Company is also striving for exporting salt.

### **3) Expected increase in productivity and profits:**

The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that the financial position of the company will improve further in near future.

**By Order of the Board**  
**Sd/-**  
**Anjali Kumawat**  
**Company Secretary**

**04<sup>th</sup> September, 2019**  
**Jaipur**

## BOARD'S REPORT

**TO,  
THE MEMBERS,  
SABOO SODIUM CHLORO LIMITED,**

The Directors have pleasure in presenting before you the 26<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2019.

### **I. FINANCIAL PERFORMANCE**

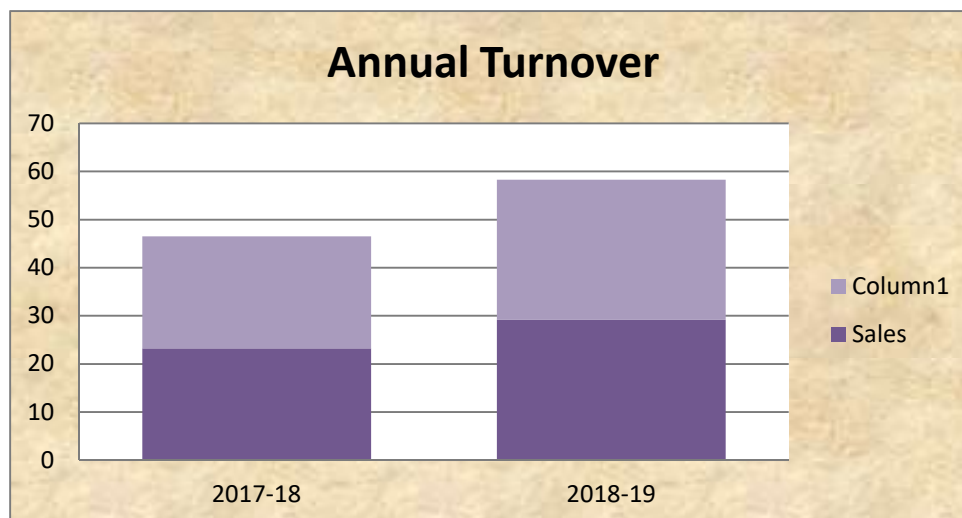
The financial results of the Company for the period under review as compared to the previous year are summarized below:

<b>Particulars</b>	<b>Financial year ended 31<sup>st</sup> March, 2019</b>	<b>Financial year ended 31<sup>st</sup> March, 2018</b>
Total Income	29,15,28,597	23,34,93,661
Profit before depreciation and taxation	1,94,64,123	2,00,30,654
Depreciation	1,46,63,363	1,57,63,527
Profit before tax	48,00,760	42,67,127
Taxation (including Deferred Taxation and Short/Excess Provision for Earlier year)	10,98,671	21,53,370
<b>Profit /loss after Tax</b>	<b>37,02,089</b>	<b>21,13,757</b>

### **Turnover, Profits & Future Prospects**

The total income during the year under review was Rs. 29,15,28,597/- in the previous year. During the year under purview company incurred a profit of Rs. 37,02,089/- as against loss of Rs. 21,13,757/- in previous year. Although, there is an increase of Rs. 5,80,34,936/- in company's turnover in comparison to the turnover of previous year.

During the year under review, the company had started operation in its brand new Hotel unit called as "Samskara Resort" from September 2018 and the total income from hotel was Rs. 81.18 Lacs included in the turnover above. The company is expecting more revenue from the hotel unit in this year and looking forward to it.



# Saboo Sodium Chloro Limited

## **Depreciation and Finance Costs**

Depreciation for the year was lower at Rs.1.47 crores as compared to Rs.1.58 crores for the previous year. Finance costs for the year ended 31st March, 2019 was Rs. 29.97 crores, which is lower by Rs. 0.17 crores than previous year, on account of repayment of term loans, reduction in interest costs of the term loan and better working capital management.

## **Dividend**

Based on Company performance, the Directors are unable to recommend dividend due to inadequate profits.

## **Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

The Provisions of section 125(2) of Companies Act, 2013 are not applicable as there was no dividend declared or paid last year.

## **Deposits**

During the year under review, Your Company has not accepted any deposits from public and as such, in the terms of the provision of Section 73 to 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 and hence no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

## **Insurance**

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

## **Particulars of Loans, Guarantees or Investments**

Pursuant to section 186 of Companies Act, 2013 and Schedule V of the Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

## **Borrowings / Indebtness**

The total long term borrowings of the company stood at Rs 16.46 crores for the year ended 31<sup>st</sup> March, 2019 as compared to Rs. 18.07 crores as at 31<sup>st</sup> March, 2019. During the financial year under review company repaid Rs. 1.61 crores.

## **Related Party Transactions**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at <https://www.suryasalt.com>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. There were Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature.

The particulars of contracts or arrangements with related parties referred to in section 188(1) and applicable rules of the Companies Act, 2013 in Form AOC-2 is provided as Annexure I to this Annual Report.

## **Subsidiaries, joint venture and associate companies:**

The company does not have any subsidiary, Joint ventures or associate company.

## **SHARES**

Authorised Capital:-



# Saboo Sodium Chloro Limited

During the Financial Year 2018-19 the Authorised Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 250,00,000 (Two Crore Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten Each).

Issued Capital:-

During the Financial Year 2018-19 the Issued Capital of the Company is Rs. 24,18,25,000/- (Rupees Twenty Four Crore Eighteen Lacs Twenty Five Thousand Only) divided into 2,41,82,500 (Two Crore Forty One Lacs Eighty Two thousand Twenty Five Hudred) Equity Shares of Rs. 10/- (Rupees Ten Each).

Subscribed & Paid up Capital:-

During the Financial Year 2018-19 the Subscribed & paid up Capital of the Company is Rs. 24,18,25,000/- (Rupees Twenty Four Crore Eighteen Lacs Twenty Five Thousand Only) divided into 2,41,82,500 (Two Crore Forty One Lacs Eighty Two thousand Twenty Five Hudred) Equity Shares of Rs. 10/- (Rupees Ten Each).

## **Buy-back of shares:**

During the year under review, company has not bought back any of its shares.

## **Sweat Equity Shares:**

During the year under review, company has not issued any Sweat Equity shares.

## **Bonus Shares:**

During the year under review, company has not issued any Bonus shares.

## **Employee Stock Option Plan:**

During the year under review, company has not provided any Stock option plan to its employees.

## **II. BUSINESS**

### **Changes in nature of business:**

There was no change in nature of business.

### **Hotel Project**

Company has also entered into a new line of Hospitality Industry and has built up a 5 star resort & spa in the name of "SAMSKARA RESORT" at Village-Jaisinghpura, Peepla, Jaipur. Samskara Resort provides all the luxurious facilities to its visitors which include approximately (but not limited to):

- 37 guest rooms
- 1 Presidential Villa
- Spa
- Yoga & Meditation center and Open Air Area
- Restaurant
- Swimming Pool
- Walkway and Jogging
- Multi-Purpose Hall
- Daily Activity Programs
- Motorized Buggies for Transportation
- Jacuzzis / Steam rooms

### **Number of Board Meetings**

During the year under review, company has conducted 9 (Nine) Board meetings.

### **Composition of Board of Directors**

Board's Composition and Independence Your Company's Board consists of global leaders and visionaries who

# Saboo Sodium Chloro Limited

provide strategic direction and guidance to the organization. As on March 31, 2019, the Board comprised One executive director, One non-executive Additional Director and three non-executive Independent Directors.

## **Change in Directors**

During the year, Mrs. Bindu Saboo, was appointed as an Additional cum Woman Director who is liable to retire by rotation in this Annual General Meeting and whose re-appointment has been recommended by the Nomination & Remuneration Committee and Board of Directors, subject to the approval of members in their ensuing meeting.

## **Key Managerial Personnel**

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2019 are:

- |                                      |                         |
|--------------------------------------|-------------------------|
| 1. Mr. Girdhar Saboo (DIN: 00364750) | Managing Director       |
| 2. Mr. V.P. Gagrani                  | Chief Financial Officer |
| 3. Ms. Anjali Kumawat                | Company Secretary       |

## **Performance Evaluation Criteria for Directors**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board has carried out an Annual Evaluation of its own performance, Board Committees and Individual Directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. Performance evaluation of independent directors was done by the entire Board, excluding the Independent Director being evaluated.

In a separate meeting of independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company and Whole time Directors was evaluated.

The Chairman of the Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria approved by the Board. Each Committee and the Board expressed satisfaction on the performance of each Director.

## **Statement on Declaration given by the Independent Director U/S 149(6) of the Companies Act, 2013**

It is stated that pursuant to the Provisions of Companies Act, 2013 the Declaration given by the Independent Directors meets the Criteria of Independence as mentioned in the schedule IV of Companies Act, 2013 and under regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. The declaration is enclosed in this report.

## **Meeting of Independent Directors**

A separate meeting of Independent Directors as required under the Schedule IV of the Companies Act, 2013 was held on 14<sup>th</sup> February, 2019, without presence of Executive Directors. Such meeting was conducted to review and evaluate:

- (a) the performance of Non-Independent Directors and the Board as a whole,
- (b) the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors and

# Saboo Sodium Chloro Limited

(c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed their satisfaction with the performance of Non-Independent Directors and the Board as a whole and the Chairman of the Independent Directors meeting briefed the outcome of the meeting to the Chairman of the Board.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

## **Auditors**

### **Statutory Auditor**

M/s Choudhary Gupta & Co., Chartered Accountants (ICAI Firm Registration Number: 003165C) resigned w.e.f. 20<sup>th</sup> December, 2018 and the casual vacancy so caused was filled by the Board of Directors on 15<sup>th</sup> January, 2019 by appointing M/s P.K.S. & Company, Chartered Accountants (Firm Registration No. 007007C) which was ratified by the members in their Extra-ordinary meeting held on 14<sup>th</sup> March, 2019, who are liable to retire by rotation in this AGM and their re-appointment is recommended by the Board of Directors.

### **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Naredi Vinod & Associates (CP No 7994, ACS 20453), Company Secretaries to undertake the Secretarial audit of the company for the financial year 2018-19.

### **Internal Auditor**

Pursuant to section 138 of the Companies Act, 2013 read with Rule 13 of the Companies(Accounts)Rules,2014,and other applicable provisions of the Act, M/s R. Sogani & Associates, Chartered accountants, was appointed as an internal auditors of the company for the financial year 2018-19.

### **Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the auditors and the Practicing Company Secretary:**

There were no qualifications, reservations or adverse remarks or disclaimers made either by the auditors or the practicing company secretary in their respective reports.

### **Material Changes and Commitments**

There are no material changes and commitment affecting the financial position of the Company occurred between the end of the financial year of the Company to which the financial statement relates and the date of report.

### **Details of Significant and Material Orders Passed by the regulators/Courts/Tribunals Impacting the Going Concern Status and the Company's Operations in Future**

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

### **Management Discussion and Analysis Report**

The report on Management Discussion and Analysis as required under the Listing Regulations, 2015 with the Stock exchange is set out as 'Annexure B' to the Director's Report.

### **Business Risk Management**

# Saboo Sodium Chloro Limited

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion.

Therefore, in accordance with Listing Regulations, 2015 the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

### **III. GOVERNANCE AND ETHICS**

#### **Corporate Governance Report**

The Company has adopted the policies in line with new governance requirements including the Policy on Related Party Transactions, Policy on Material Subsidiaries, Policy and Whistle Blower Policy. These policies are available on the website of the Company at <https://www.suryasalt.com>. The Company has established a vigil mechanism for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report in Annexure "D".

Secretarial Audit was carried out by M/s Naredi Vinod & Associates, Company Secretaries, the Secretarial Auditor of the Company for the financial year 2018-19. There were no qualifications, reservations or adverse remarks given by Secretarial Auditors of the Company. The detailed report on the Secretarial Audit is appended as an Annexure to this Report.

A separate report on Corporate Governance is provided together with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations. A Certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

#### **Disclosure on the Remuneration of Managerial Personnel**

The information required under section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

#### **Remuneration of Managing Director**

Following are the details of the annual salary (payable monthly) proposed to be paid to Mr. Girdhar Saboo Managing Director: - Consolidated Salary including Perquisites and allowances, etc- 36,00,000/- (Rupees Thirty Six Lakhs only).

Basic Salary: 2,04,000(Monthly)

Allowance: 96,000(Monthly)

He is entitled to receive the following:-

- a. Gratuity as per the rules of the Company, but not exceeding half a month's salary for each completed year of

# Saboo Sodium Chloro Limited

- service.
- b. Encashment of leave at the end of tenure.
  - c. Provision of car for use on Company Business.
  - d. Free landline telephone facility at residence along with free mobile telephone facility. Long distance personal calls to be recovered by the Company.
  - e. He shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company.

## **Policy on Director's Appointment and Remuneration and Other Details**

The company's policy on Director's appointment and remuneration and other details provided in section 178(3) of the Act has been disclosed In Corporate Governance Report, which forms part of Directors Report.

## **Compliance with Secretarial Standards**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India.

## **Particulars of Employees**

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- a) Employed throughout the year- Nil
- b) Employed for part of the year- Nil

## **Director's Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

1. that in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. that such accounting policies as mentioned in Notes to the financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2019 and of the profit of the company for the year ended on that date;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ;
4. that the annual financial statements have been prepared on a going concern basis;
5. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
6. that systems to ensure compliance with provisions of all applicable laws were in place and were adequate and operating effectively;

## **Vigil Mechanism / Whistle Blower Policy**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy. This policy is explained in corporate governance report.

## **IV. INTERNAL FINANCIAL CONTROLS AND AUDIT**

### **Details in respect of adequacy of internal financial controls with reference to the financial statements**

# Saboo Sodium Chloro Limited

The Company has in place adequate internal financial controls with reference to financial statements. Statutory Auditors in their report has expressed their opinion on the internal financial controls with reference to the financial statements which is self-explanatory. The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

## **V. SOCIAL RESPONSIBILITY AND SUSTAINABILITY**

### **Corporate Social Responsibility**

Though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

### **Prevention of Sexual Harassment at Workplace**

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. The Company has designated the external independent member as a Chairperson of the Committee. There were no complaints received during the year under review of sexual harassment.

## **VI. OTHER DISCLOSURES**

### **Listing at Stock Exchange**

The Equity Shares of the Company are listed at Bombay Stock Exchange (Scrip Code: 530461) and its shares are actively traded at Bombay Stock Exchange. The Company confirms that it has paid the Annual Listing fees for the year 2019-20 to BSE where the Company's shares are listed.

### **Extract of Annual Return**

The extract of annual return in Form MGT-9 as required under Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an Annexure "C" to this Report.

### **Acknowledgement**

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

### **Cautionary Statement**

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

# Saboo Sodium Chloro Limited

## **ANNEXURE “A” TO THE BOARD’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 solar power plant at Rajgarh Madhya Pradesh and generating electricity. The Company produced which are being sold to Indian Energy Exchange and Power Exchange India Limited. The Company is trying for export of salt.

The company has set up a fully-integrated 300 KWP in- house Grid -Tied Solar Power Plant at its factory located at Nawa city, Nagaur (Raj.) in addition to the existing 100 KWP solap plant, under captive power reverse net metering scheme of Government of Rajasthan. This will result in saving of approx. Rs. 75 Lakhs per annum for the company. This Solar plant will meet upto 80% of energy requirement of the company and with this, Saboo Sodium Chloro Limited becomes the first salt refinery in India to use Solar energy for their 80% of energy consumption. Company is now planning to set up a fully-integrated 300 KWP in- house Grid - Tied Solar Power Plant at the Samskara Resort.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:** There were nil foreign exchange earnings and outgo.

