



Regd. Offi. / Works

VILL. BHAINSA, 22-Km. STONE, MEERUT-MAWANA ROAD,  
P.O. SANDHAN, MAWANA - 250401, U.P. (INDIA)  
Ph. 01233-271137, 271515, 274324, Mob.: 8126131100, 9837790014  
e-mail : accounts@sangalpapers.com, sangalpapers@gmail.com  
sales@sangalpapers.com, website : www.sangalpapers.com

CIN : L21015UP1980PLC005138

PAN NO : AACCS4253J

GSTIN : 09AACCS4253J2Z5

To,

21/08/2024

Bombay Stock Exchange Limited  
Corporate Relationship Deptt.  
1st Floor, New Trading Ring,  
Rotunda Building, P. J. Towers,  
Dalal Street, Fort,  
Mumbai-400001

**Scrip Code:516096**

**Sub : Annual Report of the Company for the financial year 2023-2024**

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith, the Annual Report of the Company for the financial year 2023-2024 including notice.

This is for your information and record.

Thanking You,

**For SANGAL PAPERS LIMITED**

**ANANT**

Digitally signed by

ANANT VATS

**VATS**

Date: 2024.08.21

15:40:54 +05'30'

Anant Vats

Company Secretary & Compliance Officer

Mem. No: F-5575

Encl: As above



**44<sup>th</sup>**  
**(Forty-Fourth)**

**ANNUAL REPORT**

**F.Y. -1<sup>st</sup> APRIL 2023 TO 31<sup>st</sup> MARCH 2024**

**2023-2024**

# SANGAL PAPERS LIMITED

## CORPORATE INFORMATION

CIN: L21015UP1980PLC005138

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Himanshu Sangal	Managing Director
Mr. Amit Sangal	Whole Time Director/CFO

#### Non - Executive and Non - Independent Directors

Mr. Tanmay Sangal	Director/ President -Marketing
Mr. Vinayak Sangal	Director/ President – Operations

#### Non-Executive and Independent Directors

Mr. Sapan Sodhi	Director cum Chairman
Mrs. Vartika Malik	Women Director

#### STAKEHOLDER RELATIONSHIP COMMITTEE

Mrs. Sapan Sodhi	Chairperson
Mrs. Vartika Malik	Member
Mr. Himanshu Sangal	Member

#### AUDIT COMMITTEE

Mr. Vartika Malik	Chairperson
Mr. Sapan Sodhi	Member
Mr. Himanshu Sangal	Member

#### NOMINATION AND REMUNERATION COMMITTEE

Mrs. Vartika Malik	Chairperson
Mr. Sapan Sodhi	Member
Mr. Vinayak Sangal	Member

#### COMPANY SECRETARY

Mr. Anant Vats

#### BANKER:

Axis Bank,  
Civil Lines,  
Meerut- U.P.

#### 44<sup>th</sup> ANNUAL GENERAL MEETING

Date: 12<sup>th</sup> Day of September, 2024  
Day: Thursday  
Time: 01.30 P.M.  
Venue : Through Video Conferencing/OAVM

#### REGISTRAR & SHARE TRANSFER AGENT:

**MAS SERVICES LTD.,**  
T- 34, 2<sup>nd</sup> Floor, Okhla Industrial Area,  
Phase-II, New Delhi – 110 020  
E-mail: [sm@masserv.com](mailto:sm@masserv.com),  
[investor@masserv.com](mailto:investor@masserv.com)  
Website: [www.masserv.com](http://www.masserv.com)  
Phone No.: 011-26387281- 82-83

**SCRIP CODE : 516096**

**LISTED ON: BSE (Bombay Stock Exchange)**

**SCRIP ID : SANPA**

**ISIN : INE384D01022**

**ISSUER CODE : 384D**

**STATUTORY AUDITORS:**

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, U.P.-250002

**COST AUDITORS**

M/S S.R. KAPUR  
Practicing Cost Accountant  
AGF-16, Ansal Courtyard Bypass  
NH-58, Meerut-250001

