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27th Annual Report 2006-2007

Sangal Papers Ltd.

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Sangal Papers Ltd.

BOARD OF DIRECTORS

Managing Director :

Shri Himanshu Sangal

Directors :

Shri Amit Sangal

Shri Tanmay Sangal

Auditors :

M/s Shiam & Co.

Chartered Accountants.

Aggarwal Market, Mahaveer Chowk,

MUZAFFARNAGAR.

Bankers :

Syndicate Bank

Shiv Puri, Meerut

Registered Office & Works :

22 - Km., Meerut - Mawana Road,

MAWANA - 250 401 Distt. Meerut.

Branch :

22 Km. - East End Enclave, Laxmi Nagar,

Opp Radhu Palace, Delhi - 110 092

Registrar & Share Transfer Agent :

MAS SERVICES (P.) LTD.

AB - 4, Safdarjung Enclave,

New Delhi - 110 029

Phone : 011 - 26104142

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NOTICE

NOTICE is hereby given that the **TWENTY SEVENTH ANNUAL GENERAL MEETING** of Share holders of **SANGAL PAPERS LTD.**, will be held on SATURDAY, 29TH SEPTEMBER, 2007 at 11.00 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, 2007 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 Mr. Tanmay Sangal who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors who shall hold office from conclusion of this Annual General Meeting until the conslusion 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 : 31st May, 2007

Place : MEERUT

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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 Saturday, 29th September, 2007.
3. Members are requested to bring their copies of the Annual Report at the Meeting.
4. 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.
5. Members are requested to notify the change in their address to the Company immediately.
6. The Company has joined as a Member of Depository Services with National Security Depository Ltd. (NSDL) & Central Depository Service (INDIA) Ltd. (CDSL) as an issuer company for dematerialisation of shares. Share holders can their shares dematerialised with either NSDL or CDSL.

   The depository services have allotted the following code to the company. **INE 384D01022.**

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DIRECTOR'S REPORT

To,

The Members,

Sangal Papers Limited,

Meerut.

Your Directors have pleasure in submitting the Twenty Seventh Annual Report and audited statement of accounts of the Company for the year ended 31st March, 2007.

FINANCIAL RESULTS :

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

PARTICULARS		CURRENT YEAR		PREVIOUS YEAR
Profit before Finance Charges & Depreciation		26,611,681		25,702,859
Less : Finance Charges,	4,682,668		4,485,017	
Depreciation	6,416,747	11,099,415	6,204,088	10,689,105
Profit for the year		15,512,266		15,013,754
Less : Paid / provision of tax		(9,471,318)		(1,449,960)
Profit after tax		6,040,948		13,563,794
Add : Balance being Profit(Loss) brought forward from last year		66,630,425		53,066,631
Balance being Profit (Loss) carried over to Balance Sheet		72,671,373		66,630,425

OPERATIONS :

During the year the company has achieved a turnover of Rs. 4240.53 Lacs as against Rs. 3379.43 Lacs during last year and earned profit before Tax of Rs. 155.12 Lacs as against a profit of Rs. 150.13 Lacs during last year.

INDUSTRIAL RELATIONS :

Industrial relations during the year remained cordial all levels of the Company. The management appreciate the whole hearted co-operation given by the employees of the Company.

PARTICULARS OF EMPLOYEES :

Regarding particulars in terms of Section 217(2A) of the Compnies Act, 1956 read with relevant rules, none of the employees was in receipts of or entiled to receive emoluments amounting to and in aggregate to Rs. 1,200,000.00 or more per annum if employed for the year or Rs. 1,00,000.00 or more per month if employed for any part of the year.

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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 out-go :***

Particulars regarding foreign exchange earning and out-go as per Schedule 17 of Balance Sheet.

DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility statement, it is hereby confirmed :

(i) That in the preparation of the accounts for the financial year under review, the applicable accounting standards have been followed along with proper explanation relating to material departure; if any :

(ii) That the Directors have selected such accounting policies and applied them consistantly and need judgments and estimates that were reasonable and prodent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loos of the compnay for the year under review.

(iii) That the Directors have taken proper and sufficient care for the mantenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for the safeguarding the assets of the Company and for preventing and detecting fraud and other irregularties;

(iv) That the Directors have prepared the annual accounts on a "going concern basis".

DIRECTORS :

Shri Tanmay Sangal Director of the Company, retire by rotation and being eligible, offer himself 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 institutional 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

SANGAL PAPERS LTD.

Sd/-

(HIMANSHU SANGAL)

Chairman

Date : 31st May, 2007

Place : MEERUT

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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	NIL	NIL
		Total Amount	NIL	NIL
		Rate / Unit	NIL	NIL
	(b)	Own Generation		
		(i) Through Diesel Generator (Unit)	13,070,482	11,572,614
		Unit per Ltr. of Diesel oil	3.30	3.34
		Total Amount	118,517,782	97,725,709
		Cost / Unit	9.06	8.44
		(ii) Through Steam Turbine/Generator (Unit)	NIL	NIL
		Unit per Ltr. of Fuel oil / Gas	NIL	NIL
		Cost / Unit	NIL	NIL
2.	Coal :			
	Qty. (Tonnes)		---	---
	Total Cost		---	---
	Average Rate		---	---
3.	Others / Internal Generation :			
	Qty. (D' oiled Paddy Husk. etc...)		13,241,607	12,055,550
	Total Cost		28,989,638	22,048,946
	Average Rate		2,189	1,829

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

	CURRENT YEAR	PREVIOUS YEAR
Production with details Unit Standard (if any)		
Electricity	700 UNIT	720 UNIT
D' oiled Paddy Husk. etc... Others I	0.710 Ton	0.750 Ton

For and on behalf of the Board
SANGAL PAPERS LTD.

Sd/-
(HIMANSHU SANGAL)
Chairman

Dated : 31st May, 2007
Place : MEEERUT

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AUDITOR'S REPORT

To,
THE MEMBERS,
SANGAL PAPERS LIMITED,
MEERUT.

LADIES & GENTLEMEN,

We have audited the attached Balance Sheet of SANGAL PAPERS LIMITED, MEERUT as on 31st March, 2007 and also the Profit & Loss Account for the year ended on that date annexed thereto and Cash Flow Statemant for the peroid ended on that date. These financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors report) order, 2003 as amended by the Companies (Auditors Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227 (4-A) of Companies Act, 1956, we give in the annexure a statement on the matters specified in pararaph 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that :
   - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
   - ii) In our opinion, proper books of account as required by Law have been kept by the Company, so far as appears from our examination of those books.
   - iii) The Balance Sheet, Profit & Loss Account Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Company.
   - iv) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting stanndards refferred ton sub section 3 (C) of section 211 of the Companies Act, 1956 except AS-15 Accounting for retirement benefits of employees.
   - v) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors of the company as on 31st March, 2007 is disqualified for appointment as director in aforesaid company in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
   - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
     - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2007; &
     - (b) In the case of the Profit & Loss Account, of the Profit for the year ended on that date.
     - (c) In the case of the Cash Flow Statemant, of the cash flows for the year ended on that date

For **SHIAM & CO.,**
Chartered Accountants,
Sd/-
(R. K. JAIN)
Partner

Date : 31st May, 2007
Place : MUZAFFARNAGAR

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