## **ANNEXURE “B” TO THE BOARD’S REPORT:**

### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

#### **INDIA: THE YEAR IN REVIEW**

India continued to build its lead as one of the fastest growing large economies in the world during FY 2018-19. Recent estimates as per the Central Statistical Office pegged GDP growth for FY 2018-19 at 7% led by government expenditure on roads and affordable housing, strong gross capital formation and improved exports. A moderate, but resilient private consumption and steady construction activity remain enablers to this growth (Source: Monetary Policy Committee of RBI, April 2019). Domestic consumption is expected to grow into a \$6 trillion opportunity by 2030 (Source: WEF Future of Consumption in Fast-Growth Consumer Markets: India, January 2019). Healthy savings by Indian households (22% of their income), higher proportion of young, working population and policy reforms are the long term drivers for India’s Economic growth in future. Inflation, as measured by the Consumer Price Index (CPI), remained modest for major part of the year owing to benign food inflation (forms ~46% of CPI). The soft food inflation appears to be structural in nature given the increased agricultural productivity in India.

Wholesale Price Index (WPI) inflation too remained in low single digits in FY 2018-19 on account of marginal increase in fuel prices. Weak inflation propelled the Reserve Bank of India (RBI) to go back to its ‘neutral’ stance from ‘calibrated tightening’ (briefly adopted between October and December 2018). The apex bank announced a 25 basis points cut in repo rate in its last policy of the financial year, in a bid to improve economic growth, as well as inflation. The Government of India adopted prudent policies and hence has managed to keep fiscal deficit in a narrow band during the year. This metric is pegged at 3.4%, slightly higher than the targeted level of 3.3%. The Indian Rupee (INR) remained weak for most part of the year and hit an all-time low of Rs.74.48 against the US Dollar (USD) due to higher oil prices, improving US yields, weak domestic fundamentals and outflows from domestic markets.

#### **ADVANTAGES OF INDIAN ECONOMY**

# Saboo Sodium Chloro Limited

India's economy will most likely be powered by private consumption, investments and exports in future. Private consumption: Softer interest rates, improving farm realizations and higher disposable incomes will enable this metric. Investments: Overall investments rebounded in FY 2018-19 with fixed investments growing 12.2%, up from 7.6% in FY 2017-18. Moreover, the investment ratio (investment/GDP) is estimated to have surged to 32.9% after being range bound at 30-31% in the past four to five years.

Exports: India's exports grew at a healthy pace in FY 2018-19, albeit on a low base. The primary factors propelling India's exports during the year under review were the easing constraints posed by Goods and Services Tax (GST) implementation, improved manufacturing and tailwinds of 2017 global trade revival.

## **GLOBAL ECONOMY: THE YEAR IN REVIEW**

Rising trade tensions between the US and China; financial tightening amid normalisation of monetary policies in larger advanced economies; tighter credit policies in China; volatile crude oil prices and moderating industrial production resulted in a slow-down of global economic activity notably in the second half of 2018. Amongst the advanced economies, the United States' economy grew by 2.9% as per 2018 estimates, higher than the previous two years. Growth in the United Kingdom moderated from 1.7% in 2017 to 1.3% in 2018 mainly due to the uncertainty of its exit from the European Union (Source: World Bank Report on Global Economic Prospects, January 2019).

## **INDUSTRY STRUCTURE AND DEVELOPMENTS- SEGMENT WISE**

### **SALT INDUSTRY**

India continues to hold third position in the production of salt, next to China and USA. Total salt production in India was 289.49 lakh tonnes in FY 2017-18. Besides meeting the domestic requirement of edible and industrial salt of 64.69 lakh tonnes and 118.11 lakh tonnes respectively, the industry exported 91.63 lakh tonnes, setting a new record for exports.

The market continues to move towards a higher share of branded salt with the continuing awareness of better product quality, visible purity and iodine content. Specialty salts like rock salt and black salt have an increased presence in modern format stores. The outlook continues to be positive with share gains from unbranded salt and regional branded producers. The Company is working towards new product introductions in value added salt variants.

Saboo Sodium Chloro Limited is the largest salt refinery in North India producing Surya Iodized Salt, Tota 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 by 15%. 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.

During the year, the Company upgraded its distributor management system and deployed it across stockists in major markets in the country.

### **INDIAN HOSPITALITY AND TOURISM INDUSTRY**

Travel and tourism industry contributed 9.2% to India's GDP and registered a growth of 6.7% in 2018 (Source: WTTC). The industry supported 43 million jobs in the country (8.1% of total employment). India offers a diverse portfolio of niche tourism products, including cruises; adventure medical; wellness; sports; meetings incentives, conventions and exhibitions (MICE) eco-tourism; films; rural and religious tourism. The country has been recognised as a destination for spiritual tourism for domestic and international tourists.



# Saboo Sodium Chloro Limited

Besides, the introduction of a new category of visa—the medical visa or M visa—is expected to encourage medical tourism in India. Total contribution by travel and tourism sector to India's GDP is expected to increase from Rs 15.24 trillion (US\$ 234.03 billion) in 2018 to Rs 32.05 trillion (US\$ 492.21 billion) by 2028.

India was ranked 7th among 184 countries in terms of travel & tourism's total contribution to GDP in 2017. Travel and tourism is the third largest foreign exchange earner for India. During 2018, FEEs from tourism increased 4.70 per cent year-on-year to US\$ 28.59 billion. Foreign Tourist Arrivals (FTAs) increased 5.20 per cent year-on-year to 10.56 million in the same period.

During 2018, arrivals through e-tourist visa increased 39.60 per cent year-on-year to 2.37 million. During January 2019, arrivals through e-tourist visa increased by 21.10 per cent year-on-year to 0.29 million. It is estimated that 81.1 million people are employed in the tourism sector in India which was 12.38 per cent of total employment in the country. The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earnings as well.

In September 2018, the Indian government launched the 'Incredible India Mobile App' to assist the traveller to India and showcase major experiences for travelling. The Government of India is working to achieve one per cent share in world's international tourist arrivals by 2020 and two per cent share by 2025.

In October 2018, Statue of Sardar Vallabhbhai Patel, also known as 'Statue of Unity', was inaugurated as a tourist attraction. It is the tallest statue in the World standing at a height of 182 metre. It is expected to boost the tourism sector in the country and put India on the world tourism map.

The Government has also been making serious efforts to boost investments in tourism sector. In the hotel and tourism sector, 100 percent FDI is allowed through the automatic route. A five-year tax holiday has been offered for 2, 3 and 4 star category hotels located around UNESCO World Heritage sites (except Delhi and Mumbai). Total FDI received by Indian hotel & tourism sector was US\$ 12 billion between April 2000 and December 2018. India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, ecotourism, film, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists.

- Focus on improving infrastructure, including airports, roads and rail connectivity across the country
- Positive amendments to Coastal Regulation Zones Rules are expected to facilitate development of beach resorts across the coastline
- Digitisation of services, including payment mechanisms
- E-visas offered to nationals of 166 countries is expected to increase foreign travellers
- New avenues of funding Real Estate and Hospitality assets through institutional equity by way of listing Real Estate Investment Trusts (REIT) and Initial Public Offers (IPOs) of certain hospitality companies
- Introduction of the Insolvency and Bankruptcy Code (IBC) to resolve insolvencies efficiently, which in turn gives rise to opportunities for expansion.

The industry's concern however, are high GST rates, which at 28% for room tariffs above Rs.7,500 are amongst the highest in South East Asia positioning the country as an expensive destination in comparison with regional peers. Further, the recent turmoil within the airline industry in India leading to a decline in flights has impacted travel, notwithstanding the high demand for air travel.

## **OUTLOOK-SEGMENT WISE**

### **SALT**

The outlook for the business continues to be positive, as the Company continues to work on distribution expansion, brand building initiatives and strengthening of supply chain. The Company has identified opportunities around salt and related products, new to market offerings in foods, new packaging formats and tapping un-met consumer health needs. While the salt business continues to be the mainstay in terms of revenue generation, the growing foods portfolio is expected to contribute significantly to the overall business by the end of FY 2019-20. The Company is expanding its retail footprint and focusing on sales fundamentals

# Saboo Sodium Chloro Limited

as well as use of technology in driving productivity and customer service. The business is also focused on Modern Trade and non-traditional channels such as e-commerce, to ensure availability at a multitude of consumer touch points. Digital media continues to form an important medium of communication for the Company's brands. Going forward, the Surya brand is looking to scale up its portfolio of products and continue refining the business model to improve contribution.

## **HOSPITALITY INDUSTRY**

India is expected to lean towards domestic factors to drive its progress owing to a weak global economic environment. In FY 2019-20, India's economy is likely to grow by 7.2% (Source:RBI). The country's GDP growth will primarily be driven by continued momentum in private investment, as well as gross capital formation, growth in bank credit and strong financial flows to the commercial sector. Normal monsoon and lower oil prices will also augur well for the economy. However, India has been witnessing some downside on the domestic front since April 2019. Primarily, these were weakness in consumption led by automobiles and two-wheelers, reduction in non-banking financial companies credit funding, impact on exports from moderating global demand and political uncertainty in anticipation of general elections, which has led to mixed views on whether the downside is transient or structural. There have been some recent forecasts, which have pegged the estimated growth of the Indian economy to sub-7% levels.

The hospitality industry is evolving with the advent of new technology and concepts. While technology plays a significant role as a differentiator in the industry, sustainable practices are growing fast to become a major determinant of success for tourism businesses.

Overall, hoteliers need to understand what's at stake and focus on the following five dimensions:

- Standardisation can no longer be the norm: It is becoming critical to personalise and tailor services to the needs and preferences of travelers
- Technology as an accelerator for business: Technology will be at the core of the hotel experience both in rooms, and before and after the trip. This will lead to the development of new concepts and more innovation in the industry
- Social responsibility is an economic obligation: It is essential for governments and corporations to build real, sustainable business models for the travel and tourism industry
- Develop more responsive and durable business models: Agility and resilience is very important for efficiently mitigating risks facing the industry
- Manage talents actively: Attracting, developing and retaining the right talent in the hospitality industry continues to remain a core challenge

## **OPPORTUNITIES, THREATS, RISK AND CONCERNS**

### **SALT**

The business has significant opportunities in the foods market and scope to scale up new variants of Salt. The Company is preparing to address opportunities offered by new consumer needs on the back of robust supply chain and distribution network. Premium product offerings and new go-to-market models are being developed to gain strengths in modern format stores and alternate distribution channels. Differentiated product offerings and targeted communication is being used to address the threat from the unbranded segment and from regional and local brands.

The business has put policies in place to mitigate risks from changes in the regulatory environment which might limit realisations. There are continuous efforts to improve efficiencies in the supply chain network, to mitigate rising costs of labour and fuel. Inventory and pricing controls are put in place to reduce the risk of fluctuations in raw material prices. The Company continues to digitally enable its processes across the value chain and bring in automation for greater transparency and better risk management.

# Saboo Sodium Chloro Limited

## **HOTEL INDUSTRY**

The hotel industry in India thrives largely due to the growth in tourism and travel. Due to the increase in tourism with rising foreign and domestic tourists, hotel sector is bound to grow. There is an emergence of budget hotels in India to cater to much of the population who seek affordable stay and hence company have built up a 5 star Resort and Spa in the name of “Samskara Resort” and have confidence that company will grow faster in this industry as it is in the beautiful location of Jaipur.

## **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.

**For and on behalf of the Board of Directors**

**Date: 30<sup>th</sup> May, 2019**  
**Place: JAIPUR**

**Sd/-**  
**SANJAY SARNA**  
**(Director)**  
**DIN: 07052586**

**Sd/-**  
**GIRDHAR SABOO**  
**(Managing Director)**  
**DIN: 00364750**

# Saboo Sodium Chloro Limited

## ANNEXURE C

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L24117RJ1993PLC007830
2.	Registration Date	22/11/1993
3.	Name of the Company	SABOO SODIUM CHLORO LIMITED
4.	Category/Sub-category of the Company	PUBLIC COMPANY, LIMITED BY SHARES
5.	Address of the Registered office & contact details	L -5, B-II, KRISHNA MARG, C-SCHEME, JAIPUR- 302001 RAJASTHAN, INDIA
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	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

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Salt Manufacturing	10798	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/	% to total turnover of the company
1	None		

# Saboo Sodium Chloro Limited

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
(1) Indian									
a) Individual (Director)/ HUF	13052839	-	13052839	55.84	13052839	-	13052839	55.84	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>13052839</b>	<b>-</b>	<b>13052839</b>	<b>55.84</b>	<b>13052839</b>	<b>-</b>	<b>13052839</b>	<b>55.84</b>	<b>-</b>
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	34600	34600	0.18	-	34600	34600	0.18	Nil
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>34600</b>	<b>34600</b>	<b>0.18</b>	<b>-</b>	<b>34600</b>	<b>34600</b>	<b>0.18</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	2236733	11400	2248133	9.30	1606245	11400	1617645	6.68	(2.62)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

## Saboo Sodium Chloro Limited

i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	3856935	392335	4249270	17.57	4026518	373317	4399835	18.19	0.62
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	3595740	31200	3626940	15.00	3999985	31200	4031185	16.67	1.67
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	75829	-	75829	0.31	80392	-	80392	0.33	0.02
OCB	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	14349	-	14349	0.06	10045	-	10045	0.04	(0.02)
HUF	430540	-	430540	1.78	505941	-	505941	2.09	0.31
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies -DR	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>10210126</b>	<b>469535</b>	<b>10679661</b>	<b>44.16</b>	<b>10229126</b>	<b>450535</b>	<b>10679661</b>	<b>44.16</b>	<b>-</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>10210126</b>	<b>469535</b>	<b>10679661</b>	<b>44.16</b>	<b>10229126</b>	<b>450535</b>	<b>10679661</b>	<b>44.16</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>23712965</b>	<b>469535</b>	<b>24182500</b>	<b>100</b>	<b>23712965</b>	<b>469535</b>	<b>24182500</b>	<b>100</b>	<b>0.00</b>

### B. Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2018]			Shareholding at the end of the year [As on 31-March-2019]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	ARCHANA SABOO	2250000	9.30	-	2250000	9.30	-	2.78
2	GIRDHAR SABOO	11252839	46.53	-	11252839	46.53	-	2.20

\* The term "encumbrance" has the same meaning as assigned to it in regulation 28(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

\* Shareholders listed under Sl. No. 1 to 3 are disclosed as promoters under regulation 30(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as on March 31, 2019.

### C. Change in Promoters' Shareholding

# Saboo Sodium Chloro Limited

SN	Particulars	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Archana Saboo</b>	2250000	9.30	-	-	2250000	9.30
2.	<b>Girdhar Saboo</b>	11252839	46.53	-	-	11252839	46.53

## D. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Chandra Shekhar Saboo	573085	2.99	573085	2.99
2.	Nawa Salts Private Limited	650000	2.69	535207	2.21
3.	Rajasthan Mega Developers Pvt Ltd	300000	1.24	300000	1.24
4.	Bags Registry Services Pvt Ltd	295372	1.22	295372	1.22
5.	Dipak Kanhyalal Shah	265000	1.10	280000	1.16
6.	Manju Devi Saboo	272800	1.42	272800	1.42
7.	Deepak Sachdeva	239850	0.99	251000	1.04
8.	Madhu Agarwal	230000	0.95	242103	1.00
9.	Sharad Kanayalal Shah	191550	0.79	191550	0.79
10.	Mahendra Girdharilal	0	0	165250	0.68

## E. Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	GIRDHAR SABOO	11252839	46.53	11252839	46.53

## V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	295349646	-	-	295349646
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>295349646</b>	-	-	<b>295349646</b>

# Saboo Sodium Chloro Limited

<b>Change in Indebtedness during the financial year</b>				
* Addition	-	37996	-	37996
* Reduction	30525791	-	-	30525791
<b>Net Change</b>	<b>(30525791)</b>	<b>37996</b>	<b>-</b>	<b>(30487795)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	264785859	37996	-	264823855
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>264785859</b>	<b>37996</b>	<b>-</b>	<b>264823855</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors:

SN.	Particulars of Remuneration	Total Amount (per annum)	
		Girdhar Saboo (Managing Director)	Total
1	Gross salary	2448000	2448000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity		-
4	Commission - as % of profit - others, specify...	- -	- -
5	Allowance	1152000	1152000
	<b>Total (A)</b>	<b>3600000</b>	<b>3600000</b>

### B. Remuneration to other directors

No setting fees and other benefits are given to Independent Directors.