**REGISTERED OFFICE:**

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

**E-mail :** [accounts@sangalpapers.com](mailto:accounts@sangalpapers.com) or [sangalinvestors1980@gmail.com](mailto:sangalinvestors1980@gmail.com) **Website:** [www.sangalpapers.com](http://www.sangalpapers.com)

**CONTENTS**

1. Notice with Explanatory Statements & Notes,
2. Directors' Report
3. Secretarial Audit Report and Annual Secretarial Compliance Certificate,
4. Corporate Governance Report,
5. Management Discussion and Analysis Report,
6. Auditors' Report,
7. Standalone Financial Statement,
8. Notes to financial statements,

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



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

*Dear Stakeholders,*

*I greet you with my heart and on behalf of Sangal Papers Limited.*

*Once again, it is my pleasure to present before you the Annual Report of your Company for the F.Y. - 2023-24, focusing on the performance and highlights of the year.*

*Our Company has continuously made our policies and strategies to changing situations environment with respect to both Indian and Foreign Market. Our Company has a competitive advantage in terms of our product structure which included Newsprint Paper, Writing & Printing Paper and Speciality /Color Paper.*

*Our Company specializes in manufacturing wide range of color papers which find use in various applications. Today the company has become a name synonymous with Color Paper.*

*In addition, our Company is also paying due important role in monitoring effects to environment and quality of life of people in nearby community. This will support our sustainable growth and create long term value to shareholders.*

*Further our Company keeps on exploring new Indian and International markets where we could have better competitive advantage.*

*During the financial year 2023-2024 we have achieved Turnover of Rs. 190.34 crores and PBT was Rs. 3.47 crores. The Company performance is considered as satisfactory and we hope to achieve better in the near future.*

*With the increase in growth rate of organized sector and the boost given by Government to MSME Sector, with focus on education, health, food segments, demand for the paper and paper products will also increase. Let us hope that we shall be able to give support from our side in the nation building process.*

*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](mailto:sangalinvestors1980@gmail.com), Website: [www.sangalpapers.com](http://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 - Forth (44<sup>th</sup>) Annual General Meeting of SANGAL PAPERS LIMITED will be held on Thursday, **12<sup>th</sup> September, 2024 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 31<sup>st</sup> March 2024, 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.:01297057)** who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Vinayak Sangal (DIN No.: 06833351)** who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

**4. 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, 2025.

**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.”

**By Order of the Board of Directors**

**For Sangal Papers Limited**

**Date : 5<sup>th</sup> Day of August, 2024**

**Sd/-**

**Place : Mawana**

**Anant Vats**

**Company Secretary cum Compliance Officer**

**Membership No. FCS 5575**

**NOTES:**

1. Pursuant to the General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC. 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. 2,3 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](mailto:dkgupta08@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto: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](mailto: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 Friday, September 6<sup>th</sup> 2023 to Thursday, September 12<sup>th</sup>, 2024 (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](http://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 and 16/03/2023 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.

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](http://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 2023- 24 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 2023-24 are available on the website of the Company at [www.sangalpapers.com](http://www.sangalpapers.com) and on the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depository Limited (NSDL) i.e. [www.evoting.nsdl.com](http://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. 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.
15. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Notice of the AGM and Annual Report may temporarily get themselves registered with RTA if shares held in physical mode please register your email id as per procedure given in point no.12 above or if shares are held in demat mode please update your email id and other details with your DP(Depository Participant).



Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website [www.sangalpapers.com](http://www.sangalpapers.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL <https://www.evoting.nsdl.com>.

16. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cut-off date for e-voting i.e. **Thursday, September 5<sup>th</sup>, 2024**, such person may generate login id and Password the as given in e-voting instructions below .
17. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.
18. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./ email ID with their respective depository participants.
19. Pursuant to Finance Act, 2020, dividend income will be taxable at the hands of shareholders w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from dividend paid to members at prescribed rates. For the prescribed rates for various categories the members are requested to refer to the Finance Act, 2020 and amendments thereto. The members are requested to update their PAN with Registrar and Transfer Agents (in case of shares held in physical mode) and depository participants (in case shares held in demat mode). However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 23-24 does not exceed Rs.5,000/-.
20. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturdays, upto the date of meeting.



21. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice of 44<sup>th</sup> Annual General Meeting (AGM) through electronic voting system, to members holding shares as **on Thursday, September 5, 2024** (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Monday, September 9, 2024 at 9:00 A.M. and ends on Wednesday, September 11, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, September 5, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, September 5, 2024.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="618 432 1438 995">1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>/either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>“IDeAS”</b> section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="618 1037 1438 1188">2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>“Register Online for IDeAS”</b> Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="618 1199 1438 1761">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under <b>‘Shareholder/Member’</b> section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/loginor">https://web.cdslindia.com/myeasi/home/loginor</a> <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at:  <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022-48867000 and 022-24997000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free n. 1800 22 55 33

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your*

vote electronically.

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 122072 then user ID is 122072001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
    - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [dkgupta08@yahoo.co.in](mailto:dkgupta08@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please update your mail id as per point no.12 of the notes.
2. In case shares are held in demat mode, please update your details with your DP and generate password as instructions given above in e-voting instructions.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.



**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their

respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [sangalinvestors1980@gmail.com](mailto:sangalinvestors1980@gmail.com) or [accounts@sangalpapers.com](mailto:accounts@sangalpapers.com). The same will be replied by the company suitably.

### **General Instructions**

- i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- ii. Shri Dinesh Kumar Gupta, Practicing Company Secretary (Membership No. FCS-5226 & CP No. 3599), has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- iii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present VC / OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.
- iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- v. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.sangalpapers.com](http://www.sangalpapers.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to certain Ordinary Business and all the Special Businesses mentioned in the accompanying Notice:

#### **Resolution at Item No. : 4**

The Board of Directors of the Company on the recommendations of the Audit Committee approved the Appointment and Remuneration of MR. S. R. Kapur (M. No.: M-4926), Cost Accountants, to conduct the Audit of Cost Records of the Company for the Financial Year ending 31st March, 2025.

In terms of the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules 2014, the Remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

The Directors recommend the resolution set out in Item No. 4 of the accompanying notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested in the resolution.

## Annexure A

Details of the Directors seeking Appointment or Re-Appointment in the forthcoming Annual General Meeting (In pursuance of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015).

<b>Name of the Director</b>	Tanmay Sangal	Vinayak Sangal
Date of Birth	16/10/1985	21/11/1991
Item Number	3	3
Date of Appointment	30/11/2003	01/03/2014
Relationship of Directors	Relative (Son of Mr. Himanshu Sangal)	Relative (Son of Mr. Amit Sangal)
Experience in Specific functional area	International Business, Marketing, Finance and Wide Business Administration Experience.	Operations, Raw Material and production Management Experience.
Qualification	MBA (Finance)	B. tech (Mechanical), MBA (Operation)
Board Membership of Companies as on 31 <sup>st</sup> March, 2024	1. Sangal Papers Limited	1. Sangal Papers Limited
Chairman/Member of the Committee of the Board of Director as on 31 <sup>st</sup> March, 2024	None	Sangal Papers Limited 1. Nomination and Remuneration Committee.
Number of Shares Held on 31 <sup>st</sup> March, 2024	45731	14487

**By Order of the Board of Directors**

**For Sangal Papers Limited**

**Date : 5<sup>th</sup> Day of August, 2024**

**Place : Mawana**

**Sd/-**

**Anant Vats**

**Company Secretary cum Compliance Officer**

**Membership No.- FCS 5575**

## DIRECTORS' REPORT TO THE MEMBERS

To,

The Members,

Your Directors take pleasure in presenting the 44<sup>th</sup> Annual Report on the business and operations on the business and operations together with Audited Statement of Accounts of your Company for the Financial Year ended 31<sup>st</sup> March, 2024.

