



ANNUAL REPORT

42nd
(Forty-Second)

FY -1st APRIL 2021 TO 31st MARCH 2022

2021-2022

SANGAL PAPERS LIMITED

SANGAL PAPERS LIMITED
CIN: L21015UP1980PLC005138

BOARD OF DIRECTORS

Mr. Himanshu Sangal	Managing Director
Mr. Amit Sangal	Whole Time Director/CFO
Mr. Tanmay Sangal	Director/President Mktg
Mr. Vinayak Sangal	Director/President Opr.
Mr. Prem Sethi	Ind. Director/Chairman
Mrs. Geeta Gupta	Ind. Women Director
Mr. Arpit Jain	Company Secretary
	Cum Compliance Officer

AUDIT COMMITTEE

Mrs. Geeta Gupta	Chairperson
Mr. Prem Sethi	Member
Mr. Himanshu Sangal	Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mrs. Geeta Gupta	Chairperson
Mr. Prem Sethi	Member
Mr. Himanshu Sangal	Member

NOMINATION AND REMUNERATION COMMITTEE

Mrs. Geeta Gupta	Chairperson
Mr. Prem Sethi	Member
Mr. Vinayak Sangal	Member

BANKER:

STATE BANK OF INDIA (SBI),
SME Branch, Ganga Plaza,
Begum Bridge, Meerut

42nd ANNUAL GENERAL MEETING

Date: 28th Day of September, 2022

Day: Wednesday

Time: 01.30 P.M.

Venue : Through Video Conferencing/OAVM

LISTEDON: BSE (Bombay Stock Exchange)

AUDITOR:

M/s Raj Viyom & Co., Chartered Accountants

Formerly known as (M/s RAJ SANDHYA & Co.)

572/7, Bhartiya Colony, Kukra Road,
Muzaffarnagar, U.P. - 251001

SECRETARIAL AUDITOR:

CS. D.K. GUPTA (D.K. Gupta & Co.),
Practicing Company Secretary,
164, Behind Baijal Bhawan, Civil Lines, Meerut, UP

REGISTERED OFFICE:

Sangal Papers Limited,
Vill, Bhainsa, 22km stone, Meerut-Mawana road,
Mawana, Meerut, UP- 250401

E-mail : accounts@sangalpapers.com or sangalinvestors1980@gmail.com **Website:** www.sangalpapers.com

Note : All the documents of this report are duly signed and stamped and kept with the Company.

REGISTRAR & SHARE TRANSFER AGENT:

MAS SERVICES LTD.,

T- 34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi – 110 020

E-mail: sm@masserv.com,
investor@masserv.com

Website: www.masserv.com

Phone No.: 011-26387281- 82-83

SCRIP CODE : 516096

SCRIP ID : SANPA

ISIN : INE384D01022

ISSUER CODE : 384D

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A message from Mr. Himanshu Sangal, Managing Director of the company

Dear Stakeholder

My heartiest greetings to you on my personal behalf and Sangal Papers Limited.

Once again, it is my pleasure to present before you the Annual Report of your Company for the F.Y-2021-22, focusing on the performance highlights of the year.

During the first and second wave of COVID 19 pandemic, where writing and printing paper demand contracted significantly due to close down of educational institution and other organization all over the country, the paper industry was backed by packaging paper demand in sector like pharma, FMCG, e-commerce retail etc. which played a major role in driving growth during that time for the paper industry.

Now, after vaccination drive in the country the covid case decline suddenly and the proactive measures in supply chain management in ensuring availability of trucks, loading/unloading crew, etc were put in place, which ensured the smoother flow of materials across the country.

With above supported factors, your company achieved growth of 46% (approx.) in sales revenue as compared to last FY 2020-2021 and 151% (approx.) increase in Profit after Tax (PAT) as compared to FY 2020-2021.

Company is planning to enhance the production by switching one of the machines from News print to Kraft paper.

As increase in the growth of organized retail sector and reopening of school, offices etc. supports in rising demand of paper and paper products. The company projecting to cross Rs. 225 crore revenue in ensuing Financial Year.

Sincerely,
Himanshu Sangal
Managing Director

SANGAL PAPERS LIMITED CIN : L21015UP1980PLC005138)

Vill. Bhainsa, 22Km Meerut - Mawana Road, Mawana- 250 401, Distt. – Meerut (U.P)

E- Mail ID: sangalinvestors1980@gmail.com, Website: www.sangalpapers.com PH. No. : +91-1233-271515

NOTICE TO MEMBERS:

Notice is hereby given under the provision of section 101 of the Companies Act 2013 that Forty - Second (42nd) Annual General Meeting of the SANGAL PAPERS LIMITED will be held on Wednesday, **28th September, 2022 at 01:30 P.M.** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the company for the year ended 31st March 2022, together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of **Mr. Tanmay Sangal (DIN No.: 01397057)** who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Mr. Vinayak Sangal (DIN No.: 06833351)** who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and to 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**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to re-appointment of M/S RAJ VIYOM & Co. (Chartered Accountants) formerly known as M/S RAJ SANDHYA & Co., Muzaffarnagar (Registration No.: 002011C), as Statutory Auditor of the company, to hold office for a period of five year from the conclusion of this Annual General Meeting till the conclusion of Forty-Seventh (47th) Annual General Meeting of the company to be held in the year 2027, at a remuneration as recommended by the Audit Committee and approved by the Board in consultation with the auditors."