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel (Per annum)			
		CEO	CS	CFO	Total
1	Gross salary	-	420000	162000	582000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-



## Saboo Sodium Chloro Limited

	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	Others specify...	-	-	-	-
5	Allowance	-	-	-	-
	<b>Total</b>	-	<b>420000</b>	<b>162000</b>	<b>582000</b>

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. Company</b>					
Penalty	None				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	None				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	None				
Punishment					
Compounding					

For and on behalf of the Board of Directors

Date: 30<sup>th</sup> May, 2019  
Place: JAIPUR

Sd/-  
SANJAY SARNA  
(Director)  
DIN: 07052586

Sd/-  
GIRDHAR SABOO  
(Managing Director)  
DIN: 00364750

# Saboo Sodium Chloro Limited

## ANNEXURE- D

### Particulars of contracts/arrangements made with related parties

#### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 as on March 31, 2019)

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

#### Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2019, which were not at arm's length basis.

#### Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2019 are as follows:

Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Amount (In Cr.)
<b>Purchases of Goods &amp; Services</b>				
Spectrum Foods Limited	Common Directors	Ongoing	As per RPT Policy guidelines	5.62
<b>Rent Paid</b>				
Girdhar Saboo	Managing Director	Ongoing	As per agreement and RPT policy guidelines	0.12

For and on behalf of the Board of Directors

Date: 30<sup>th</sup> May, 2019  
Place: JAIPUR

Sd/-  
SANJAY SARNA  
(Director)  
DIN: 07052586

Sd/-  
GIRDHAR SABOO  
(Managing Director)  
DIN: 00364750

# Saboo Sodium Chloro Limited

## 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 regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. 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 the regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 with the stock exchange, in which the Company's shares are listed. The composition of the Board as on March 31, 2019 was as under:

Category	No. of Directors	Percentage to Total No. of Directors
Executive Directors	1	20
Non-Executive Non Independent Directors	1	20
Non-Executive Independent Directors	3	60
<b>TOTAL</b>	<b>5</b>	<b>100</b>

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 9 times on the following dates during the financial year 2018-19:

QUARTERS	Date of Meeting
1 <sup>ST</sup> QUARTER	12.05.2018
	25.05.2018
	30.05.2018
2 <sup>ND</sup> QUARTER	13.08.2018
	01.09.2018
	26.09.2018
3 <sup>RD</sup> QUARTER	13.11.2018
4 <sup>TH</sup> QUARTER	15.01.2019
	14.02.2019

#### • 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 2018-19 and at the last Annual General Meeting (AGM), as also the number of Directorships

# Saboo Sodium Chloro Limited

and Committee positions held by them in other Public Limited Companies as on March 31, 2019 are as follows:

Name of Directors	Category	Board Meetings attended during the year	Attendance at last AGM	Directorships in companies under Section 165 as on 31 <sup>st</sup> March, 2019			No. of other Committee positions held	
				Listed Public	Unlisted Public	Unlisted Private	Member	Chairman
Mr. Girdhar Saboo DIN: 00346750	Managing Director (Executive)	9	Yes	2	1	5	1	-
Mr. Bikash Kumar Lakhota DIN: 01470180	Independent Director	8	Yes	1	-	-	3	-
Mr. Neeraj Kumar Agarwal DIN: 05358002	Independent Director	9	Yes	2	-	-	3	-
Mr. Sanjay Sarna DIN: 07052586	Independent Director	9	Yes	2	-	7	3	3
Mrs. Bindu Saboo DIN: 08238638	Additional Director	3	Yes	2	-	-	-	-

• **Disclosure of relationship between directors inter-se:**

None of the Directors are related inter-se.

Shareholding of Directors as on March 31, 2019 is as under:

Sr. No.	Name	No. of shares held	% of Paid-up Capital
1.	Mr. Girdhar Gopal Saboo DIN: 00364750	11252839	46.43
2.	Mrs. Bindu Saboo DIN: 08238638	NIL	-
3.	Mr. Bikash Kumar Lakhota DIN: 01470180	25236	.001
4.	Mr. Neeraj Kumar Agarwal DIN: 05358002	NIL	-
5.	Mr. Sanjay Sarna DIN: 07052586	Nil	-

• **Board Business**

**The normal business of the Board includes:**

- framing and overseeing progress of the Company's annual plan and operating framework;
- framing strategies for shaping of portfolio and direction of the Company and for corporate resource allocation;
- reviewing financial plans of the Company;
- reviewing quarterly and annual business performance of the Company;
- reviewing the Annual Report and accounts for adoption by the Members;
- reviewing the progress of various functions and businesses of the Company;

# Saboo Sodium Chloro Limited

- reviewing the functioning of the Board and its Committees;
- reviewing the functioning of the subsidiary companies;
- reviewing and resolving fatal or serious accidents or dangerous occurrences, any materially significant effluent or pollution problems or significant labour issues, if any;
- reviewing the details of significant development in human resources and industrial relations front;
- reviewing details of foreign exchange exposure and steps taken by the management to limit the risks of adverse exchange rate movement;
- reviewing compliance with all relevant legislations and regulations and litigation status as well as steps taken by the Company to rectify instances of non-compliance, including materially important show cause, demand, prosecution and penalty notices, if any;
- reviewing Board Remuneration Policy and individual remuneration packages of Directors;

### 3. **AUDIT COMMITTEE**

The Audit Committee has been reconstituted as per Section 177(8) of the Companies Act, 2013 and the guidelines set out in the regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2018. 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:**

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Mr. Sanjay Sarna DIN: 07052586	Chairperson	Non-Executive & Independent Director
Mr. Bikash Kumar Lakhota DIN: 01470180	Member	Non-Executive & Independent Director
Mr. Neeraj Kumar Agarwal DIN: 05358002	Member	Non-Executive & Independent Director

- **Meetings held:**

The committee met 6 times on the following dates during the financial year 2018-19:

Date of meetings:

12<sup>th</sup> May, 2018, 30<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 13<sup>th</sup> November, 2018, 15<sup>th</sup> January, 2019 and 13<sup>th</sup> February, 2019

- **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 2018-19 are as follows:

# Saboo Sodium Chloro Limited

<i>Name</i>	<i>Category</i>	<i>Attendance</i>
Mr. Sanjay Sarna DIN: 07052586	Non-Executive & Independent Director	6
Mr. Bikash Kumar Lakhotia DIN: 01470180	Non-Executive & Independent Director	5
Mr. Neeraj Kumar Agarwal DIN: 05358002	Non-Executive & Independent Director	6

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. **NOMINATION AND REMUNERATION COMMITTEE**

The Company had merged the existing Nomination and Remuneration Committee in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and in pursuant to the provisions of Companies Act, 2013. 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:**

<i>Name</i>	<i>Designation</i>	<i>Category</i>
Mr. Sanjay Sarna DIN: 07052586	Chairperson	Non-Executive & Independent Director
Mr. Bikash Kumar Lakhotia DIN: 01470180	Member	Non-Executive & Independent Director
Mr. Neeraj Kumar Agarwal DIN: 05358002	Member	Non-Executive & Independent Director

- **Meetings held :**

The committee met 1 times on the following dates during the financial year 2018-19:  
Date of meetings: 12<sup>th</sup> September, 2018

- **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 2018-19 are as follows:

<i>Name</i>	<i>Category</i>	<i>Attendance</i>
Mr. Sanjay Sarna DIN: 07052586	Non-Executive & Independent Director	1
Mr. Bikash Kumar Lakhotia DIN: 01470180	Non-Executive & Independent Director	1
Mr. Neeraj Kumar Agarwal DIN: 05358002	Non-Executive & Independent Director	1

#### **REMUNERATION OF THE DIRECTORS:**

# Saboo Sodium Chloro Limited

The Non – Executive Directors do not draw any remuneration except the sitting fees. The details of the remuneration payable to the Executive Directors for the financial year 2018-19 are:

Name of Director	Salary (Rs.) per annum	Benefits Perquisites and Allowance	Commission	Notice Period/ Severance fees*
Mr. Girdhar Saboo (Managing Director) DIN: 00364750	25,48,000	11,52,000	Nil	Service of managing and Whole Time Director may be terminated by giving notice. There is no separate provision for payment of Severance fees.

## 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.

### • Constitution of Shareholders/ Investors Grievance Committee is as under:

Name	Designation	Category
Mr. Sanjay Sarna DIN: 07052586	Chairman	Non-Executive & Independent Director
Mr. Girdhar Saboo DIN: 00364750	Member	Executive Director
Mr. Neeraj Agarwal DIN: 05358002	Member	Non-Executive & Independent Director

### Meetings held:

The Board met 12 times on the following dates during the financial year 2018-19:

Date of meetings: 19<sup>th</sup> April, 2018, 20<sup>th</sup> June, 2018, 19<sup>th</sup> July, 2018, 31<sup>st</sup> July, 2018, 13<sup>th</sup> October, 2018, 14<sup>th</sup> November, 2018, 24<sup>th</sup> November, 2018, 30<sup>th</sup> November, 2018, 10<sup>th</sup> January, 2019, 25<sup>th</sup> February, 2019, 12<sup>th</sup> March, 2019 and 28<sup>th</sup> March, 2019.

### 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 2018-19 are as follows:

Name	Category	Attendance
Mr. Girdhar Saboo DIN: 00364750	Executive Director	12
Mr. Neeraj Kumar Agarwal DIN: 05358002	Non-Executive & Independent Director	12
Mr. Sanjay Sarna DIN: 07052586	Non-Executive & Independent Director	10

### Status of Investor Complaints

During the year under review, neither any complaint was pending as on 31<sup>st</sup> March, 2019 nor was any complaint received.

# Saboo Sodium Chloro Limited

## 6. **MEETING OF INDEPENDENT DIRECTORS**

A Separate meeting of the Independent Directors was held on 14.02.2019, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole and Chairman of the Company. Inputs and suggestions received from the Directors were considered at the Board meeting and have been implemented.

## 7. **LEAD INDEPENDENT DIRECTOR**

The Board has appointed Mr. Sanjay Sarna, Chairperson of the Independent Directors Meeting, as the Lead Independent Director. The role of the Lead Independent Director is to provide leadership to the Independent Directors, liaise on behalf of the Independent Directors and ensure the Board's effectiveness to maintain high-quality governance of the organisation and the effective functioning of the Board.

## 8. **GENERAL BODY MEETINGS**

### **(A) Annual General Meeting**

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

Date	Time	Venue
28.09.2016	3.00 pm	L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.
27.09.2017	1.00 pm	L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.
27.09.2018	1.00 pm	L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.

### **b) Special Resolutions passed during last three Annual General Meetings**

Date	Meeting	Special resolutions passed with requisite majority
28.09.2016	AGM	To increase the remuneration of Mr. Girdhar Gopal Saboo [DIN:00364750], Managing Director
27.09.2017	AGM	NIL
27.09.2018	AGM	NIL

### **(B) Extra Ordinary General Meeting during the year**

EGM	Date	Time	Venue	Special resolutions passed with requisite majority
EGM	14.03.2019	12.30 pm	L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.	NIL

## 9. **CODE OF CONDUCT**



# Saboo Sodium Chloro Limited

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. - Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

A copy of the Code has been put on the Company's website ([www.suryasalt.com](http://www.suryasalt.com)). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually. A declaration signed by the Company's Chairman and Managing Director is published in this Report.

## **10. ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS**

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

## **11. OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

The Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, has issued Secretarial Standards on important aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. Although these standards, as of now, are recommendatory in nature, the Company substantially adheres to these standards voluntarily.

## **12. PROHIBITION OF INSIDER TRADING**

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

## **13. 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.

The company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

In accordance with requirement of Companies Act as well as Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. Compliances, rules & regulations as laid down by various statutory authorities has always been observed by the company since such change over both in letter as well as in spirit.

# Saboo Sodium Chloro Limited

The Board has obtained certificates/disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the company at large.

## **14. RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

## **15. MEANS OF COMMUNICATION**

In compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, 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 "Adhikar".

## **16. GENERAL SHAREHOLDER INFORMATION**

### **a. Annual General Meeting for the Financial Year 2018-19:**

<b>Date:</b>	<b>Saturday, 28<sup>th</sup> September, 2019</b>
<b>Venue:</b>	L-5, B-II, Krishna Marg, C-Scheme, Jaipur-302001
<b>Time:</b>	4:30 PM
<b>Last Date for receipt of Proxy Forms:</b>	Thursday, 26 <sup>th</sup> September, 2019 before 4:30 PM

### **b. Financial Calendar**

The meetings of Board of Directors for approval of quarterly financial results during the financial year ended 31<sup>st</sup> March, 2019 were held the following dates:

Result for the qtr ending June 30, 2018	13 <sup>th</sup> August, 2018
Result for the qtr ending Sep 30, 2018	13 <sup>th</sup> November, 2018
Result for the qtr ending Dec 31, 2018	14 <sup>th</sup> February, 2019
Audited Result if any for the current year ending Mar 31, 2019	30 <sup>th</sup> May, 2019

### **c. Book Closure Date**

The Share Transfer Register of the Company remains closed from 22<sup>nd</sup> September, 2019 to 28<sup>th</sup> September, 2019 (both days inclusive) for the purpose of AGM.

### **d. Listing of Equity Shares in Stock Exchange**

The share of the Company are Listed at Bombay Stock Exchange.

### **e. Market Price data**

The high and low prices of every month during the financial year 2018-19 are given below:

<b>Month</b>	<b>High Price</b>	<b>Low Price</b>	<b>No. of Shares</b>	<b>No. of trades</b>	<b>BSE Sensex High</b>
<i>Apr-18</i>	<i>14.8</i>	<i>11.85</i>	<i>321212</i>	<i>868</i>	<i>35,160.36</i>
<i>May-18</i>	<i>13.25</i>	<i>10.13</i>	<i>195199</i>	<i>489</i>	<i>35,322.38</i>
<i>June-18</i>	<i>11.73</i>	<i>8.51</i>	<i>249219</i>	<i>690</i>	<i>35,423.48</i>
<i>Jul-18</i>	<i>10.5</i>	<i>8.28</i>	<i>117745</i>	<i>413</i>	<i>37,606.58</i>
<i>Aug-18</i>	<i>12.68</i>	<i>8.14</i>	<i>176247</i>	<i>846</i>	<i>38,645.07</i>
<i>Sep-18</i>	<i>12.6</i>	<i>8.5</i>	<i>158887</i>	<i>709</i>	<i>36,227.14</i>

## Saboo Sodium Chloro Limited

Oct-18	10.3	7.8	175409	724	34,442.05
Nov-18	9.59	7.1	201369	702	36,194.30
Dec-18	9.95	7.5	72674	413	36,068.33
Jan-19	10.5	7.55	276370	1159	36,256.69
Feb-19	9.44	7.07	239746	1340	35,867.44
Mar-19	8.95	7.07	532915	3109	38,672.91

Source: BSE website

### f. REGISTRAR & SHARE TRANSFER AGENT

#### **Address & 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

### g. 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.

### h. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2019

<i>Shareholding of Nominal value</i>	<i>Number of Shareholders</i>	<i>% of Total</i>	<i>No. of Shares</i>	<i>Amount in Rs.</i>	<i>% of Total</i>
Up to 5000	3271	65.68	685228	6852280	2.83
5001 to 10000	672	13.49	589644	5896440	2.44
10001 to 20000	410	8.23	655527	6555270	2.71
20001 to 30000	189	3.79	484362	4843620	2.00
30001 to 40000	83	1.66	301099	3010990	1.24
40001 to 50000	75	1.50	359004	3590040	1.48
50001 to 100000	139	2.79	1032424	10324240	4.27
100001 & Above	141	2.83	20075212	20075212 0	83.02
<b>Total</b>	<b>4980</b>	<b>100</b>	<b>24182500</b>	<b>241825000</b>	<b>100</b>

### i. SHARE HOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2019

DESCRIPTION	HOLDER	SHARES	%TAGE
INDIAN PROMOTER - INDIVIDUAL	2	13502839	55.84
<b>TOTAL (A)</b>	<b>2</b>	<b>13502839</b>	<b>55.84</b>
MUTUAL FUNDS	5	34600	0.14
RESIDENT INDIVIDUAL	4677	8431038	34.86
BODIES CORPORATE	95	1617645	6.69
CLEARING MEMBER	3	10045	0.04

# Saboo Sodium Chloro Limited

N R I - NON - REPARTRIABLE	31	80390	0.34
RESIDENT INDIVIDUALS-HUF	167	505941	2.09
<b>TOTAL (B)</b>	<b>4978</b>	<b>10679661</b>	<b>44.16</b>
<b>TOTAL (A+B)</b>	<b>4980</b>	<b>24182500</b>	<b>100.00</b>

## **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 31<sup>st</sup> March 2019, 23731965 equity shares of the Company forming 98.14% of the share capital of the Company stand dematerialized.