### **COMPANY OVERVIEW**

Sangal Papers Limited (herein called "The Company") was incorporated in the year 1980. The forty four year old Company is a manufacturer of Newsprint, Writing & Printing paper and other various special paper for domestic and exports markets. Each of these products is targeted to meet unique and changing needs of our customers.

We at Sangal Papers Limited believe that our employees are the backbone of our company and aims at safeguarding the health of employees. We always believe in cooperation and maintaining good relations with all our stakeholders.

### **FINANCIAL HIGHLIGHTS**

The summarized financial results of the Company for the financial year 2023-2024 are given hereunder.

Details of financials as per IND AS:

(Rs. in Lakhs)

Particulars	Financial Year (2023-24)	Financial Year (2022-23)	% Increase/ % decrease(-)
Revenue from Operations	19033.87	22610.34	-15.82
Other Income	99.16	202.03	-50.92
<b>Total Income of the Company</b>	<b>19133.03</b>	<b>22812.37</b>	<b>-16.13</b>
<b>Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>771.17</b>	<b>832.74</b>	<b>-7.39</b>
Less: Depreciation/ Amortization/ Impairment	171.86	159.01	8.08
<b>Profit before Finance Costs, Exceptional items and Tax Expense</b>	<b>599.31</b>	<b>673.73</b>	<b>-11.05</b>
Less: Finance Costs	252.49	193.9	30.22

<b>Profit before Exceptional items and Tax Expense</b>	<b>346.82</b>	<b>479.83</b>	<b>-27.72</b>
<b>Profit before Tax Expense</b>	<b>346.82</b>	<b>479.83</b>	<b>-27.72</b>
Less: Tax Expense (Current & Deferred)	77.76	141.24	-44.94
<b>Profit for the year (1)</b>	<b>247.06</b>	<b>338.59</b>	<b>-27.03</b>
Other Comprehensive Income (2)	-4.71	-4.13	14.04
<b>Total Comprehensive Income (1+2)</b>	<b>242.35</b>	<b>334.46</b>	<b>-27.54</b>
Balance of profit /loss for earlier years	3733.95	3399.48	9.84
Add: Revaluation Reserve	48.56	48.56	0.00
<b>Balance carried forward</b>	<b>4024.86</b>	<b>3782.50</b>	<b>6.41</b>

#### OPERATIONAL REVIEW

<b>Particulars</b>	<b>Financial Year (2023-24)</b>	<b>Financial Year (2022-23)</b>	<b>% Increase/ % decrease(-)</b>
Revenue from Operations	19033.87	22610.34	-15.82
Profit before Tax Expense	346.82	479.83	-27.72
Profit for the year	247.06	338.59	-27.03

Management of the Company deployed the skills and efforts for achieving its objectives and goals. In order to achieve the ultimate goal of maximizing the net-worth of shareholders of the Company by legitimate and fair means, while discharging its obligations towards the society and environment. The management aims to be more economical and to bring maximum efficiency in the operations of the company.

The company is regularly exploring for growth opportunities in its domestic and international market, over last few years the Company has moved closer to the ultimate consumers and has remained successful in positioning its products in a way that consumers can connect with it. The Company has maintained international standards in its products.

#### SHARE CAPITAL

The issued capital, subscribed capital and paid up equity share capital of the Company as on March 31<sup>st</sup>, 2024 was Rs.1,30,72,600 (Rupees One Crore Thirty Lakh Seventy Two Thousand Six Hundred only) divided in to 13,07,260 (Thirteen Lakh Seven Thousand Two Hundred Sixty) equity shares of Rs.10/- each, fully paid up.

During the period under review, there is no change in the share capital of the Company.

## **DIVIDEND**

The Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any dividend for future growth of the company for the year under review.

## **INSTALLED CAPACITY**

The Company's current installed capacity is 33,000 MT per annum.

