

19th Annual Report 1998-99

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Sangal PAPERS LTD



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Board of Directors

Managing Director :

Shri Himanshu Sangal

Directors :

Shri Amit Sangal

Shri Ved Prakesh

Shri Pratap Singh

Shri N. K. Singh (Nominee of PICUP)

Auditors :

M/s Shlam & Co.

Chartered Accountants.

Aggarwal Market, Mahaveer Chowk,
MUZAFFARNAGAR.

Bankers :

Syndicate Bank

Shiv Puri, Meerut

Registered Office :

Apsara Cinema Building
Meerut-250 002

Works :

22 km., Meerut-Mawana Road,
Mawana, Distt. Meerut

Branch :

22, East End Enclave, Shakarpur,
New Delhi-110 092



DIRECTOR'S REPORT

To,
The Members,
Sangal Papers Limited,
Meerut

Your Directors have pleasure in submitting the Annual Report and audited statement of accounts of the Company for the year ended 31st March 1999.

FINANCIAL RESULTS :

The financial results of the operation during the year under review are as under.

PARTICULARS	CUREENT YEAR	PREVIOUS YEAR
Profit (Loss) before Finance	(51092997)	(4913394)
Charges, Depreciation		
Less : Finance Charges,	18750545	13872538
Depreciation	5242546	23993091
		5077691
Profit (Loss) for the year	(75086088)	(23863623)
Less : Provision for taxation	—	—
Add : Income Tax Adjustments of earlier year	154000	(1853655)
Profit (Loss) after tax	(74932088)	(25723278)
Add : Balance being Profit(Loss) brought forward		
from last year	(9444238)	15279040
:Transfer from General Reserve	—	1000000
:Transfer from Investment Allowance Reserve	2569079	—
Balance being Profit(Loss) carried over to		
Balance Sheet	(81807246)	(9444238)

OPERATIONS :

During the year the company has achieved a turnover of Rs. 926.11 Lacs and incurred a loss of Rs. 749.32 Lacs out of which Rs. 232.74 lacs is on account of Bad debts.

The net worth of your company is completely eroded and has become a sick company within a meaning of Section 3(1)(o) of the sick Industrial companies (special provisions) Act, 1985. It is therefore obligatory on the part of your company that a reference be made to the Board for Industrial and Financial Reconstruction.

Paper Industry is currently passing through a very bad phase and most of the Industrial organisation are incurring losses. In addition your company is facing acute financial crises, on account of liquidity crunch and difficulties to arrange adequate working capital the production levels are under strain.



NOTICE

NOTICE is hereby given that the **NINETEENTH ANNUAL GENERAL MEETING** of Share holders of SANGAL PAPERS LTD., will be held on **FRIDAY, 20TH AUGUST, 1999** at 10.00 a.m. at its Regd. Office to transact the following business :

ORDINARY BUSINESS

1. To receive, Consider and adopt the audited Balance Sheet as at 31st March, 1999 and Profit & Loss A/C for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri Ved Prakash who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Shri Pratap Singh who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors who shall hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

For and on behalf of the board

SANGAL PAPERS LTD.

Sd/-

HIMANSHU SANGAL

Managing Director

Date : 23rd June 1999

Place : MEERUT

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTED SHOULD BE DULY STAMPED COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed on Friday 20th August 1999.
3. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their certificates to enable the Company to consolidate their holdings in one folio.
4. Members are requested to bring their copies of the Annual Report at the Meeting.
5. Members are requested to produce the enclosed Attendance slip duly signed in accordance with specimen signatures registered with the company for admission to the meeting hall.
6. Members are requested to notify the change in their address to the Company immediately.

**INDUSTRIAL RELATIONS :**

Industrial relations during the year remained cordial at all levels of the Company. The Management appreciates the whole hearted cooperation given by the employees of the Company.

PARTICULARS OF EMPLOYEES :

Regarding particulars in terms of section 217(2A) of the Companies Act, 1956 read with relevant rules, none of the employees was in receipts of or entitled to receive emoluments amounting to and in aggregate to Rs. 300000.00 or more per annum if employed for the year or Rs. 25000.00 or more per month if employed for any part of the year.

PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY ETC :**(A) Conservation of Energy :**

- (i) The Company is making regular efforts for energy conservation.
- (ii) Information regarding energy consumption in Form-A annexed herewith.

(B) Technology Absorption :

No Efforts have been made in Technology Absorption.

(C) Foreign Exchange earning and outgo:

Particulars regarding foreign exchange earning and out-go as per Schedule 20 of Balance Sheet.

DIRECTORS :

Shri Ved Prakash and Shri Pratap Singh Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

DEPOSITS :

The Company has not accepted any deposits attracting the provision of Section 58-A of the Companies Act 1956.

AUDITORS REPORT :

The Auditors In their report have referred to the notes forming part of the accounts. The said notes are self explanatory and do not require further elucidation.

AUDITORS :

M/S Shiam & Co., Chartered Accountants, Muzaffarnagar, Auditors of the Company retire at the conclusion of this meeting and are eligible for re-appointment.

ACKNOWLEDGEMENT :

Your Directors acknowledge with gratitude the co-operation and assistance given by the financial institution and banks during the year under review.

Your Directors wish to place on records their appreciation of the sincere and efficient services rendered by the staff and workers of the Company for its success.

Your Directors recommend that the annual accounts may be passed by you.

For and on behalf of the Board

Sd/-

(Himanshu Sangal)

CHAIRMAN

Date : 23rd June 1999

Place : MEERUT



ANNEXURE

FORM-A

(See Rule 2)

Form for disclosure particulars with respect to, conservation of energy

	CURRENT YEAR	PREVIOUS YEAR
(A) POWER & FUEL CONSUMPTION		
1. Electricity		
(a) Purchased Unit	2267600	6374542
Total Amount	12803907	25209709
Rate/Unit	5.65	3.59
(b) Own Generation		
Through Diesel Generator		
Total Amount (Rs)	13354741	—
Unit	4280690	—
Unit per Ltr.	3.18	—
Rate Per unit (Rs.)	3.12	—
2. Coal & Fuel		
(a) Coal		
Qty. (Tonnes)	719.640	501.740
Total Cost (Rs.)	12,77,224	10,24,477
Average Rate (Rs.)	1,775	2,042
(c) Paddy Husk & others		
Qty. (Tonnes)	7827.100	8059.124
Total Cost (Rs.)	11251138	6559017
Average Rate (Rs.)	1437	814
3. Furnace Oil	NIL	NIL
4. Others/Internal Generation	NIL	NIL

(B) CONSUMPTION PER UNIT PRODUCTION (IN ONE TON)

	CURRENT YEAR	PREVIOUS YEAR
Products with details Unit Standard (if any)		
Electricity	1,019 UNIT	961 UNIT
Furnace Oil	—	—
Coal & Others	1.329 Ton	1.291 Ton

For and on behalf of the Board
Sd/-(Himanshu Sangal)
ChairmanDated : 23rd June 1999
Place : Meerut

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