## **o. LIQUIDITY OF SHARES**

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

## **n. PLANT LOCATIONS**

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

## **p. CREDIT RATINGS**

Credit Rating in respect of Bank Loans of the Company was received on 30<sup>th</sup> April, 2018 from Brickwork Ratings India Pvt. Ltd. and the rating assigned to the Company is BWR BB ((Pronounced As : BWR DOUBLE B) Outlook: Stable Reaffirmation.

## **17. RECONCILIATION OD SHARE CAPITAL AUDIT**

For each of the quarter in the financial year 2018-19, 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.

## **18. DISCLOSURE OF PENDING CASES /INSTANCES OF NON-COMPLIANCE**

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

## **19. COMPLIANCE WITH ACCOUNTING STANDARDS**

In the preparation of the financial statements, Company has adopted Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 for the Financial Year Commencing from 01st April, 2018 as notified by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

## **20. COMPLIANCE CERTIFICATE OF THE AUDITORS**

Certificate from the Company's Secretarial Auditors, M/s. **Naredi Vinod & Associates (Company Secretaries)** confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

## **21. COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER LISTING REGULATIONS**

# Saboo Sodium Chloro Limited

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- **Audit Qualification**

The Company is in the regime of unqualified financial statements with unmodified opinion.

- **Reporting of Internal Auditor**

The Internal Auditor directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

## **22. SECRETARIAL AUDIT REPORT**

The Company has undertaken Secretarial Audit for the financial year 2018-19 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of this Annual Report.

## **23. CEO/CFO CERTIFICATE**

The Chairman and Managing Director and the Chief Financial Officer of the company give annual certification on financial reporting and internal controls on the Board in terms of Regulation 17(8) of the Listing Regulations. The Annual Certificate given by the Chairman and Managing Director and the Chief Financial Officer is published in this report.

## **24. OTHER DISCLOSURES**

- a) During the year ended 31st March, 2019 there were material related party transactions as per regulation 23 of SEBI (LODR) Regulations, 2015, which were done in the ordinary course of business and at Arms' length Price and with the prior approval of the Audit committee but the limit of the transactions exceeded 10% of the turnover of the previous financial year hence company is now taking approval of the shareholders for increasing the transaction limit with the related party as explained in the Item no. 6 of Explanatory statement.
- b) Details of establishment of Vigil Mechanism:  
The Board of Directors of the Company had adopted the Vigil Mechanism Policy. A mechanism has been established for all stakeholders including Directors, employees, vendors and suppliers to report concerns about unethical behaviour, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases The Audit Committee reviews periodically the functioning of Vigil Mechanism Policy. No personnel has been denied access to the Audit Committee. A copy of the Vigil Mechanism Policy is also available on the website of the Company: [www.suryasalt.com](http://www.suryasalt.com) under corporate policies. The company has not received any complaint during the Financial Year ended 31.03.2019.
- c) Details of non-compliance:  
A Statement on Compliance with all Laws and Regulations as certified by the Managing Director and Company Secretary is placed at periodic intervals for review of the Board. There were no instances of non-compliance, penalty or strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years No penalty has been imposed by any Stock Exchange, SEBI or any other regulatory authority nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital markets over the last three years.
- d) The policy on dealing with related party transactions is available on the website of the Company: [www.suryasalt.com](http://www.suryasalt.com) under corporate governance.

# Saboo Sodium Chloro Limited

- e) The Company has adopted the policy on preservation of documents in accordance with Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: [www.suryasalt.com](http://www.suryasalt.com) under corporate policies.
- f) The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended 31.03.2019.
- g) There has been no such incidence where the Board has not accepted the recommendation of the Committees of the Company during the year under review.
- h) The Company Complied with the requirements of Schedule V Corporate Governance Report sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- i) Details of Compliance with Mandatory Requirements and adoption of Discretionary Requirements The Company has complied with all the mandatory requirements of Corporate Governance as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. With regard to discretionary requirements, the Company has adopted clauses relating to the following:
- i) Board: The Company has Non-Executive Chairperson and position of Chairman, Managing Director are held by separate Directors.
- ii) Reporting of Internal Auditor: Internal Auditors reports directly to the Audit Committee.
- j) Code of Conduct and Business Ethics  
The Company has adopted a Code of Conduct and Business Ethics for Directors and Senior Management of the Company, as required under Regulation 17(5)(a) of the Listing Regulations. The Board has laid down Code of Conduct policy covering the ethical requirements to be complied with covering all the Board members and all employees of the Company. An affirmation of compliance with the code is received from them on an annual basis. The Code has been displayed on the Company's website [www.suryaslt.com/corporate-governance/](http://www.suryaslt.com/corporate-governance/) miscellaneous.
- k) Disclosure with respect to Demat suspense account/unclaimed suspense account: The Company does not have any of its shares lying in demat/unclaimed suspense account.
- l) Details of total fees paid to Statutory Auditors:  
A sum of Rs. 22,500/- was paid by the Company to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part as fees for all the services rendered by him.

**For and on behalf of the Board of Directors**

**Date: 30<sup>th</sup> May, 2019**  
**Place: JAIPUR**

**Sd/-**  
**SANJAY SARNA**  
**(Director)**  
**DIN: 07052586**

**Sd/-**  
**GIRDHAR SABOO**  
**(Managing Director)**  
**DIN: 00364750**

# Saboo Sodium Chloro Limited

## CERTIFICATE OF COMPLIANCES WITH THE CORPORATE GOVERNANCE

(Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members,**  
**SABOO SODIUM CHLORO LIMITED.**

We have examined the compliance of conditions of corporate governance by Spectrum Foods Limited ('the Company') for the year ended 31<sup>st</sup> March, 2019, as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

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

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations except as follows:

Sr. No	Compliance Requirement (Regulations/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
01.	REGULATION 17 OFSEBI LODR REGULATION 2015	non appointment of women director	company has appointed the women director w.e.f. 26/09/2018
02.	REGULATION 47(4) OFSEBI LODR REGULATION 2015	advertisement in news paper	the company has made the advertisement in region language only.

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

Place: Jaipur  
Date: 30<sup>th</sup> May, 2019

Sd/-  
**Vinod Kumar Naredi**  
For Naredi Vinod and Associates  
Company Secretaries  
ACS 20453  
CP No. 7994

# Saboo Sodium Chloro Limited

## **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, 2019, 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: 30<sup>th</sup> May 2019**

**Sd/-**  
**GIRDHAR SABOO**  
**(Managing Director)**  
**DIN: 00364750**



# Saboo Sodium Chloro Limited

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

To,  
The Board of Directors  
Saboo Sodium Chloro Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Saboo Sodium Chloro Limited (“the Company”), to the best of our knowledge and belief certify that:

- a. We have reviewed the financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2019 and to the best of our knowledge and belief, we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company’s affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company’s code of conduct.
- c. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- e. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - i. significant changes, if any, in the internal control over financial reporting during the year;
  - ii. significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over financial reporting.

**Place: Jaipur**  
**Date: 30<sup>th</sup> May, 2019**

**Sd/-**  
**GIRDHAR SABOO**  
**Managing Director**  
**DIN: 00364750**

**Sd/-**  
**V.P. GAGRANI**  
**Chief Financial Officer**

## **REPORT OF THE AUDIT COMMITTEE**

To,  
The Shareholders,  
Saboo Sodium Chloro Limited,  
Jaipur

1. 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.
2. 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.
3. 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.
4. 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: 30<sup>th</sup> May, 2019**

**Sd/-**  
**Sanjay Sarna**  
**(Chairman)**  
**Audit Committee**

# Saboo Sodium Chloro Limited

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To  
The Members,  
Saboo Sodium Chloro Limited  
Surya House, L-5, B-II, Krishna Marg  
C-Scheme, Jaipur-302001 (Raj.)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Saboo Sodium Chloro Limited (hereinafter referred to as 'the Company') having CIN: L24117RJ1993PLC007830 and having registered office at Surya House, L-5, B-II, Krishna Marg C-Scheme, Jaipur-302001 (Raj.), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

<b>S. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>DIN</b>
1.	Mr. Girdhar Gopal Saboo	Managing Director	00364750
2.	Mr. Sanjay Sarna	Independent Director	07052586
3.	Mr. Neeraj Kumar Lakhota	Independent Director	05358002
4.	Mr. Bikash Kumar Lakhota	Independent Director	01470180
5.	Mrs. Bindu Saboo	Additional Director	08238638

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Jaipur**  
**Date: 30<sup>th</sup> May, 2019**

**Vinod Kumar Naredi**  
**For Naredi Vinod and Associates**  
**Company Secretaries**  
**ACS 20453**  
**CP No. 7994**

# Saboo Sodium Chloro Limited

## DECLARATION OF INDEPENDENCE

[Pursuant to Sec 149(7) of the Companies Act, 2013]

**Date:** 31.03.2019

To,  
The Board of Directors  
Saboo Sodium Chloro Limited  
Surya House, L-5, B-II, Krishna Marg  
C-scheme, Jaipur (Raj.)-302001

Dear Sir,

Pursuant to section 149 (7) of the Companies Act, 2013, I, **Sanjay Sarna (DIN: 07052586)**, S/o Late Mr. Som Nath Sarna, aged 43 years, resident of 72, New Rajapark, Ramgali No.7, Ward No. 31 Jaipur, 302004, Rajasthan, India, being an Independent Director in Saboo Sodium Chloro Limited (hereinafter being referred as **the Company**) the date of appointment was 23.12.2014, hereby declare that I fully meet the criteria as mentioned under section 149(6) of the companies Act, 2013 and such other rules & laws as may be applicable in this regards including the Listing agreement entered into by and between the company & the Stock Exchanges :

I hereby further declare **THAT-**

1. I am not/have never been a promoter of the company or its holding, subsidiary or associate company;
2. I am not/have never been **related** to promoters or directors or persons occupying management position at the board level or one level below the board in the company, its holding, subsidiary or associate company;
3. I am not/have never been in **pecuniary relationship or transaction** with the company, its holding, subsidiary or associate company, or their promoters, or directors, or senior management during the two immediately preceding financial years or during the current financial year;
4. None of my relatives has/had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or its promoters, or directors, amounting to two per cent. or more of its gross turnover during the two immediately preceding financial years or during the current financial year;
5. Neither me nor any of my relatives-
  - a) Holds or have held the position of a key managerial personnel or have been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which I was appointed as Independent Director in the company;
  - b) Have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which I was appointed as Independent Director in the company, of a firm of Statutory auditors or Internal auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm.
  - c) Hold together with my relatives two per cent or more of the total voting power of the company;
  - d) Are a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters,

# Saboo Sodium Chloro Limited

directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company.

6. I hereby undertake that the above is true to the best of my knowledge and understanding.
7. I hereby further undertake that as and when any circumstances arise which makes me lose my independence, I shall immediately inform the Board about the same.

Thanking You,  
Yours Faithfully,  
-sd-  
**Sanjay Sarna**  
**(DIN: 07052586)**  
**Independent Director**

# Saboo Sodium Chloro Limited

## DECLARATION OF INDEPENDENCE

[Pursuant to Sec 149(7) of the Companies Act, 2013]

**Date:** 31.03.2019

To,  
The Board of Directors  
Saboo Sodium Chloro Limited  
Surya House, L-5, B-II, Krishna Marg  
C-scheme, Jaipur (Raj.)-302001

Dear Sir,

Pursuant to section 149 (7) of the Companies Act, 2013, I, **Neeraj Kumar Agarwal (DIN: 05358002)**, S/o Mr. Ramesh Chand Agarwal, aged 60 years, resident of house no. KA-161, 2<sup>nd</sup> Floor, Sector no. 12 Pratap Vihar, Tehsil-sadar, Ghaziabad-201009, Uttar Pradesh, India, being an Independent Director in Saboo Sodium Chloro Limited (hereinafter being referred as **the Company**) the date of appointment was 23.01.2013, hereby declare that I fully meet the criteria as mentioned under section 149(6) of the companies Act, 2013 and such other rules & laws as may be applicable in this regards including the Listing agreement entered into by and between the company & the Stock Exchanges :

I hereby further declare **THAT-**

1. I am not/have never been a promoter of the company or its holding, subsidiary or associate company;
2. I am not/have never been **related** to promoters or directors or persons occupying management position at the board level or one level below the board in the company, its holding, subsidiary or associate company;
3. I am not/have never been in **pecuniary relationship or transaction** with the company, its holding, subsidiary or associate company, or their promoters, or directors, or senior management during the two immediately preceding financial years or during the current financial year;
4. None of my relatives has/had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or its promoters, or directors, amounting to two per cent. or more of its gross turnover during the two immediately preceding financial years or during the current financial year;
5. Neither me nor any of my relatives-
  - a) Holds or have held the position of a key managerial personnel or have been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which I was appointed as Independent Director in the company;
  - b) Have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which I was appointed as Independent Director in the company, of a firm of Statutory auditors or Internal auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm.
  - c) Hold together with my relatives two per cent or more of the total voting power of the company;

## Saboo Sodium Chloro Limited

- d) Are a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company.
6. I hereby undertake that the above is true to the best of my knowledge and understanding.
7. I hereby further undertake that as and when any circumstances arise which makes me lose my independence, I shall immediately inform the Board about the same.

Thanking You,

Yours Faithfully,

-sd-

**Neeraj Kumar Agarwal**

**(DIN: 05358002)**

**Independent Director**

# Saboo Sodium Chloro Limited

## DECLARATION OF INDEPENDENCE

[Pursuant to Sec 149(7) of the Companies Act, 2013]

**Date:** 31.03.2019

To,  
The Board of Directors  
Saboo Sodium Chloro Limited  
Surya House, L-5, B-II, Krishna Marg  
C-scheme, Jaipur (Raj.)-302001

Dear Sir,

Pursuant to section 149 (7) of the Companies Act, 2013, I, **Bikash kumar Lakhotia (DIN: 01470180)**, S/o Mr. Binod Kumar Lakhotia, aged 43 years, resident of house no. 6A, Iron Side Road, PO- Ballygunge, Kolkata 700019, West Bengal, India, being an Independent Director in Saboo Sodium Chloro Limited (hereinafter being referred as **the Company**) the date of appointment was 30.01.2009, hereby declare that I fully meet the criteria as mentioned under section 149(6) of the companies Act, 2013 and such other rules & laws as may be applicable in this regards including the Listing agreement entered into by and between the company & the Stock Exchanges :

I hereby further declare **THAT-**

8. I am not/have never been a promoter of the company or its holding, subsidiary or associate company;
9. I am not/have never been **related** to promoters or directors or persons occupying management position at the board level or one level below the board in the company, its holding, subsidiary or associate company;
10. I am not/have never been in **pecuniary relationship or transaction** with the company, its holding, subsidiary or associate company, or their promoters, or directors, or senior management during the two immediately preceding financial years or during the current financial year;
11. None of my relatives has/had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or its promoters, or directors, amounting to two per cent. or more of its gross turnover during the two immediately preceding financial years or during the current financial year;
12. Neither me nor any of my relatives-
  - e) Holds or have held the position of a key managerial personnel or have been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which I was appointed as Independent Director in the company;
  - f) Have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which I was appointed as Independent Director in the company, of a firm of Statutory auditors or Internal auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm.
  - g) Hold together with my relatives two per cent or more of the total voting power of the company;



## Saboo Sodium Chloro Limited

h) Are a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company.