SPECIAL BUSINESS:

5. RATIFICATION OF REMUNERATION OF COST AUDITORS :

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 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies(Cost Records and Audit) Rules, 2014 (including any statutory modification(s) 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 ratification of payment of remuneration of 40,000/- (Rupees Forty Thousand only) plus applicable taxes and reimbursement of travel and out of pocket expenses, if any, to be paid to M/s. Mr. S. R. Kapur, Cost Accountant (Membership No.:- M-4926), who has been appointed as the Cost Auditors of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2023.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary or expedient to give effect to this resolution."

6. INCREASE IN BORROWING POWER OF THE COMPANY

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

"RESOLVED THAT T in supersession of all the earlier resolutions passed in this regard and pursuant to the provisions of section 180(1)(c) of the Companies Act 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the Company hereby accords its consent to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, for borrowing any sum or sums of money from time to time whether in Indian rupees or foreign currency (including external commercial borrowings in foreign denominated currencies from any foreign source / countries as prescribed by guidelines, if any in this respect) from any one or more Company's bankers and /or from any one or more persons, firms, bodies corporate, financial institutions, banks or other acceptable source whether by way of advances, deposits, loans, non-convertible debentures, bonds or otherwise and whether unsecured or secured notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, so however, that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding shall not exceed the sum of Rs. 80 crores (Rupees Eighty crores only) at any one time."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide terms and conditions such borrowing, finalise and execute all such deeds, documents and writings as may be necessary, desirable or expedient, settle any question, difficulty or doubt that may arise in this regard , do all such acts, deeds, matters and things , as it may , in its absolute discretion , deem necessary , proper of desirable and to delegate all or any Committee of Directors or Managing Director or whole time Director or Director or any other officer of the Company or any other person."

7. CREATION OF SECURITY ON THE PROPERTIES OF THE COMPANY IN FAVOUR OF THE LENDERS.

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

"RESOLVED THAT in supersession of all the earlier resolutions passed in this regard and subject to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the

Company to or in favour of banks, financial institutions, investors and any other lenders to secure the amount borrowed by the Company from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of Rs. 80 crores (Rupees Eighty Crores only) at any time,

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide terms and conditions of security , finalise and execute all such deeds, documents and writings as may be necessary, desirable or expedient, settle any question, difficulty or doubt that may arise in this regard , do all such acts, deeds, matters and things , as it may , in its absolute discretion , deem necessary , proper of desirable and to delegate all or any Committee of Directors or Managing Director or whole time Director or Director or any other officer of the Company or any other person."

For Sangal Papers Limited

Date : 01st September 2022
Place : Mawana

For and on behalf of the Board of Directors

Sd/-
Arpit Jain
Company Secretary cum Compliance Officer

NOTES:

1. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 02/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022 respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HODDHS/P/CIR/2022/0062 dated May 12, 2020, January 15, 2021 and May 13, 2022, respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members, is permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. A statement giving relevant details of the directors seeking appointment/ reappointment under Item No. 2 and 3 of the accompanying notice, as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed herewith as Annexure-A.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act, will not be available for the AGM and, hence, the Proxy Form and Attendance Slip are not annexed to this Notice. The Board of Directors has appointed Shri Dinesh Kumar Gupta, Practicing Company Secretary (FCS No. 5226, CP No. 3599) as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
4. Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc) are required to send scanned copy of its Board or governing body resolution/authorization etc., authorizing its representative to attend AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization be sent to the Scrutinizer by email through its registered email address to dkgupta08@yahoo.co.in with a copy marked to evoting@nsdl.co.in
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Members can login and join the AGM 30 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members, on first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the aforesaid MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its

Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

9. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/ comments in advance mentioning their name, demat account number/ folio number, email id, mobile number at sangalinvestors1980@gmail.com. The same will be replied by the Company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
10. The Registers of Members and Share Transfer Books of the Company will remain closed from **Thursday, September 22, 2022 to Wednesday, September 28, 2022** (both days inclusive) for the purpose of annual closure of books.
11. In accordance with SEBI LODR (Listing Obligations and Disclosure Requirements) (4th amendment) Regulations, 2018 notified on June 07, 2018 and further notification dated 30/11/2018 any request for physical transfer of shares shall not be processed w.e.f. April 01, 2019

Further, in compliance with SEBI vide its circular SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division / splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of MAS Services Ltd, Registrar and share transfer agent (RTA) at www.masserv.com under **download tab**. The aforementioned form shall be furnished in hard copy form.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

12. The Securities and Exchange Board of India ('SEBI') vide its circular dated November 03, 2021 read with circular dated December 14, 2021 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from 1st January 2022. Registrar will not process, any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder and such shareholders holding will be fridge by RTA on or after 1st April 2023.

The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after April 01, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

- i. PAN; (using ISR-1)
- ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
- v. Specimen signature. (using ISR-2)

Any cancellation or change in nomination shall be provided in Form No.SH-14

All of above required documents/details to be sent at the address of registered office of the RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the Company or RTA website i.e www.masserv.com under **download tab**.

A separate communication has already been sent to the respective shareholders.

13. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM along

with the Annual Report 2021- 22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2021-22 are available on the website of the Company at www.sangalpapers.com and on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com (the Authorised agency for providing voting through electronic means and AGM through VC/OAVM). Company's web-link on the above will also be provided in advertisement being published in Financial Express (English edition) and Jansatta (Hindi edition).

14. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company Secretary or Mas Services Limited, Company's Registrar and Share Transfer Agents ("RTA") (Tel. No. 011 26387281/82/83) for assistance in this regard.
15. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to the Company/RTA if the shares are held by them in physical form.
17. For receiving all future correspondence (including Annual Report) from the Company electronically –

In case you have not registered your email ID with the Company/ Depository, please follow below instructions to register your email ID for obtaining Annual Report for FY 2021-2022 and login details for e-voting.

Physical Holding