## **STATE OF THE COMPANY**

The following statement on the affairs of the company under review:

1. The Company engaged in single segment i.e. company engaged in manufacturing of Paper.
2. There is no change in status of the company.
3. There is no change in financial year of the company.
4. There was expenditure in capital work in progress of Rs.264.49 Lakhs during the year in plant and machinery for quality improvement, cost effectiveness and value addition.
5. Due to above there is modernization, expansion and diversification during the year.
6. There are no acquisitions or mergers during the year.

## **CASH AND EQUIVALENTS**

Cash & Equivalents as on date 31<sup>st</sup> March, 2024 was **Rs. (In lakhs) 131.38**. The Company continue to focus on judicious management of its working capital, receivables, inventories and other working capital parameters are kept under strict check through continuous monitoring.

## **EARNING PER SHARE (EPS)**

The Earning per equity share of the company for the financial year ended on 31/03/2024 was Rs. **18.90** per share and previous year was Rs. **25.90** per share. The Company has reported a decline of **27.03 %** in EPS for the FY 2023-2024.

## **INSURANCE**

The Company's properties including building, plant and machinery, stocks, stores, etc., have been adequately insured against major risks like fire, earthquake, terrorism, burglary etc.



## DEPOSITS

The Company has not accepted any fixed deposits from public and as such, accordingly no amount, principal or interest amount was outstanding as on the date of the Balance Sheet.

## CREDIT RATING

Your Company took credit rating from Brickwork Ratings, The Brickwork Ratings India Pvt. Ltd. has granting credit rating to the company as **BWR BBB- (Pronounced as BWR Triple B Minus), Outlook: Stable (Reaffirm)** for Fund Based - Cash Credit and Term Loan (o/s) and **BWR A3 (Pronounced as BWR, A Three) (Reaffirm)** for Non Fund Based: Bank Guarantee and ILC/FLC for the FY 2021-2022.

After F.Y. 2021-2022, we have not taken any credit ratings as we do not require the same.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given or granted any loans or guarantee covered under the provisions of section 186 of the Companies Act, 2013 and other details can find on the notes to the financial statements of the Company.

## MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

In the term of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, the Management Discussion and Analysis is set out in this Annual Report.

## INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to Chairman of the Audit Committee and Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

## **CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 including any amendments if any, the company's profit or net worth or turnover is below the prescribed limit as defined under the act. Therefore, provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company for the F.Y. ended 31<sup>st</sup> March 2024.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed pursuant to Section 134(3)(m) of The Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are given to the extent applicable herein below:

### **CONSERVATION OF ENERGY**

Paper manufacturing Industries are one of the growing industries in India. The basic need of paper industries is raw material i.e. waste paper and energy to produce the final product. Our company is always seeking to optimize use of energy by installing new equipment to reduce the consumption of energy and pollution at all its manufacturing facilities and registered office at Vill. Bhainsa, 22km, Meerut- Mawana Road, Meerut, UP. The company is ensuring:

#### **A) ELECTRICAL ENERGY:**

- (a) A provision of Energy Efficient Pumps for ETP/STP, Water Supply and Fire Systems.
- (b) Use of Energy Efficient LED Lighting for manufacturing and office.
- (c) Optimization of processes and operational control.
- (d) The manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- (e) Specific investment has been made to reduce energy consumption by installing VFD's and other electrical equipments.
- (f) As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

**B) WATER:**

- (a) Rain water harvesting with Ground Recharge.
- (b) Replacement of underground hydrant and water pipeline with above ground level pipeline to arrest water leakages.
- (c) Discharge of Waste Water after Treating through ETP.

**TECHNOLOGY ABSORPTION**

Company's products are manufactured by using In-house know how and no outside technology is being used for manufacturing activities. The Company is adopting green initiative for reducing the pollution and being more eco-friendly. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire in-house Research & Development activities are directed to achieve the aforesaid goal.