13. I hereby undertake that the above is true to the best of my knowledge and understanding.

14. I hereby further undertake that as and when any circumstances arise which makes me lose my independence, I shall immediately inform the Board about the same.

Thanking You,

Yours Faithfully,

-sd-

**Bikash Kumar Lakhotia**

**(DIN: 01470180)**

**Independent Director**

# Saboo Sodium Chloro Limited

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2019**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
Saboo Sodium Chloro Limited  
Surya House, L-5, B-II, Krishna Marg  
C-Scheme, Jaipur-302001 (Raj.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Saboo Sodium Chloro Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Saboo Sodium Chloro Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Saboo Sodium Chloro Limited** ("the Company") for the financial year ended on **31<sup>st</sup> March, 2019** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit Period)**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
  - i) The Environment (Protection) Act, 1986

# Saboo Sodium Chloro Limited

j) The EPF & Misc. Provisions Act, 1952;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India, yet to be approved by the Central Government;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as follows:

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
02.	REGULATION 17 OFSEBI LODR REGULATION 2015	non appointment of women director	company has appointed the women director w.e.f. 26/09/2018
03.	REGULATION 47(4) OFSEBI LODR REGULATION 2015	advertisement in news paper	the company has made the advertisement in region language only.
04.	SECTION 186 OFTHE COMPANIES ACT 2013	loan and investment by company	company has not complied the provisions section 186 ofthe companies act 2013 .

## We further report that:

- 1) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 2) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 3) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Place: Jaipur**  
**Date: 30<sup>th</sup> May, 2019**

**Vinod Kumar Naredi**  
**For Naredi Vinod and Associates**  
**Company Secretaries**  
**ACS 20453**  
**CP No. 7994**

# Saboo Sodium Chloro Limited

## Annexure to the Secretarial Audit Report

To,  
The Members,  
Saboo Sodium Chloro Limited  
Surya House, L-5, B-II, Krishna Marg  
C-Scheme, Jaipur-302001 (Raj.)

We have appointed as Secretarial Auditor of the Company for conducting Secretarial Audit as per provision of Companies Act 2013 for Financial Year 2018-2019, we would like to inform that our report dated 30/05/2019, in this regards is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Jaipur**  
**Date: 30<sup>th</sup> May, 2019**

**Vinod Kumar Naredi**  
**For Naredi Vinod and Associates**  
**Company Secretaries**  
**ACS 20453**  
**CP No. 7994**

# Saboo Sodium Chloro Limited

## **SECRETARIAL STANDARDS REPORT** **For The Financial Year Ended 31<sup>st</sup> March, 2019**

**To,**  
**THE BOARD OF DIRECTORS**  
**SABOO SODIUM CHLORO LTD.**

We have examined the relevant registers, records and documents maintained by Saboo Sodium Chloro Ltd. ("the Company") for the financial year ended March 31, 2019 for compliances of Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) relating to Meetings of the Board of Directors (SS1) and General Meetings (SS2) as applicable during the Financial Year 2018-19.

The management has voluntarily decided to adhere to the Secretarial Standards and comply with the same. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the above said Secretarial Standards.

In our opinion and to the best of our information and according to the explanation given and documents/papers furnished to us, we report that the Company has complied with applicable Secretarial Standards relating to Meetings of the Board of Directors (SS1) and General Meetings (SS2).

**Place: Jaipur**  
**Date: 30<sup>th</sup> May, 2019**

**Vinod Kumar Naredi**  
**For Naredi Vinod and Associates**  
**Company Secretaries**  
**ACS 20453**  
**CP No. 7994**



## **Independent Auditor's Report**

To,  
The Members,  
Saboo Sodium Chloro Limited,  
Jaipur

### **Reports on the Financial Statements**

We have audited the accompanying financial statements of Saboo Sodium Chloro Limited. ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and the Cash Flow Statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

# Saboo Sodium Chloro Limited

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## 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 Act, 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 31<sup>st</sup> March 2019;

(b) in the case of profit and loss account, of the profit for the year ended on that date except as appearing in clause 2(g) below; and

(c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

## Report on Other Legal & Regulatory Requirement

As required by the Companies (Auditor's Report) Order, 2018 ('the Order'), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by sub-section 3 of Section 143 of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors as on March 31, 2019 taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2019 from being appointed as a Director in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

## Saboo Sodium Chloro Limited

1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;
2. There are no material foreseeable losses on long-term contracts including derivatives contracts on which provision is required to be made in the financial statements.
3. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

*For M/s P.K.S.& Company*  
*Chartered Accountant*  
*(Firm Registration No. 007007C)*  
*Piyush Kumar Singhi*  
*(Membership No. 075922)*

*Jaipur, May 30<sup>th</sup>, 2019*





### ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in our report of even date)

**Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section our report of even date to the members of SABOO SODIUM CHLORO LIMITED on the financial statements for the year ended 31<sup>st</sup> March 2019:**

- i.
  - (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) With respect to immovable properties of acquired land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed/court orders approving schemes of arrangements/amalgamations provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii. As per the information and explanation given to us, the management has conducted the physical verification of inventories at reasonable intervals. No material discrepancies were noticed on physical verification of the inventories as compared to books records
- iii. The Company has granted, during the year, unsecured advances to companies, firms, limited liability partnership or other parties covered in register maintained under section 189 of the Companies Act, 2013 hence reporting as under:
  - a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest except to the extent that no interest is charged by the company.
  - b) The schedule of repayment of principal and payment of interest (n.a.) has not been stipulated as the interest free loans are given on demand.
  - c) In view of the stipulation on interest and repayment amount of overdue not ascertainable at the end of the year.
- iv. In our opinion and according to the information and explanations given to us, during the year the company has complied with the provisions of section 185 & but has not complied with the provisions of section 186 of the Companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2018 with regard to the deposits accepted from the public are not applicable. According to the information and explanations given to us, no Order has been passed by

# Saboo Sodium Chloro Limited

the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company

- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Goods & Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.

(b) On the basis of information and explanation given to us, details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31st March, 2019 on account of disputes are given below:

## Annexure I

Name of the statute	Nature of dues	Amount Demanded	Amount Deposited	Period	Appeal Status
Income Tax Act,1961	Income Tax	Nil	Nil	AY 08-09	Pending before Hon'ble ITAT
Income Tax Act,1961	Income Tax	5150	Nil	AY 12-13	Pending before CPC
Income Tax Act,1961	Income Tax	6055390	Nil	AY 13-14	Pending before AO
Vat	Vat	184800	Nil	AY 16-17	Pending before CTO
Cst	Cst	129780	Nil	AY 16-17	Pending before CTO
ET	ET	1435791	717896	AY 14-15	Pending before CTO
ET	ET	356250	178124	AY 15-16	Pending before CTO
ET	ET	312403	Nil	AY 16-17	Pending before CTO
ET	ET	1475461	Nil	AY 15-16	Pending before CTO
Income Tax Act,1961	TDS	8698.50	Nil	AY 18-19	Pending before AO
Income Tax Act,1961	TDS	6716.00	Nil	AY 17-18	Pending before AO
Income Tax Act,1961	TDS	36727.50	Nil	AY 16-17	Pending before AO
Income Tax Act,1961	TDS	294451.00	Nil	AY 15-16	Pending before AO
Income Tax Act,1961	TDS	430754.98	Nil	Prior Years	Pending before AO

\*Though this year there are no tax implications in this year but in the subsequent years it may have tax implication to the tune of appx. Rs.157.32 lacs.

## Saboo Sodium Chloro Limited

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the note 33 of Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the company and hence not commented upon.
- xv. Based upon the audit procedure performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as covered under section 192 of Companies Act, 2013. Accordingly, the provisions of clause 3(xv) of the order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For M/s P.K.S.& Company**  
**Chartered Accountant**  
**(Firm Registration No. 007007C)**  
**Piyush Kumar Singhi**  
**(Membership No. 075922)**

**Jaipur, May 30<sup>th</sup>, 2019**



### **ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT**

**Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section our report of even date to the members of SABOO SODIUM CHLORO LIMITED on the financial statements for the year ended 31st March 2019**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Saboo Sodium Chloro Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

# Saboo Sodium Chloro Limited

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion to the best of our information and according to the explanations given to us, the Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*For M/s P.K.S. & Company*  
*Chartered Accountant*  
*(Firm Registration No. 007007C)*  
*Piyush Kumar Singhi*  
*(Membership No. 075922)*

*Jaipur, May 30<sup>th</sup>, 2019*

# Saboo Sodium Chloro Limited

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2019

	<i>Note</i>	<b>As at 31st March 2019 (in Rs.)</b>	<b>As at 31st March 2018 (in Rs.)</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders Fund</b>			
<b>(1) Share Capital</b>	2	241,825,000.00	241,825,000.00
(a) Share Application Money		-	-
(b) Reserve & Surplus	3	47,958,338.59	44,256,249.58
		<b>289,783,338.59</b>	<b>286,081,249.58</b>
<b>(2) Non-current Liabilities</b>			
(a) Long Term Borrowings	4	164,627,629.10	180,699,538.58
(b) Deferred Tax Liabilities	5	16,462,835.00	16,345,959.00
(c) Long Term Provision	6	1,474,288.00	1,420,679.00
		<b>182,564,752.10</b>	<b>198,466,176.58</b>
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings & Advances	7	100,809,186.19	114,650,108.08
(b) Trade Payables	8	27,367,055.17	49,329,108.00
(c) Other Current Liabilities	9	5,407,515.15	3,187,683.79
(d) Short Term Provisions	10	7,696,984.00	7,709,779.47
		<b>141,280,740.51</b>	<b>174,876,679.34</b>
<b>Total Liabilities</b>		<b>613,628,831.20</b>	<b>659,424,105.50</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Property, Plant & Equipment	11		
(I) Tangible Assets		183,018,104.49	156,036,132.23
(II) Intangible Assets		118,200.00	118,200.00
(III) Capital Work In Progress		47,663,545.00	82,204,776.00
		<b>230,799,849.49</b>	<b>238,359,108.23</b>
(b) Non Current Investments	12	11,215,003.54	11,240,004.00
(c) Long Term Loans & Advances	13	13,196,284.36	13,713,043.61
(d) Other Non-current Assets	14	-	-
		<b>24,411,287.90</b>	<b>24,953,047.61</b>
<b>(2) Current Assets</b>			
(a) Current Investments	15	4,606,780.00	4,562,241.00
(b) Inventories	16	140,517,891.15	160,130,251.25
(c) Trade Receivables	17	63,056,837.95	93,157,125.00
(d) Cash & Cash Equivalents	18	864,610.86	908,579.41
(e) Short Term Loans & Advances	19	148,870,679.25	136,894,380.00
(f) Other Current Assets	20	500,894.60	459,373.00
		<b>358,417,693.81</b>	<b>396,111,949.66</b>
<b>Total Assets</b>		<b>613,628,831.20</b>	<b>659,424,105.50</b>

As per our report of even date

For P.K.S.& Co.

Chartered Accountants (Firm Reg. No.007007C)

Sd/-

**Piyush Kumar Singhi**

Partner

Membership No.075922

Jaipur, May 30<sup>th</sup> 2019

For and on behalf of the Board of Directors

Sd/-

**Managing Director**

**Girdhar Gopal Saboo**

DIN: 00364750

Sd/-

**Director**

**Sanjay Sarna**

DIN:07052586

# Saboo Sodium Chloro Limited

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH 2019

	<i>Note</i>	Year Ended 31st March 2019 (in Rs.)	Year Ended 31st March 2018 (in Rs.)
(I) Revenue from operations	21	269,301,442.65	232,592,999.00
(II) Other Income	22	22,227,154.79	900,662.01
<b>Total Revenue</b>		<b>291,531,227.44</b>	<b>233,493,661.01</b>
<b><u>(III) Expenses:</u></b>			
Cost of materials consumed	23	93,431,627.59	117,429,363.07
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	45,576,109.45	(34,656,701.33)
Employee benefit expense	25	15,197,921.00	15,195,872.00
Financial costs	26	29,967,367.09	31,712,310.00
Depreciation and amortization expense	11	14,663,363.04	15,763,527.00
Other expenses	27	87,891,449.26	83,782,163.70
<b>Total Expenses</b>		<b>286,727,837.43</b>	<b>229,226,534.43</b>
<b>Profit and Loss before tax</b>		<b>4,800,760.01</b>	<b>4,267,126.58</b>
<b>Short/ (Excess) Provision for Earlier Year</b>			
<b>Tax expense:</b>			
Current tax ( <i>Provision</i> )		981,795.00	815,000.00
Deferred tax ( <i>Provision</i> )		116,876.00	1,338,370.00
<b>Total Tax Expenses</b>		<b>1,098,671.00</b>	<b>2,153,370.00</b>
<b>Profit and Loss after Tax for the Period</b>		<b>3,702,089.01</b>	<b>2,113,756.58</b>
<b>Earning per equity share:</b>			
Basic	32	<b>0.15</b>	<b>0.09</b>
Diluted		<b>0.15</b>	<b>0.09</b>

As per our report of even date attached

**For P.K.S. & Co.**  
**Chartered Accountants**  
Firm Reg. No.007007C

*Sd/-*  
**Piyush Kumar Singhi**  
**Partner**  
Membership No.075922  
Jaipur, May 30<sup>th</sup>, 2019

**For and on behalf of the Board of Directors**

*Sd/-*  
**Managing Director**  
**Girdhar Gopal Saboo**  
DIN: 00364750

*Sd/-*  
**Director**  
**Sanjay Sarna**  
DIN:07052586

# Saboo Sodium Chloro Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2019

PARTICULARS	31.03.2019	31.03.2018
<b><u>A. Cash Flow from Operating Activities</u></b>		
Net Profit before Tax and extraordinary items	4,800,760.01	4,267,126.58
<i>Adjustments for :</i>		
Depreciation	14,663,363.04	15,763,527.00
Dividend received	-	-
Interest (Income)	1,250,771.00	463,043.00
Profit on sale of fixed assets	145,342.00	-
Interest Expense	29,591,335.12	27,899,418.00
<b>Operating Profit before Working Capital Changes</b>	<b>50,451,571.17</b>	<b>48,393,114.58</b>
<i>Adjustments for :</i>		
Decrease/(Increase) in Inventories	19,612,360.10	(38,703,487.25)
Decrease/(Increase) in Trade & Other Receivables	30,100,287.05	(7,474,021.99)
Decrease/(Increase) in Other Assets	(41,521.60)	79,705.00
Increase/(Decrease) in Current Liability	(19,701,407.94)	11,198,874.44
Preliminary Exp. Not Written Off	-	140,798.00
<b>Cash Generated From Operations</b>	<b>80,421,288.78</b>	<b>13,634,982.78</b>
Income Tax	(981,795.00)	(815,000.00)
<b>Net Cash from Operating Activities</b>	<b>79,439,493.78</b>	<b>12,819,982.78</b>
<b><u>B. Cash Flow from Investing Activities</u></b>		
Purchase of Fixed Assets	(7,249,446.13)	(45,839,890.00)
Proceeds from sale of fixed assets	-	-
Interest Received	(1,250,771.00)	(463,043.00)
Sale/ (Purchase) of Investments	(19,538.54)	(2,501,789.00)
Decrease (Increase) in Loans & Advances and Other Assets	(11,459,540.00)	(16,588,514.23)
Dividend Income	-	-
<b>Net Cash from Investing Activities</b>	<b>(19,979,295.67)</b>	<b>(65,393,236.23)</b>
<b><u>C. Cash Flow from Financing Activities</u></b>		
Proceeds/(Repayment) of Long Term Borrowings	(16,071,909.48)	60,168,807.29
Proceed/(Repayment) of Short Term Borrowings	(13,840,921.89)	2,798,931.38
Issue of Share Capital/ Share Application Money	-	17,500,000.00
Interest paid	(29,591,335.12)	(27,899,418.00)
<b>Net Cash from Financing Activities</b>	<b>(59,504,166.49)</b>	<b>52,568,320.67</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(43,968.38)</b>	<b>(4,932.78)</b>
Cash and Cash Equivalents at the Beginning of the year*	908,579.24	913,512.02
<b>Cash and Cash Equivalents at the end of the year</b>	<b>864,610.86</b>	<b>908,579.24</b>

As per our report of even date attached

**For P.K.S.& Co.**

**Chartered Accountants**

Firm Reg. No.007007C

Sd/-

**Piyush Kumar Singh**

**Partner**

Membership No.075922

Jaipur, May 30<sup>th</sup>, 2019

**For and on behalf of the Board of Directors**

Sd/-

**Managing Director**

Girdhar Gopal Saboo

DIN: 00364750

Sd/-

**Director**

Sanjay Sarna

DIN:07052586



# Saboo Sodium Chloro Limited

## NOTE 1 FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR 2018-19

### **1. Company Information and Significant Accounting Policies**

#### **A. Reporting entity**

Saboo Sodium Chloro Limited is a Public Company domiciled in India and limited by shares (CIN: L24117RJ1993PLC007830). The shares of the Company are publicly traded on Bombay Stock Exchange Limited. The address of Company's registered office is L-5, B-II, Krishna Marg, C-scheme, Jaipur, Rajasthan-302001. The Company is primarily involved in the business of manufacturing of salt.

