
ANNUAL REPORT

2007-2008



Report Junction

S G N TELECOMS LTD.

Manufacturers of :

All types of Power, XLPE, Control,
Data cables and AAAC, AAC & ACSR Conductors

Regd. Office : E-58, 59, 64, 65 Phase-VIII, S.A.S. Nagar, Mohali (PUNJAB), PIN - 160 055.

E-mail : sgntelecom@rediffmail.com & sgntelecoms@yahoo.co.in

Phone : 0172-5063378, Fax : 0172-5063902

BOARD OF DIRECTORS

Mr. Surinder Singh	Chairman cum Joint Managing Director
Mr. Devender Singh	Managing Director
Ms. Parminder Kaur	Director
Ms. Paramjit Kaur	Director
Mr. Inderjit Singh	Director
Mr. Balvinder Singh	Director
Mr. Nirmaljit Singh	Director
Mr. Rajiv Kishore	Director

AUDITORS

N. Kumar & Co.
Chartered Accountants
220, Sector 40-A,
Chandigarh,

BANKERS

ICICI Bank Ltd

REGD. OFFICE

E 58-59, Industrial Area,
Phase 8, Mohali.
Punjab.

WORKS

E 58-59,64-65 Industrial Area,
Phase 8, Mohali.
Punjab.

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NOTICE

Notice is hereby given that Annual General Meeting of M/S SGN TELECOMS LIMITED will be held on Tuesday, 30th September, 2008 at 9.00 A.M. at regd. office E 58-59, ELTOP, Phase-VIII S.A.S. Nagar, Mohali to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March 2008 and statement of profit and loss during the year ended on that date along with the report of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Paramjit Kaur who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment.
3. To appoint a Director in place of Ms. Parminder Kaur who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment.
4. To appoint the Statutory auditors of the company and in this regard to pass the following resolution as ordinary resolution:

"Resolved that M/s N Kumar & Co, Chartered Accountant, the retiring Statutory Auditors of the company, be and are hereby reappointed as Statutory Auditors of the company from the conclusion of this Annual General Meeting until the conclusion of next annual general meeting at a remuneration to be decided by the Board."

SPECIAL BUSINESS:

5. TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATIONS THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION

"RESOLVED THAT Mr. Rajiv Kishore who was appointed by the Board of Directors of the Company as Additional Director w.e.f. 30.09.2007 and who holds office under section 260 of the Companies Act, 1956 of the Companies Act, 1956 upto this Annual General Meeting and in respect of whom the company has, as required by Section 257 of the Companies Act, 1956, received notice in writing from member proposing his candidature for the office of director and signifying his intention, be and is hereby appointed as a director of the company liable to retire by rotation."

6. TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATIONS THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION

“RESOLVED THAT pursuant to provisions of section 293(1)(d) of the Companies Act, 1956 consent of the shareholders be and is hereby accorded to the Board of Directors of the company for borrowing from time to time for the purpose of the company business any sum or sums of money as may deem proper notwithstanding that moneys already borrowed by the company, if any, (apart from temporary loans obtained from financial institutions) may exceed the aggregate for the time being of the paid up capital of the company and its free reserves, if any that is to say, reserves not set apart for any specific purpose provided that total amount to be borrowed by the board together with money already borrowed, if any (apart from temporary loans obtained in the ordinary course of business) shall not exceed Rs. 100 crores (Rupees One Hundred Crores) outstanding at any time and that for the implementation of this resolution the Board may act through any member thereof or any other person duly authorized by the board in this behalf.”

7. TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATIONS THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION

“RESOLVED THAT the Authorized Capital of the company be and is hereby increased from Rs. 30,00,00,000/- (Rupees Thirty crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs. 1/- (Rupee One) each to Rs. 36,00,00,000 (Rupees Thirty Six Crores only) divided into 36,00,00,000 (Thirty Six Crores) Equity shares of Re. 1/- (Rupee One) each.”

“RESOLVED FURTHER THAT pursuant to provisions of section 16 and other applicable provisions of the Companies Act, 1956, the existing clause V of the Memorandum of Association of the company, relating to the authorized share capital of the company be and is hereby altered by deleting the same and instead thereof , substituting the following as new clause V.

“The Authorized Share Capital of the company is Rs. 36,00,00,000/- (Rupees Thirty Six Crores only) divided into 36,00,00,000 (Thirty Six Crores) Equity Shares of Rs. 1/- (Rupee One) each.”

“RESOLVED FURTHER THAT pursuant to provisions of section 31 and other applicable provisions of the Companies Act, 1956, the existing Article No. 3 of the Articles of Association of the company, relating to the authorized share capital of the company be and is hereby altered by deleting the same and instead thereof , substituting the following as new article no 3.

“The Authorized Share Capital of the company is Rs. 36,00,00,000/- (Rupees Thirty Six Crores only) divided into 36,00,00,000 (Thirty Six Crores) Equity Shares of Rs. 1/- (Rupee One) each.”

For Board of Directors
M/S SGN TELECOMS LTD.