**IMPORTS/ EXPORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO****A. IMPORTS AND EXPENDITURE IN FOREIGN EXCHANGE**

Imported raw materials during the year, detailed as per Note No.38 of the notes to financial statements of the company.

**Value of Imports (C.I.F.) Value in respect of****(Rs. in lakhs)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
(a) Raw materials	1,374.42	568.78
(b) Capital goods	-	-
(c) Stores & spare parts	37.41	29.86

## B. EXPORTS AND EARNING IN FOREIGN EXCHANGE

(Rs. in lakhs)

Particulars	For the year ended on 31/03/2024	For the year ended on 31/03/2023
Earning in Foreign Currency on account of export of goods	2550.73	3160.93

The Company exports paper to Gulf, European, Asian and other Countries all over the world, during the year earnings in foreign currency increased to Rs. (in lakhs) 2,550.73 from Rs. (in lakhs) 3,160.93 in the previous year. The Company has reported a decline of 23.92 % in export for the said financial year.

Details are provided under the Point 38 of “Notes to Financial Statements” for the financial year ended as on 31<sup>st</sup> March 2024.

## DEVELOPMENTS IN INDUSTRIAL RELATIONS/ HUMAN RESOURCES INCLUDING NUMBER OF EMPLOYEE EMPLOYED

Employee wealth is main key to success of an organization, it is our obligation to provide more facilities to the employees. The company is a paper manufacturing industry, we are committed to maintain a culture and custom for our employee to attract and retain the best talent. During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

## CORPORATE GOVERNANCE REPORT

The Corporate Governance Report, which form an integral part of this Directors’ report, is set out as separate Annexure, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated under various regulations of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. An Internal Complaints Committee (“ICC”) has been set up from the senior management which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy. During the year ended March 31, 2024. No complaints pertaining to sexual harassment have been received.

## **DIRECTORS CESSATION, RETIREMENT, APPOINTMENT AND RE-APPOINTMENT**

1. Pursuant to the provisions of section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Tanmay Sangal (DIN: 01297057) Director (Non-Executive) retires by rotation and being eligible, offers himself for re-appointment. The Board of Directors recommends the re-appointment of Mr. Tanmay Sangal (DIN: 01297057) as director of the Company.
2. Pursuant to the provisions of section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vinayak Sangal (DIN: 06833351) Director (Non-Executive) retires by rotation and being eligible, offers himself for re-appointment. The Board of Directors recommends the re-appointment of Mr. Vinayak Sangal (DIN: 06833351) as director of the Company.
3. Shri Prem Sethi (DIN: 07146425), the independent director of the Company was re-appointed as an independent director of the Company in 38<sup>th</sup> Annual General Meeting of the Company for the second consecutive term of 5 years till 43<sup>rd</sup> AGM. The term of his appointment expired at the conclusion of 43<sup>rd</sup> AGM held on 24/08/2023.
4. Smt. Geeta Gupta (DIN: 00095939), the women independent director of the Company was re-appointed as an independent director of the Company in 38<sup>th</sup> Annual General Meeting of the Company for the second consecutive term of 5 years till 43<sup>rd</sup> AGM .The term of her appointment expired at the conclusion of 43<sup>rd</sup> AGM held on 24/08/2023.
5. Mr. Sapan Sodhi (DIN: 10178992), who was appointed as an Additional Director (in the capacity of a Non-Executive Independent Director) of the company by the Board of Directors at its meeting held on 27/05/2023 pursuant to section 161 of the Act as recommended by the Nomination and Remuneration Committee and whose term of office expired at 43<sup>rd</sup> AGM held on 24/08/2023.

He was confirmed as Independent Non-Executive Director whose period of office will not be liable to be determined by retirement of directors by rotation by the Shareholders in the 43rd AGM held on 24/08/2023 to hold office for a term of 5 (five) consecutive years.