#### **B. Basis of preparation**

##### **1. Statement of Compliance**

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the said roadmap, the company is required to apply Ind AS starting from financial year beginning on or after 1<sup>ST</sup> April, 2018. Accordingly the financial statements of the company have been prepared in accordance with the Ind AS. These standalone financial statements are prepared on going concern basis following accrual basis of accounting and comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and applicable provisions of Companies Act, 1956. These are the Company's first Ind AS compliant financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards' has been applied.

For all the periods upto and including 31st March 2018, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India (referred as previous GAAP), accounting standards specified under Section 133 of the Companies Act, 2013, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956. The Company followed the provisions of Ind AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition, viz. 1 April 2016. Certain of the Company's Ind AS accounting policies used in the opening Balance Sheet differed from its previous GAAP policies applied as at 31 March 2016, and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustments arose from events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognized directly through retained earnings as at 1<sup>st</sup> April 2016.

These financial statements were authorised for issue by Board of Directors on 30<sup>th</sup> May, 2019.

##### **2. Basis of measurement**

The financial statements have been prepared on historical cost convention except for revalued costs and following material items which have been measured at fair value as required by IND AS-

- Defined benefit plans- Plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value

##### **3. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency.

##### **4. Current and Non-Current Classification**

The company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

# Saboo Sodium Chloro Limited

- Expected to be settled in normal operating cycle,
- Held primarily for the purpose of trading,
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred Tax asset/liabilities are classified as non-current.

## C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements. The Company has elected to utilize the option under Ind AS 101 by not applying provision of Ind AS 16, Ind AS 38 & Ind AS 40 retrospectively and continue to use the Indian GAAP carrying amount as deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment, Investment Property and Intangible Assets as at 1 April 2016, the Company's date of transition to Ind AS, according to the Indian GAAP were maintained in transition to Ind AS.

## 1. Property, plant and equipment

### 1.1 Initial recognition and measurement

An item of PPE is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of item can be measured reliably. Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

### 1.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that the future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

### 1.3 Depreciation

Assets are depreciated using straight line method over the estimated useful life of the asset as specified in Part "C" of Schedule II of Companies Act, 2013 after retaining residual life of 5% of original cost. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets.

The useful lives of the property, plant and equipment are as follows:

- Furniture & Fixtures - 10 years
- Office equipment - 5 years
- Buildings - 60 years
- Vehicles - 8 years
- Computers - 3 years
- Air conditioners - 5 years

### 1.4 De-recognition

Property, plant and equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

## 2. Investment Property

### 2.1 Initial Recognition

# Saboo Sodium Chloro Limited

Investment properties comprise portions of Leasehold land and office building that is held for long term rental yields and/or for capital appreciation. Investment Property is recognized only when it is probable that the future economic benefits that are associated with the investment property will flow to the company as the cost of the investment property can be measured reliably. Investment properties are initially recognised at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

## 2.2 Depreciation

The depreciation on building is calculated using the straight line method over the estimated useful life of building of 60 years as specified in Schedule II to the Companies Act, 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the changes arise.

## 2.3 De-recognition

Investment properties are de-recognised when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefits is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of de-recognition.

## 3. Intangible assets

### 3.1 Initial Recognition & measurement

Identifiable intangible assets are recognized

- When company controls the asset
- It is probable that future economic benefits will flow to the company
- The cost of the asset can be reliably measured

Intangible assets comprise Computer Software that is purchased for business operations of the company. Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make assets ready for its intended use.

### 3.2 Subsequent Cost

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measurably reliably.

### 3.3 Amortization

Intangible assets are amortized on straight line method basis as per the methodology provided and useful life of the asset mentioned in Schedule II of the Companies Act, 2013. Useful life of computer software is 6 Years. Amortization of intangible assets is included in the head depreciation & amortization expenses in the statement of profit & loss.

### 3.4 De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

## 4. Inventory

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. As company's inventory includes paid documents, net realizable value is calculated using exchange rate prevailing at the end of accounting year.

# Saboo Sodium Chloro Limited

## 5. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, cash at banks.

## 6. Foreign currency transactions and translation

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.

## 7. Borrowing costs

Borrowing costs specifically relating to the acquisition of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporary deployment of funds) as part of the cost of such assets. Borrowing cost consists of interest and other cost that the company incurs in connection with the borrowing of funds. All other borrowing costs are recognized in the Statement of Profit and Loss as expense in the period in which they are incurred.

## 8. Income Taxes

Income tax expense comprises current and deferred tax. Current tax expense is recognized in Statement of Profit and Loss A/c. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current income taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. Deferred tax is recognized in Statement of Profit and Loss A/c.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## 9. Provisions Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events

# Saboo Sodium Chloro Limited

not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements. Contingent liabilities are disclosed on the basis of judgment of management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are possible assets that arise from past events and whose existence will be continued only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are assessed continually to ensure that developments are appropriately reflected in financial statements.

## 10. Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company, the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable and taking into account contractually defined terms of payment. Company's revenues from sale of traded goods are recognized when all the significant risk & rewards of ownership of the goods have been passed to the buyer, usually on delivery. Revenue from services is recognized on rendering the services.

Revenue from other income comprises income from power generation, interest from banks, dividend from long term investments, profit on sale of Property, Plant and equipment, other miscellaneous income, etc. Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

Dividend income is recognized in profit or loss on the date when the Company's right to receive payment is established.

## 11. Employee benefits

### 11.1. Short term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are booked as an expense as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### 11.2. Post-Employment benefits

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types:

#### 11.2.1. Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Family Pension Funds are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation.

#### 11.2.2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

# Saboo Sodium Chloro Limited

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses in respect of gratuity are recognized in OCI in the period in which they arise.

## 11.3. Other long-term employee benefits

Benefits under the Company's leave encashment scheme constitute other long-term employee benefits. The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

## 12. Impairment of non-financial assets

As at each Balance Sheet, the company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If an indication exists, or when annual impairment testing for an asset is required, if any, the company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

## 13. Material prior period errors:

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

## 14. Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## 15. Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

## 16. Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount (higher of its fair value less costs to disposal or its value in use) is estimated. An impairment loss is recognized if the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its estimate recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount which is only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## 17. Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

# Saboo Sodium Chloro Limited

## 18. Financial Instruments

### 18.1 Financial Assets

#### Initial Recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

#### Subsequent measurement

##### Equity Investments

All equity investments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments which are held for trading are classified as at FAIR VALUE THROUGH PROFIT AND LOSS. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income or fair value through profit and loss. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at fair value through other comprehensive income, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

#### De-recognition of financial assets

A financial asset (or where applicable, a part of a financial asset or a part of a company of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either
  - (a) The company has transferred substantially all the risks and rewards of the asset
  - (b) The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets. For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

### 18.2 Financial Liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### Subsequent measurement

Subsequent measurement of financial liabilities depends on their classification, as described below:

# Saboo Sodium Chloro Limited

Financial liabilities at amortized cost after initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

## **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. The Company has not designated any financial liability as at fair value through profit and loss

## **De-recognition of financial liability**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

## **19. Fair Value measurement**

In determining the fair value of its financial instruments, the Entity uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. Refer to Note 49 (d) in for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

## **D. Use of estimates and management judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

## **1. Useful life of property, plant & Equipment**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The useful life of assets is determined in accordance with Schedule II of the Companies Act, 2013. The company reviews at the end of each reporting date the useful life of Property, Plant and Equipment.

## **2. Provisions and Contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

## **3. Income Taxes**



# Saboo Sodium Chloro Limited

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets/liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

## 4. Defined Benefit Plan

The cost of defined benefit plan and the present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## 5. Impairment of Financial assets

The impairment Provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

	<b>As at 31st March 2019 (in Rs.)</b>	<b>As at 31st March 2018 (in Rs.)</b>
<b>Note 2 : Share Capital</b>		
<b>a) Authorized :</b>		
2,50,00,000 equity shares of Rs. 10/- each (previous Year 2,50,00,000 equity shares of Rs.10 each)	250,000,000	250,000,000
	<b>250,000,000</b>	<b>250,000,000</b>
<b>b) Issued Capital:</b>		
24,182,500 equity shares of Rs. 10/- each (previous Year 241,82,500 equity shares of Rs.10 each)	241,825,000	241,825,000
	<b>241,825,000</b>	<b>241,825,000</b>
<b>c) Subscribed &amp; Paid Up Capital:</b>		
24,182,500 equity shares of Rs. 10/- each (previous Year 2,41,82,500 equity shares of Rs.10 each)	241,825,000	241,825,000
	<b>241,825,000</b>	<b>241,825,000</b>

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

<b>Name of Shareholder</b>	<b>As at 31st March, 2019</b>		<b>As at 31st March, 2018</b>	
	<b>% of shares</b>	<b>No. of Shares</b>	<b>% of shares</b>	<b>No. of Shares</b>
Girdhar Saboo	46.53	11252839.00	46.53	11252839.00
Archana Saboo	9.30	2250000.00	9.30	2250000.00

Note 2.2 Out of above, Mr. Girdhar Saboo & Archana Saboo are directors in the company and in other companies also. Mr. Girdhar Saboo is one of the director and shareholder

### 2.3 Reconciliation of number of shares outstanding

Equity Shares at the beginning of the year	24182500	24182500
Addition/ deletion during the year	-	-
Equity Shares at the end of the year	24182500	24182500

# Saboo Sodium Chloro Limited

## Note 3 : Reserve and Surplus

### Profit & Loss Account

Balance from Previous Year	20,736,249.58	18,622,493
Add: Profit During the Year	3,702,089.01	2,113,757
Add: Retained Earning	-	-
	<b>24,438,338.59</b>	<b>20,736,250</b>
<b>Share Premium</b>		
As per last balance sheet	<b>23,520,000</b>	<b>23,520,000</b>
<b>Total</b>	<b>47,958,338.59</b>	<b>44,256,250.00</b>

## Note 4 : Long Term Borrowings

### a) Secured Loan

Banks		
Term Loan For Rajgarh Solar SBI	25461712.00	28,948,762.00
ICICI Bank Ltd. - Car Loan	2944287.10	4,509,542.10
ICICI Bank Ltd. – Vehicle Loan	-	117,535.48
DHFL Term Loan 2018	93880214.00	98862469.00
Subsidy Received	5000000.00	5,000,000.00
TATA Cap Financial Services Private Ltd	36690460.00	43,261,230.00
Others	-	-
	<b>163,976,673.10</b>	<b>180,699,538.58</b>

Note 4.1:

1) SBI Term Loan (Govindi) is primarily secured against Plant, fixed assets of the company with extension of charge.

2) ICICI Bank Ltd. Car Loan is secured against car.

3) DHFL term Loan Is secured against Land at Pipla Bharat Singh, Ajmer Road Jaipur.

4) Kotak Prime Ltd. loan is secured against existing vehicles.

5) Tata Capital Financial Service Ltd. is primarily secured against Land at 502,503,493/554,201/1 Village Chirota Tehsil Sanganer, Jaipur in the Name of Rajasthan Mega Developers Pvt Ltd

6) IDFC First Bank is Business Loan Against Personal Guarantee of Mr. Girdhar Gopal Saboo

Terms of repayment are given below:

1) Term Loans taken from SBI is repayable in quarterly installments of Rs.12,36,000/- .

2) Loan Taken from ICICI Bank Ltd. is repayable in monthly EMI of Rs. 174890.00 each.

3) Loan Taken from IDFC First Bank Ltd. is repayable in monthly EMI of Rs. 140129.00 each.

4) Loan taken from DHFL is Repayable in monthly EMI of Rs. 1228283.00 each

5) Loan taken from Tata Capital Financial Service Ltd is repayable in monthly EMI of Rs. 547620.00 each.

6) Loan taken from Kotak Prime is repayable in monthly EMI of Rs.117155.00 each.

### b) Unsecured Loan

#### Others

Bajaj Finance Ltd III(2017-18)	1523.00	-
Madhur Gupta Jaipur	612960.00	-
Kotak Prime Ltd.	36473.00	-
<b>Total (a+b)</b>	<b>164,627,629.10</b>	<b>180,699,538.58</b>

## Note 5 : Deferred Tax Liabilities

Provision for Deferred Tax	16,462,835.00	16,345,959.00
	<b>16,462,835.00</b>	<b>16,345,959.00</b>

## Note 6 : Long Term Provision

# Saboo Sodium Chloro Limited

## Provision for Employee Benefits

Gratuity Payable	1,474,288.00	1,420,679.00
	<b>1,474,288.00</b>	<b>1,420,679.00</b>

## **CURRENT LIABILITIES**

### **Note 7 :Short Term Borrowings & Advances**

#### **Banks**

Rupee Loans-SBI CC	97,054,597.96	100,742,726.80
--------------------	---------------	----------------

#### **Others**

Short Term Advances, Inter Corporate Loans		13,907,381.28
--	--	---------------

IDFC FIRST BANK	3330770.95	-
-----------------	------------	---

Kotak Mahindra Loan II	423817.28	-
------------------------	-----------	---

	<b>100,809,186.19</b>	<b>114,650,108.08</b>
--	-----------------------	-----------------------

**Note 7.1 :** a) Working Capital Loans from SBI 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.

1) Loan Taken from IDFC First Bank Ltd. is repayable in monthly EMI of Rs 140129.00 each.

2) Loan taken from Kotak Prime is repayable in monthly EMI of Rs.117155.00 each.