DATE : 05/09/2008
PLACE : Mohali

Sd/-
CHAIRMAN CUM JT. MG DIRECTOR

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote himself and such proxy need not to be the member of the company.
2. Proxies in order to be effective must be received by the company at its Registered Office not less than 48 hours before the meeting.
3. Register of members and register of transfer will remain closed from 28th September 2008 to 30th September 2008 both days inclusive.
4. Explanatory Statement pursuant to section 173 of the Companies Act, 1956 is attached.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956**ITEM NO. 5**

The Board of Directors of your company in accordance with the provisions of Section 260 of the Companies Act, 1956 had appointed Mr. Rajiv Kishore as an Additional Director w.e.f. 30.09.2007 to strengthen the Board. Mr. Rajiv Kishore will hold the office as such upto this Annual General meeting and is eligible for appointment since the company has received notice under section 257 of the Companies Act, 1956 from member proposing his candidature for the office of director of the company subject to retire by rotation.

Your directors recommend to appoint Mr. Rajiv Kishore as director of the company.

None of the director except for Mr. Rajeev Kishore is interested in the resolution.

ITEM NO. 6

In terms of the provisions of Section 293(1)(d) of the Act, the Board of Directors of the company cannot except with the consent of the Company in General meeting, borrow moneys, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves that is to say reserves not set apart for any specific purpose.

Keeping in view the Company's business requirements and its growth plans, it is considered desirable to increase the said borrowing limits. The Board of Directors accordingly recommend the resolution set out in the notice.

None of the director is interested in the resolution.

ITEM NO. 7

With a view to augment long-term resources of the company, it is proposed to issue right shares to the members of the company in the proportion of four ~~equity share for every one share held~~. It is also proposed to authorise the Board Directors to dispose of the equity shares remaining unsubscribed and the fractional shareholding arising out of the said issue. As required under section 81(1A) of the Companies Act, 1956 this resolution is placed for the approval of members. Copies of the terms and conditions governing the rights issue are available for inspection by members during working hours at the Registered Office of the company.

The existing Equity shareholders of the Company may also be provided a right to renounce their right and entitlement to apply for shares in the said issue in favour of other Equity shareholders instead of participating in the Rights Issue, the mode and manner of which would be determined by the Board in consultation with the underwriters (if appointed) and/or the Manager(s). Such a right to renounce their right and entitlement to apply for shares in the said issue in favour of other Equity shareholders would subject to the approval of the said right by the Board.

None of the director is interested in the resolution.

DIRECTORS REPORT

Your Directors are pleased to present their Annual Report and Audited Annual Accounts for the financial year ended on 31st March 2008.

FINANCIAL RESULTS:

	2007 (In lacs)	2008
Income	642.44	1307.44
Profit Before dep	33.32	76.84
Depreciation	13.15	13.15
Net Profit	20.17	63.69

The turnover of the company for the financial year is Rs. 1307.44 which is almost double as compare to the last year. This has resulted into increase in the net profits to Rs. 63.69 lacs. Your directors are making efforts for expanding the production of the company.

FIXED DEPOSIT

The Company has not accepted any deposit from the public with in the meaning of section 58-A of the Companies Act, 1956.

DIRECTORS:

Mr. Rajiv Kishore who was appointed as additional director during the financial year is being regularized in the ensuing AGM as director liable to retire by rotation. Mrs. Paramjit Kaur and Mrs Parminder Kaur, Directors of the company who retire at the ensuing Annual General Meeting and being eligible offers themselves for reappointment.

LISTING:

The company is listed with The Stock Exchange, Mumbai, Delhi Stock Exchange and Ludhiana Stock Exchange and is regular in payment of listing fees and complying with listing requirements with The Stock Exchange, Mumbai. It is in the process of complying with all pending compliances with Ludhiana Stock Exchange and Delhi Stock Exchange.

RIGHT ISSUE:

The company has filed an offer document with SEBI for permission to issue shares on right basis. Permission in this regard has been obtained for Mumbai Stock Exchange and company permission from Ludhiana Stock Exchange and Delhi Stock Exchange is awaited.

AUDITORS

M/s N Kumar & Associates, Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The company has received a letter from them that their appointment if made will be within the limits as prescribed in the section 224 (1B).

AUDITORS REPORT

Observation in the Auditors Report are dealt with in the notes to the Accounts and are self explanatory. There is no internal audit system. This is because company remained closed for many years. It is now in the process of being revived. The company will appoint the internal auditors soon.

CORPORATE GOVERNANCE REPORT:

As required under listing agreement the Corporate Governance Report along with Auditors certificate regarding compliance of conditions of corporate governance report is enclosed.

PARTICULARS OF EMPLOYEES

None of the employees is covered Under Section 217(2A) of the Companies Act ,1956 read with Companies (Particulars of Employees) Rules ,1975 as amended.

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

The company is taking every possible step to conserve energy resources. The management is also planning to install new machinery with the latest technologies. The company has not incurred any expenditure or earned any income in the foreign currency during the financial year.

DIRECTORS RESPONSIBILITY STATEMENT :

As required u/s 217 (2AA) of the companies Act ,1956 the Directors states that :

1. That in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.