6. Mrs. Vartika Malik (DIN: 00687839), who was appointed as an Additional Director (in the capacity of a Non-Executive Independent Director) of the company by the Board of Directors at its meeting held on 27/05/2023 pursuant to section 161 of the Act and as recommended by the Nomination and Remuneration Committee and whose term of office expired at 43<sup>rd</sup> AGM held on 24/08/2023.

She was confirmed as Independent Non-Executive Director by the Shareholders in the 43rd AGM held on 24/08/2023 to hold office for a term of 5 (five) consecutive years whose period of office will not be liable to be determined by retirement of directors by rotation.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL (“KMP”)**

The Board of Directors of the Company have an optimum combination of Executive, Non- Executive and Independent Directors who have an in- depth knowledge of business, in addition to the expertise in their areas of specialization.

### **Board of Directors**

Mr. Himanshu Sangal (Managing Director) (DIN-00091324), Mr. Amit Sangal (Whole Time Director cum CFO) (DIN-00091486), Mr. Tanmay Sangal(Non-Executive Director) (DIN: 01297057), Mr. Vinayak Sangal(Non – Executive

Director) (DIN: 06833351), Mrs. Vartika Malik (Independent Non-Executive Women Director) (DIN:00687839), Mr. Sapan Sodhi (Independent Non-Executive Director) (DIN:10178992),.

Mr. Sapan Sodhi is the Chairman of the Board w.e.f.16/09/2023 who is Non-Executive Independent Director and he replaces Mr. Prem Sethi in the Meeting of the Board held on 15/09/2023.

#### **Key Managerial Personnel**

Mr. Himanshu Sangal (Managing Director) (DIN-00091324), Mr. Amit Sangal (Whole Time Director cum CFO)(DIN-00091486).

Mr. Arpit Jain (Company Secretary) of the Company resigned w.e.f. 31/05/2023 and Mr. Anant Vats was appointed as Company Secretary and compliance officer of the Company w.e.f. 01/06/2023.

#### **BOARD EVALUATION**

Pursuant to Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, mandate that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of the Board of Directors on various parameters, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the Working of its Audit Committee, Nomination and Remuneration Committees and Stakeholder Relationship Committee. The Board specified the manner in which the evaluation has been carried out and explained in the Corporate Governance Report.

#### **DIRECTOR'S APPOINTMENT AND REMUNERATION POLICY**

The policy on directors' appointment and remuneration, including criteria for determining qualification, positive attribute and independence of a director and other relevant matter, as required as per section 178(3) of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. You may find the Remuneration policy on website of the Company at [www.sangalpapers.com](http://www.sangalpapers.com). The Directors' appointment and Remuneration Policy also stated in Corporate Governance Report.

#### **DECLARATION BY THE INDEPENDENT DIRECTORS**

The Company received necessary declaration from each independent director under section 149(7) of Companies Act, 2013, that Mr.Prem Sethi, Mrs. Geeta Gupta, Mr. Sapan Sodhi and Mrs. Vartika Malik (Independent women Director) for meeting the criteria of independency laid down in section 149(6) of Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

#### **FAMILIARIZATION PROGRAM AND INDEPENDENT DIRECTORS MEETING**

During the financial year, as per company policy the Board of Directors of the company conduct a separate meeting of the independent director for the purpose of evaluation of the Board of Directors as whole and individually and also conduct the familiarization program for introduction to the Board and to attend an orientation program. The Details of Training and familiarization program are provided in the corporate governance report and also available on website ([www.sangalpapers.com](http://www.sangalpapers.com)) of the company.



## BOARD DIVERSITY

We understand the value and importance of balanced and diverse board in the company. We always support a better/best board in the company. The Company believes that a truly diverse board will bring changes in thoughts, perspective, knowledge, skills, industry experience, cultural and geographical background, age, gender that will help us retain our competitive advantage.