### **Note 8: Trade Payables**

Sundry Creditors	22363701.82	45,983,090
Advances From Customers	5003353.35	3,346,018
	<b>2,73,67,055.17</b>	<b>4,93,29,108</b>

### **Note 9.1 :Liability Towards Employees**

Bonus Payable	86854	64,884
P. F. ( Employee Contribution)	29,558	29,539
P. F. (Employer) - Payable	29,558	29,808
Salary Payable	642748	14,573
Stipend Payable	16793	29,360
Wages Payable	-	586,226
	<b>8,05,511.00</b>	<b>7,54,390.00</b>

### **Note 9.2: Other Current Liabilities**

TDS Payable	1542064.39	754,221
GST Payable	307310.83	79,200
Administrative Charges On P.F. (Payable)	2984	2713
Audit Fee Payable	36000	-
Security Deposits	2591159.93	1,597,160
Spectrum Foods Ltd	76996	-
Girdhar Gopal Saboo	45489	-
	<b>46,02,004.15</b>	<b>24,33,293.79</b>

**Note 9.3 :** Out of the above amounts as referred to in above note 7,8 & 9 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 or overdue interest payable to such parties as at March 31, 2019 (March 31, 2018 : Rs. NIL )

# Saboo Sodium Chloro Limited

## Note 10 : Short Term Provisions

Provision For Exp.	343632	4,89,592
Provision For Taxation	7353352	7,220,187
	<b>76,96,984</b>	<b>77,09,779</b>

## Note 11 : Property, Plant & Equipment

Tangible Property, Plant & Equipment											
PARTICULARS	Gross Block				Depreciation				Net Block**		
	As at 31-Mar-2018	Addition/ Transfer During the Year	Retained Earning	Deletion	As at 31-Mar-2019	As at 31-Mar-2018	For the Year	/deletions	As at 31-Mar-2019	As at 31-Mar-2019	As at 31-Mar-2018
1. Land & Site Development	29,604,670.00	-	-	-	29,604,670.00	-	-	-	-	29,604,670.00	29,604,670.00
2. Building	73,613,198.00	37,895,438.00	-	-	111,508,636.00	51,464,510.15	1,954,435.18	-	53,418,945.33	58,089,690.67	22,148,687.85
3. Plant & Machinery	302,925,190.00	1,186,192.00	-	474,996.00	303,636,386.00	200,647,609.15	11,448,681.97	120,338.00	211,975,953.12	91,660,432.88	102,277,580.85
4. Furniture & Fixture	2,564,077.00	945,623.00	-	-	3,509,700.00	2,432,170.34	188,428.04	-	2,620,598.38	889,101.62	131,906.66
5. Vehicles	16,680,378.00	115,353.00	-	-	16,795,731.00	15,159,583.75	571,483.11	-	15,731,066.86	1,064,664.14	1,520,794.25
6. Office Equipments	3,139,145.00	-	-	-	3,139,145.00	2,786,652.39	164,173.73	-	2,950,826.12	188,318.88	352,492.61
7. Computers And data Processing Unit	-	140,606.00	-	-	140,606.00	-	38,772.00	-	38,772.00	101,834.00	-
8. Electrical Instalation and Equipment	-	1,661,267.30	-	-	1,661,267.30	-	286,674.00	-	286,674.00	1,374,593.30	-
9. Mobile	-	55,514.00	-	-	55,514.00	-	10,715.00	-	10,715.00	44,799.00	-
<b>Sub-Total</b>	<b>428,526,658.00</b>	<b>41,999,993.30</b>	<b>-</b>	<b>474,996.00</b>	<b>470,051,655.30</b>	<b>272,490,525.77</b>	<b>14,663,363.04</b>	<b>120,338.00</b>	<b>287,033,550.81</b>	<b>183,018,104.49</b>	<b>156,036,132.23</b>
WIP	82,204,776.00			34,541,231.00	47,663,545.00					47,663,545.00	82,204,776.00
<b>Total</b>	<b>510,731,434.00</b>	<b>41,999,993.30</b>	<b>-</b>	<b>35,016,227.00</b>	<b>517,715,200.30</b>	<b>272,490,525.77</b>	<b>14,663,363.04</b>	<b>120,338.00</b>	<b>287,033,550.81</b>	<b>230,681,649.49</b>	<b>238,240,908.23</b>

Intangible Property, Plant & Equipment											
PARTICULARS	Gross Block				Depreciation				Net Block		
	As at 31-Mar-2018	Addition/ Transfer During the Year		during the	As at 31-Mar-2019	As at 31-Mar-2018	For the Year	/deletions	As at 31-Mar-2019	As at 31-Mar-2019	As at 31-Mar-2018
Trade Mark	118,200.00	-	-	-	118,200.00	-	-	-	-	118,200.00	118,200.00
<b>Total</b>	<b>118,200.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118,200.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118,200.00</b>	<b>118,200.00</b>

## Note 12: Non-Current Investments

### Trade Investment - Unquoted

NSC Post Office	4,000.00	29,000.00
-----------------	----------	-----------

### Other Investments

#### In Equity Shares of Associate Company

Fortress Hotels & Resorts P Ltd - Unquoted	11,065,500.00	11,065,500.00
--	---------------	---------------

#### Other Companies

Unquoted	145,503.54	145,504.00
	<b>11,215,003.54</b>	<b>11,240,004.00</b>

Aggregate Amount of Quoted Investments

-

Aggregate Amount of UnQuoted Investments

11,215,003.54

11,240,004.00

## Note 13 : Long Term Loans & Advances

(Unsecured considered good)

TDS & Advance Tax	178,657.23	706,016.48
MAT Credit Entitlement	6,492,900.00	6,492,900.00
Security Deposits	6,524,727.13	6,514,127.13

# Saboo Sodium Chloro Limited

**13,196,284.36**      **13,713,043.61**

Note 13.1: The company has Rs.64.93 lacs as MAT credit entitlement as per the return filed for the AY 2015-16. The company is liable to pay MAT and no regular tax is payable by the company during the year. As a matter of prudence, this MAT credit is shown as asset as the same would be available for set off towards regular tax liability.

## Note 14 : Other Non Current- Unamortised Expenses

Preliminary Expenses	-	-
	-	-

## CURRENT ASSETS

### Note 15: Current Investments

Trade Investment		
In Certificate of Deposits - Unquoted		
FFD With HDFC-6107	457,695.00	
State Bank Of India	4,149,085.00	4,562,241.00
	4,606,780.00	4,562,241.00
Aggregate Amount of Quoted Investments	-	-
Aggregate Amount of UnQuoted Investments	<b>4,606,780.00</b>	<b>4,562,241.00</b>

### Note 16: Inventories

(lower of cost or net realisable value)

Raw Material	34,912,875.02	14,550,166.62
Packing Material	10,763,181.89	6,601,767.65
Consumables (Stores and Spares)	2,185,049.36	727,272.64
Finished goods	91,851,501.88	100,203,694.33
Wastage and Salvage Goods	-	18,150.00
REC Stock	-	38,029,200.00
Food & Beverages	356,246.00	-
Stores and Operating Supplies	449,037.00	-
	<b>140,517,891.15</b>	<b>160,130,251.25</b>

Note 16.1: The Management is of the view that now there is reasonable certainty with regard to the realization of the Certificates of power generation as received from the appropriate authority. Therefore inventory of such certificates have been valued and accounted as per prudent approach and as per past practice.

### Note 17 :Trade Receivables

(unsecured and considered good)

More than 6 Months	8,021,831.10	-
Others	55,035,006.85	93,157,125.00
	<b>63,056,837.95</b>	<b>93,157,125.00</b>

### Note 18 : Cash And Cash Equivalents

Cash In hand	1,521,317.20	473,439.00
Balances with Scheduled Banks	(656,706.34)	435,140.41
	<b>864,610.86</b>	<b>908,579.41</b>

### Note 19 : Short Term Loan And Advances

(Unsecured considered good)

Imprest A/C	2,288,116.41	108,049.00
-------------	--------------	------------

# Saboo Sodium Chloro Limited

Loans & Advances to Related Parties	131,685,504.15	123,216,458.00
Other Advances	22,000.00	22,000.00
Advances For Goods and Expenses	14,875,058.69	13,547,873.00
	<b>148,870,679.25</b>	<b>136,894,380.00</b>

## Note 19.1: Loans & Advances given to Related Parties:

	<b>As at 31st March 2019</b>	<b>Max. Bal. outstanding in the year</b>
Tiger Salt Pvt Ltd.	22,444,983.00	22629983.00
Rajasthan Mega Developers P Ltd	4,267,400.00	4267400.00
Spectrum Foods Ltd.	40,000,000.00	40000000.00
Fortress Hotels & Resorts Pvt Ltd	5,744,700.00	5944700.00
Nawa Hotels and Resorts Private Limited	20,921,099.00	23736099.00
Saboo Damodar Ropeways Private Limited	1,935,556.00	1935556.00
Saboo Energy & Power Pvt. Ltd.	(85,544.00)	(85,544.00)
Girdhar Gopal Saboo	36,056,110.15	39,118,303.15
Nawa Salt Pvt. Ltd. - Jpr	401200.00	-

**Note 19.2:** All the above advances are on demand and non-interest bearing. The management considers all such advances as good.

**Note 19.3:** As the advances are on demand, the same are treated as short term though the same are outstanding for more than one year.

## Note 20 : Other Current Assets

Prepaid Insurance	246,517.00	459,373.00
Capital First Ltd. II-TDS	34,463.00	-
Edelweiss Loan-TDS	20,125.00	-
Equitas Small Finance Bank Ltd-TDS	19,201.00	-
IndusInd Bank Loan-TDS	49,305.60	-
Kotak Mahindra Loan-TDS	34,850.00	-
Magma Fincorp Ltd-TDS	27,110.00	-
Religare Finvest Pvt Ltd-TDS	10,584.00	-
Tata Capital Financial Services TDS	26,830.00	-
Tata Capital Financial Services-TDS	31,909.00	-
	<b>500,894.60</b>	<b>459,373.00</b>

## Note 21 : Income From Operations

### Products

Sales Salt	245,159,913.54	226,877,366.00
Income from Sale of Solar Power (Government)	14,541,282.00	4,260,554.00
Income from Sale of Electricity (Third Party)	1,482,539.00	1,455,079.00
Room Revenue & Banquet Revenue	5153778.60	-
Food & Restaurants Revenue (F & B Sales)	2867460.27	-
SPA Sales	96469.24	-
	<b>269,301,442.65</b>	<b>232,592,999.00</b>

## Note 22 : Other Income

Discount Received and Rate Difference	2,360.08	10,488.86
Dividend Received	275.00	-
Interest From Parties	666,053.00	439,740.00

# Saboo Sodium Chloro Limited

Interest On FDR	584,718.00	23,303.00
Miscellaneous A/c W/Off	20,773,636.75	369,062.15
Rate Difference	54,769.96	58,068.00
Profit\Loss on sale of fixed assets	145,342.00	
	<b>22,227,154.79</b>	<b>900,662.01</b>

**Note 22.1:** Misc. income includes net of credit and debit balances written off against which no amount is expected to be payable or receivable as per the management.

## Note 23 : Cost of Raw Material Consumed

Raw Material Consumed	69,756,133.44	90,416,429.24
Packing Material Consumed	17,926,624.76	26,894,239.83
Purchases of Trading Material	3,099,702.26	118,694.00
Wastage and Salvage Goods	18,150.00	
Consumable Store	1339612.52	-
Kitchen Expenses	1198139.61	-
Kitchen Maintenance Expenses	49000.00	-
Wages Expenses	13700.00	-
Laundry Expenses	23565.00	-
House Keeping Expenses	7000.00	-
	<b>93,431,627.59</b>	<b>117,429,363.07</b>

### Note 23.1:

#### a) Raw Material Consumed Includes

Raw Salt	70,424,841.83	88,911,943.63
Iodine	386,642.70	669,374.47
PFC	417,528.92	835,111.14
	<b>71,229,013.44</b>	<b>90,416,429.24</b>

#### b) Packing Material Consumed Includes

HDPE Bardana	6,453,264.75	8,533,884.29
Poly Pouch	10,235,188.92	13,850,414.56
Laminated Roll	1,238,171.09	4,509,940.98
	<b>17,926,624.76</b>	<b>26,894,239.83</b>

### Note 23.2: Value of Raw Material & Packing Material Consumed

	<b>2018-19</b>	<b>2017-18</b>
Imported		
Indigenous	92,255,340.46	117,429,363

### Note 23.3: Value of Imports on CIF Basis in respect of:

	<b>2018-19</b>	<b>2017-18</b>
Raw Material	-	-
Packing Material	-	-

## Note 24 : Changes in Inventories of Finished Goods, WIP & Stores

### Opening Stock

Salt	100,203,694.33	65,181,193.00
REC Stock	38,029,200.00	38,395,000.00
	<b>138,232,894.33</b>	<b>103,576,193.00</b>

### Closing Stock

Salt	91,851,501.88	100,203,694.33
REC Stock	-	38,029,200.00
Food & Beverages	356246.00	-
Stores and Operating Supplies	449037.00	-

# Saboo Sodium Chloro Limited

<b>92,656,784.88</b>	<b>138,232,894.33</b>
<b>45,576,109.45</b>	<b>(34,656,701.33)</b>

## Note 25 : Employees Benefit Expenses

Salaries	3,778,510.00	2,465,318.00
Directors Remuneration & Perquisites	3,832,695.00	3,600,000.00
HRA Allowances on wages	937,504.00	1,242,395.00
Bonus	55,163.00	76,479.00
Canteen Exp.	108,566.00	71,312.00
Employer Contribution to P.F.	353,603.00	379,686.00
Gratuity	53,609.00	53,609.00
Security Maint. Exp.	132,257.00	-
Stipend to Apprentice	11,032.00	73,427.00
Wages	5,882,669.00	7,176,376.00
Workmen & Staff Welfare	52,313.00	57,270.00
	<b>15,197,921.00</b>	<b>15,195,872.00</b>

**Note 25.1 :** The Company has not complied with mandatory accounting standard AS-15 on employees benefit in so far as the provision for post-retirement benefit are concerned (see notes also). Leave encashment etc. are charged on cash basis.

## Note 26 : Financial Costs

Bank Commission & charges	227,556.97	93,790.00
Brokerage	7,080.00	30,605.00
Processing Fees on Bank Loan	141,395.00	3,688,497.00
Interest On Bank Borrowing & Others	29,591,335.12	27,899,418.00
	<b>29,967,367.09</b>	<b>31,712,310.00</b>

## Note 27 : Other Expenses

Note 27.1 : Auditor's Remuneration

Statutory Audit Fees	36,000.00	-
Tax Audit Fees	-	-
	36,000.00	-

## Note 27.2 : Selling & Distribution Exp

Advertisement Expenses	1,896,795.15	4,394,292.00
Discount & Rebate	1,180,335.00	-
Sales Distribution & Retailing Exp.	2,429,112.00	4,917,380.00
Quality Discount	1,360,813.00	-
Freight Outward (Factory)	31,333,549.00	43,694,409.00
Sales Promotion Exp.	44,487.00	132,790.00
Travelling Exp.	533,113.40	760,489.83
	<b>38,778,204.55</b>	<b>53,899,360.83</b>

**Note 27.2.1:** Selling & distribution expenses also include salary paid to the marketing staff of the company.

**Note 27.2.2:** Travelling expenses includes director travelling expenses consisting of expenses of lodging, boarding and other expenses incurred.

