



Sangal PAPERS LTD.



30th Annual Report
2009 - 2010

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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 (U.P.)

Branch :
22, East End Enclave, Laxmi Nagar
Opp. Radhu Palace, Delhi-110092

Registrar & Share Transfer Agent :
MAS SERVICES LTD.
T - 34, IInd Follor, Okhla Indl. Area, Phase II,
New Delhi.
PHONES : 011 - 26387281 - 82 - 83
FAX : 91 - 11- 26387384

NOTICE

NOTICE is hereby given that **30th Annual General Meeting** of the Shareholders of **SANGAL PAPERS LTD., MEERUT** will be held on 31st, July, 2010 at 11.00 A.M. at the registered office of the Company at Village Bhainsa, 22 k.m. Mawana Road, Meerut to transact the following business :

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2010, Balance Sheet as at the date together with the Reports of Auditors and Directors and Auditors thereon.
2. To appoint a Director in place of Shri Amit Sangal who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit to pass, with or without modification (s), the following resolution as an ORDINARY RESOLUTION :-

"RESOLVED THAT pursuant to section 293 (1) (d) and other applicable provisions of the Companies Act, 1956 consent of the member of the company be and is hereby accorded to the Board of Directors of the company for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the moneys already borrowed by the company (apart from temporary loans obtained or to be obtained from the company's bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid-up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the board shall not at any time exceed the limit of Rs. 25 Crore (Twenty Five Crores Rupees).

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution".

Dated : 20.05.2010
Place : MEERUT

For and on behalf of the board
SANGAL PAPERS LTD.

Sd/-
(HIMANSHU SANGAL)
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IN THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE 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 31st July, 2010.
3. Members are requested to bring their copies of the annual report at the meeting. Members seeking any information regarding Accounts should write to the Company at its Registered Office at least seven days before the date of the meeting so as to enable the management to keep the information ready, if the Chairman so permits.
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) and central Depository Service (INDIA) Ltd. (CDSL), as Issuer Company for dematerialization of shares. Share holders can their shares dematerialized with either NSDL or CDSL.
7. The Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 in respect of the ordinary business is annexed hereto.
The Depository services have allotted the following code to the company INE 384D01022.

ANNEXURE TO NOTICE**Explanatory Statement PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 4:**

Section 293 (1) (d) the Companies Act , 1956, requires the consent of the members in the General Meeting for authorizing the Board of Directors to borrow money (apart from temporary loans obtained from the company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital and free reserves.

In view of the growing the company requires additional funds as working capital and Term Loan for Capital Expenditure. It is therefore recommended to increase the borrowing powers of the Board of Directors from Rs 10 Crores to Rs. 25 Crores. (Rupees Twenty Five Crores Only).

None of the Directors of the company is concerned or interested in this resolution.

Dated : 20.05.2010
Place : MEERUT

By Order of Board of Directors

For and on behalf of the board
SANGAL PAPERS LTD.

Sd/-
(HIMANSHU SANGAL)
Managing Director

DIRECTOR'S REPORT

To,
The Members,
SANGAL PAPERS LIMITED,
MEERUT.

Your Directors have pleasure in submitting the 30th Annual Report alongwith the Audited Balance Sheet and Profit & Loss Account for the year ended on 31st March, 2010.

WORKING RESULTS :

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

PARTICULARS	CURRENT YEAR FIGURES (Rs.)		PREVIOUS YEAR FIGURES (Rs.)
Profit before depreciation & finance Charges	53497982.00		54182555.00
Less : Depreciation	14560314.00	13982017.00	
Finance Charges	21462811.00	21419883.00	35401900.00
Net Profit for the year	17474857.00		18780655.00
Paid/Provision for Tax			
Current Tax	2969852.00	2132185.00	
Deferred Tax Liability	4998000.00	7170000.00	
Mat Credit Entitlement	(2969852.00)	(2127848.00)	
Fringe Benefit Tax	---	244378.00	7418715.00
Profit After Tax	12476857.00		11361940.00
Add: Profit b/f from last year	92748397.00		81386457.00
Profit c/o to Balance Sheet	105225254.00		92748397.00

OPERATIONS :

During the year the company has achieved sales of Rs. 6048.11 Lacs as against Rs. 5860.24 Lacs during last year and earned profit before tax of Rs. 174.75 Lacs as against a profit of Rs. 187.80 Lacs during last year.

INDUSTRIAL RELATIONS :

Industrial relation during the year remained cordial at all levels of the Company. The Management appreciates 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 companies Act, 1965 read with relevant rules, none of the employees was in receipts of or entitled to receive emoluments amounting to and in aggregate to Rs. 1,200,000.00 or more per annum if employed for the year of Rs. 1,00,000.00 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-An 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 outgo is as per in Schedule 18 of Balance Sheet.

DIRECTOR'S RESPONSIBILITY STATEMENT :

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

- (i) That in the preparation of the annual accounts for the financial year under review, the applicable accounting standards have been followed alongwith proper explanation relating to material departure, if any.
- (ii) That the Directors have selected such accounting policies and applied them consistently, and need judgments and estimates that are reasonable and prudent as to give a true and fair view of the state of affairs of the company at the end of the financial period ended 31st March, 2010 and of the profit or loss of the company for the period.
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the annual accounts on a going concern basis.

DIRECTORS:

Shri Amit Sangal, Director of the Company will be retire at this meeting and being eligible offers themselves for re-appointment.

DEPOSITS:

The Company has not accepted 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 this meeting and are eligible for re-appointment.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the assistance and co-operation that your company has received from the Govt. of U.P., Bankers, stakeholders and all others, whose continued support has been a source of strength to the company. Your Directors also to wish to place on record their sincere appreciation to the devotion and commitment of every employee of the company.

Your Directors recommended that Annual Accounts may be passed by you.

For and on behalf of the Board
SANGAL PAPERS LTD.

Sd/-
(HIMANSHU SANGAL)
Managing Director

Date : 20.05.2010
Place : MEERUT

ANNEXURE

FORM - A

(See Rule 2)

Form for disclosure particulars with respect to conservation energy.

PARTICULARS	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)	37,798.00	9,85,560.00
Unit per Ltr. of Diesel oil	-----	-----
Total Amount	3,21,249.00	7,892,481.58
Cost/Unit	8.50	8.00
(ii) Through Steam Turbine (Unit)	19,432,430.00	18,664,120.00
Cost/Unit	6.08	6.07
2. Coal :		
Qty. (Tonnes)	18,770.460	24,389.13
Total Cost	57,355,531.78	74,758,050.59
Average Rate	3,056.00	3,065.00
3. Others / Internal Generation :		
Qty. (D'oil Paddy Husk. etc...) (Tonnes)	31,429.605	16,543.521
Total Cost	60,886,447.00	38,506,983.00
Average Rate	1,937.00	2,328.00

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

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Production with details Unit Standard (if any)		
Electricity	750 UNIT	861 UNIT

For and on behalf of the Board
SANGAL PAPERS LTD.

Sd/-
(HIMANSHU SANGAL)
Managing Director

Date : 20.05.2010
Place : MEERUT