## Note 27.3 : Other Expenses



# Saboo Sodium Chloro Limited

## a) Manufacturing Expenses

Electricity & Duty Exp.	6,115,560.90	7,258,895.14
Entry Tax	895,959.00	393,997.00
Freight Inward	690,498.00	1,310,056.00
Laboratory Expenses	7,080.00	35,920.00
Power & Fuel ( <i>diesel &amp; fire wood</i> )	7,432,489.29	6,445,583.23
Labour Exp (Loading & Unloading)	58,031.00	29,066.00
Store & Spares	976,781.00	1,054,930.74
Building Repair & Maintenance	70,427.00	443,566.00
Insurance	554,377.00	320,513.00
Plant & Machinery Repair	361,234.00	704,564.40
Raw salt Kyar Repair	128,725.00	139,170.00
Repair & Maintenance (D.G.Set)	1,500.00	88,994.00
Repair & Maintenance Of J.C.B.	2,040.00	8,965.00
Boiler Operating Expenses	342,000.00	489,083.00
Trade & Retailer Discount	22,188,570.00	-
Retailer Discount	-	25,530.00
Packing Expenses	1,018,071.00	-
General Expenses (Catering Supplies)	55974.46	-
Labour Cess (RBOCWB Jaipur)	50000.00	-
Repair & Maintenance (Other)	63835.93	-
Repair & Maintenance of Electricity	46920.00	-
<b>Total (a)</b>	<b>41,060,073.58</b>	<b>18,748,833.51</b>

<b>Note 27.3.1:</b> Value of Stores Consumed	<b>2018-19</b>	<b>2017-18</b>
Imported		
Indigenous	976,781.00	1,054,930.74
<b>Note 27.3.2:</b> Value of Imports of CIF Basis in respect of stores		

## b) Administrative Expenses

Administrative Charges on PF	35,076.00	38,766.00
Annual Custodial Fees	88,500.00	51,313.00
Computer Exp.	44,726.00	72,631.00
Donation	16,205.00	4,550.00
Electricity & Water	23,000.00	15,000.00
Environment Exp.	-	1,514,557.17
General Expenses	381,549.93	171,458.75
Insurance Expenses	133,077.00	444,196.00
Legal & Professional charges	1,202,695.57	1,377,914.00
Listing Fees	295,000.00	287,500.00
Membership & Subscription	913,431.38	845,348.00
Postage Telegram & Telephone Expenses	252,285.80	148,263.00
Printing & Stationery	258,147.90	287,294.00
Rent Rates & Taxes	1,340,740.00	1,701,213.93
Rating Exp	-	76,700.00
Repair & Maintenance	60,960.00	809,099.51
REC Fees	301,073.50	62,170.00
Share Transfer Expenses	129,638.00	61,436.00

# Saboo Sodium Chloro Limited

Travelling & Conveyance	1,158,635.00	1,647,344.00
Preliminary Exp W/O	-	140,798.00
Service Tax	-	434,336.00
Interest On OLD PF	165.00	-
Interest On TDS	19,534.00	-
Late Fees for GST	4,600.00	-
AMC Charges for Solar Plant	744,500.00	944,000.00
Prior Period Expenses	162,893.00	-
Sundry Balance W/off	89,777.62	899.00
Mobile & TV Recharges	70850.23	-
MMT Commission	208605.20	-
Registration And Licence Fees	44700.00	-
Ezee Ultimate Software	36805.00	-
<b>Total (b)</b>	<b>8,017,171.13</b>	<b>11,136,787.36</b>
<b>Total (a+b)</b>	<b>49,077,244.71</b>	<b>29,885,620.87</b>

**Note 27.3.3:** Travelling expenses includes director travelling expenses consisting of expenses of lodging, boarding and other expenses incurred

**Note 27.3.4:** Membership and subscription expenses mainly include expenditure incurred by Directors.

<b>Note 28 : Expenditure in Foreign Currency</b>	<b>2018-19</b>	<b>2017-18</b>
Expenses (excl. travelling)	-	-

<b>Note 29 : Earnings in Foreign Exchange</b>	<b>2018-19</b>	<b>2017-18</b>
Sale of Goods	-	-

## Note 30: Basic & Diluted EPS

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Basic Earnings Per Share</b>		
Net Profit/Loss (after tax)	3,702,089.01	2,113,756.58
No. of Share	24,182,500.00	24,182,500.00
Face Value (Per Share)	10.00	10.00
EPS-Basic	0.15	0.09
<b>Diluted Earnings Per Share</b>		
Net Profit/Loss (after tax)	3,702,089.01	2,113,756.58
No. of Share	24,182,500.00	24,182,500.00
Face Value (Per Share)	10.00	10.00
EPS- Diluted	0.15	0.09

## Note 31: Related Party Disclosures

a. Key Management Personnel	:	Girdhar Gopal Saboo
b. Associate Companies	:	Spectrum Foods Ltd.
	:	Rajasthan Mega Developers P Ltd
	:	Nawa Salts P Ltd.
	:	Tiger Salts P Ltd.
	:	Saboo Damodar Ropeways Private Limited
	:	Fortress Hotels and Resorts Private Limited

# Saboo Sodium Chloro Limited

: Nawa Hotels and Resorts Private Limited  
 : Saboo Energy & Power Pvt. Ltd.

<b>Disclosure of Transactions with the Related Persons</b>	<b>Year Ended 31st March, 2019</b>	<b>Year Ended 31st March, 2018</b>
<b>Summary of Transaction of Revenue Nature</b>		
<b>a. Key Management Personnel &amp; Directors</b>		
Director Remuneration ( <i>excluding perquisites, TA/DA etc.</i> )		
Girdhar Gopal Saboo	3832695.00	3,606,445.00
Sanjay Sarna (Independent Director)	243691.00	248,571.00
Neeraj Agarwal (Independent Director)	240000.00	240,000.00
Rent Paid - Girdhar Gopal saboo	1200000.00	1,200,000.00
<b>b. Associate Companies</b>		
Purchases	56232000.00	49,704,000.00

## Summary of Other Transactions

### Loans & Advances Given (Refunded)

a. Key Management Personnel  
 b. Associate Companies (*Gross Amounts*)  
*(including transactions of revenue nature in case of Spectrum Foods Ltd.)*

		<b>Year Ended 31st March, 2019</b>	<b>Year Ended 31st March, 2018</b>
<b>Transactions with Related Parties</b>			
<b>a. Key Management Personnel</b>			
Girdhar Gopal Saboo	Managerial Remuneration	3832695	3,606,445.00
Neeraj Agarwal	Director's Sittng fees	240000	240,000.00
Sanjay Sarna	Director's Sittng fees	243691	248,571.00
Archana Saboo (Co-founder of Samskara Resort)	Salary to Director's Wife	300000	300,000.00
Girdhar Gopal Saboo	Rent	1200000	1,200,000.00
<b>b. Associate Companies</b>			

### Revenue Transaction

Spectrum Foods Ltd.	Purchases	56,232,000.00	49,704,000.00
Spectrum Foods Ltd. ( <i>closing balance</i> )	Advances against purchases	-	-

### Financial Transactions

#### Loans & Advances Given/ Repaid

<i>Transactions</i>		<i>Debit</i>	<i>Credit</i>	<i>Net Received/ (paid)</i>
---------------------	--	--------------	---------------	-----------------------------

# Saboo Sodium Chloro Limited

Nawa Salts Pvt Ltd	1,000,000.00	80000	(920,000.00)
Nawa Hotels & Resorts Pvt. Ltd	5,000.00	2820000	2,815,000.00
Tiger Salts Pvt. Ltd.	350,000.00	425000	75,000.00
Fortress Hotels & Resorts Pvt. Ltd.	90,000.00	255000	165,000.00
Rajasthan Mega Developers Pvt Ltd.	25,000.00	25000	-
Saboo Damodar Roapways Pvt Ltd	3,000.00	0	(3,000.00)
Saboo Energy & Power Pvt. Ltd.	-	115000	115,000.00
Girdhar Gopal Saboo	16,307,327.96	9163070	(7,144,258.03)

## Outstanding Balances (Dr.)

	<i>As at 31st March 2019</i>	<i>Max. Balance outstanding during the year</i>	<i>As at 31st March 2018</i>	<i>Max. Balance outstanding during the year</i>
Tiger Salt Pvt Ltd.	22444983.00	22,644,983.00	22519983.00	32,519,383.00
Rajasthan Mega Developers P Ltd	4267400.00	4,267,400.00	4267400.00	4,267,400.00
Nawa Salt Pvt Ltd.	401200.00	401,200.00	518800.00	524,600.00
Fortress Hotels & Resorts Pvt Ltd	5744700.00	5,944,700.00	5909700.00	5,994,700.00
Nawa Hotels and Resorts Private Limited	20921099.00	23,736,099.00	23736099.00	23,736,099.00
Saboo Damodar Ropeways Private Limited	1935556.00	1,935,556.00	1932556.00	1,967,556.00
Saboo Energy & Power Pvt. Ltd.(Cr)	85544.00	85,544.00	29456.00	29,456.00
Spectrum Foods Ltd.*	4000000.00	40,000,000.00	4000000.00	40,000,000.00
Girdhar Gopal Saboo	36056110.15	39,450,555.86	24821264.00	24,821,264.00

\*excluding trading transactions

## Note 32: Contingent Liabilities & Commitments

	<i>As at 31st March, 2019</i>	<i>As at 31st March, 2018</i>
a. Contingent Liabilities		
A. Claims against the company/ disputed liabilities not acknowledged as debt		
i) in respect of joint ventures		
ii) in respect of others*	12,191,087.00	12,191,087.00
B. Guarantees		
(i) Guarantees given to bank and financial institutions against credit facilities extended to third parties		
i) in respect of joint ventures		
ii) in respect of others	0	-

## b. Commitments

There are no contracts remained to be executed on capital account.

\* Estimated amount involved in suits. The company has been advised that the demand is likely not to be raised or deleted substantially and as such no provision is considered necessary

\*\* In AY 2008-09, a disallowance of brought forward depreciation was made totaling to Rs.168.39 lacs which stands confirmed by the first appellate authority. However, the company is advised that there is strong case

# Saboo Sodium Chloro Limited

in favor of the assessee and the Hon'ble ITAT may give a substantial relief in the matter. As such no provision is being made against the same.

## Note 34: Financial & Derivative Instruments

The company has not entered into any long term contracts including derivative contracts during the year.

## Note 35: Details of Loans Given, Invst. Made & Guarantees Given u/s 186(4) of the Companies Act, 2013

	As at 31st March, 2019	As at 31st March, 2018
(i) Loans & Advances Given	See note 33 above	
(ii) Guarantees given to bank and financial institutions against credit facilities extended to Spectrum Foods Ltd.	-	-
(iii) Investment made Fortress Hotels & Resorts P Ltd - Unquoted	-	-
<i>*no loans, guarantee or investment during the year. Only opening balances exists</i>		

## Note 36: Interest in Joint Venture

The company has not entered into any joint venture during the year.

**Note 37:** Provisions relating to Corporate Social Responsibility as provided in section 135 of the Companies Act, 2013 are not applicable to the company.

**Note 38:** No Research & Development expenses were made during the year.

**Note 39:** Information regarding defined benefit plans and defined benefit obligation is not available with the company and the company has not complied with the AS -15 relating to Employee Benefit

## Note 40: Segment Reporting

### i) Primary Segment Revenue

	Salt Business 2018-19	Energy* 2018-19	Resort 2018-19	Total 2018-19
External Turnover	2451.60	160.24	81.18	2693.02
Inter Segment Revenue	209.63	0	0.13	209.76
<b>Total</b>	<b>2661.23</b>	<b>160.24</b>	<b>81.31</b>	<b>2902.78</b>
Segment Results	178.99	149.78	2.63	331.4
Interest Income	12.51	0	0	12.51
Interest Expenses	95.4	29.25	171.26	295.91
Other Exp.	0	0	0	0
<b>Profit before Tax</b>	<b>96.10</b>	<b>120.53</b>	<b>-168.63</b>	<b>48.00</b>
Short/ (Excess) Provision of Earlier Year	10.98	0	0	10.98
<b>Profit after Tax</b>	<b>85.12</b>	<b>120.53</b>	<b>-168.63</b>	<b>37.02</b>

**Note 41:** Previous year's figures have been regrouped or reclassified wherever considered necessary

## SABOO SODIUM CHLORO LIMITED

Regd. Office: Surya House, L-5, B-II, Krishna Marg, C-Scheme, Jaipur-302001 Rajasthan, (India)

### ATTENDANCE SLIP

26<sup>th</sup> Annual General Meeting on 28<sup>th</sup> day of September 2019 at 04.30 p.m.

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. PLEASE ALSO BRING YOUR COPY OF THE ENCLOSED ANNUAL REPORT

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting to be held on Saturday, 28<sup>th</sup> day of September 2019 at 04.30 p.m. at "Surya House", L-5, B-II, Krishna Marg, 'C' Scheme, Jaipur-302001 Rajasthan (India)

1. Name of the Attending Member \_\_\_\_\_  
(in Block Letters)

2. Regd. Folio Number \_\_\_\_\_

3. DP id. \* \_\_\_\_\_

4. Client Id.\* \_\_\_\_\_

5. Name of the Proxy (In Block Letters) \_\_\_\_\_

(To be filled in if the proxy attends instead of member)

6.No. of shares held: \_\_\_\_\_

\*Applicable for Investors holding shares in electronic form

I hereby record my presence at the Annual General Meeting held at L-5, B-II, Krishna Marg, 'C' Scheme, Jaipur-302001 Rajasthan, (India) on Saturday, 28<sup>th</sup> day of September 2019 at 04:30 p.m.

.....  
Signature of the shareholders/ Proxy

#### **NOTES:**

1. Shareholders/ proxy holders are requested to bring the attendance slip with them when they come to the meeting. No attendance slip is issued at the time of meeting.
2. This attendance slip is valid only in case shares are held in the date of AGM.

# Saboo Sodium Chloro Limited

## Proxy Form

**(FORM NO. MGT - 11)**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_  
 \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Folio No./Client ID: \_\_\_\_\_ DP ID: \_\_\_\_\_

I / We being the Member(s) of \_\_\_\_\_ shares of Saboo Sodium Chloro Limited here by appoint

1. Name.....  
 Address.....  
 Email Id.....Signature.....or failing  
 him
  
2. Name.....  
 Address.....  
 Email Id.....Signature.....or failing  
 him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26<sup>th</sup> Annual General Meeting of the company, to be held on Saturday, 28<sup>th</sup> day of September 2019 at 04.30 p.m. at L-5, B-II, Krishna Marg, 'C' Scheme, Jaipur-302001 Rajasthan, (India) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution no.	Subject Matter of the Resolution	Optional*	
		For	Against
<b>ORDINARY BUSINESS:</b>			
1.	<b>Adoption of the Audited Financial Statements and Reports thereon for the year ended March 31st, 2019</b>		
2.	<b>To re-appoint M/s P.K.S. &amp; Company., Chartered Accountants, the retiring Statutory Auditors and fix their remuneration</b>		
<b>SPECIAL BUSINESS:</b>			
3.	<b>Regularisation of Mrs. Bindu Saboo (DIN:08238638) as a non-executive woman Director of the Company liable to retire by rotation</b>		

# Saboo Sodium Chloro Limited

4.	<b>To re-appoint Mr. Girdhar Gopal Saboo (DIN: 00364750) as a Managing Director of the company</b>		
5.	<b>To appoint Mr. Durgesh Sharma (DIN: 08540732) as a Whole-time Director of the company, liable to retire by rotation</b>		
6.	<b>To enter into Related Party Transactions</b>		
7.	<b>To re-appoint Mr. Neeraj Kumar Agarwal (DIN: 05358002) as an Independent Director:</b>		
8.	<b>To re-appoint Mr. Bikash Kumar Lakhotia (DIN: 01470180) as an Independent Director:</b>		
9.	<b>To make Investments, Give Loans, Guarantees And Provide Securities Under Section 186 of the Companies Act,2013</b>		

Signed this.....day of .....2019

*Affix  
revenue  
stamp*

-----  
Signature of member

**Note:**

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstained column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she may deem appropriate.
3. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting right, than such proxy shall not act as a proxy for any other person or Member.
4. A Proxy need not be a member of the Company.

\*\*\*\*\*



# Saboo Sodium Chloro Limited

## ROUTE MAP TO AGM VENUE