## MEETINGS OF BOARD OF DIRECTORS AND COMMITTEE

### BOARD OF DIRECTORS MEETING

Sl. No.	Date of Board Meeting	Total No. of Directors	Directors present	Directors on leave of absence
1.	27/05/23	6	6	NIL
2.	26/07/23	8	8	NIL
3.	11/08/23	8	8	NIL
4.	15/09/23	6	6	NIL
5.	09/11/23	6	6	NIL
6.	04/01/24	6	6	NIL
7.	13/02/24	6	6	NIL

### AUDIT COMMITTEE MEETING

Sl. No.	Date of Board Meeting	Total No. of Directors	Directors present	Directors on leave of absence
1.	27/05/23	3	3	NIL
2.	26/07/23	3	3	NIL
3.	11/08/23	3	3	NIL
4.	09/11/23	3	3	NIL
5.	13/02/23	3	3	NIL

### NOMINATION AND REMUNERATION COMMITTEE MEETING

Sl. No.	Date of Board Meeting	Total No. of Directors	Directors present	Directors on leave of absence
1.	27/05/23	3	3	NIL
2.	26/07/23	3	3	NIL

### STAKEHOLDERS RELATIONSHIP COMMITTEE MEETING

Sl. No.	Date of Board Meeting	Total No. of Directors	Directors present	Directors on leave of absence
1.	24/11/2023	3	3	NIL

All the meetings were held in accordance with the applicable provisions of the Companies Act, 2013 and Rules made there under. The details of which are given in the Corporate Governance Report. The maximum interval between any two meeting of the Board of Directors and the Audit Committee, did not exceed 120 days, as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



#### **AUDIT COMMITTEE RECOMMENDATIONS**

During the year, all the recommendations of Audit Committee were reviewed and approved by the Board of Directors, if any.

#### **MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have no material changes and commitments affecting the financial position of the company which have occurred between the end of the Financial Year of the company to which the financial statements relate and the date of the report.

#### **CHANGE IN THE NATURE OF BUSINESS**

The Company engaged in single segment i.e. manufacturing of paper, The Company has not undergone any changes in the nature of the business during the financial year.

#### **THE DETAILS OF SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the company's operation in future.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act 2013, your directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed with no material departures;
- (b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair review of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the same period;
- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) They have prepared the annual accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;

#### **INTERNAL FINANCIAL CONTROL SYSTEM**

The Company's Internal Financial Control System is designed to help and ensure the effectiveness and efficiency of operations, proper financial reporting and compliance of laws and regulations. The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including the adherence to the Companies Policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

#### **RELATED PARTY TRANSACTIONS**

Sangal Papers Limited has formulated a policy on Related Party Transaction. The same is available on the company website ([www.sangalpapers.com](http://www.sangalpapers.com)). All the Related Party Transactions are placed before the audit committee for its review on quarterly basis. The related party transactions have already been disclosed in the financial statements. No transaction of material nature has been entered into by the Company during the year which may have potential conflict with the interest of the Company. All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with promoters, key managerial personnel or other designated persons which may have potential conflict with interest of the Company at large.

All transactions with related party fall under the scope of Related Party Transactions are complied with the provisions of section 188(1) of the Companies Act, 2013, Information on transactions with related parties pursuant to section 134(3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure II** in Form AOC-2 and forms part of this report.

#### **SUBSIDIARY COMPANIES, JOINT VENTURE AND ASSOCIATE COMPANY**

The Company does not have any subsidiary, joint venture and associate company during the relevant financial year 2023-2024.

## **CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct and which is applicable to the members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "Code of Business Conduct" which forms and Appendix to the Code and same is available on the company website ([www.sangalpapers.com](http://www.sangalpapers.com)).

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board members and the Senior Management personnel have confirmed compliances with the code. All management Staff was given appropriate training in this regard.

## **MECHANISM/WHISTLE BLOWER POLICY**

Pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has formulated a Whistle Blower Policy to establish a vigil mechanism for directors and employees of the Company. The purpose and objective of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects the employees wishing to raise a concern about serious irregularities within the Company. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company ([www.sangalpapers.com](http://www.sangalpapers.com)).

## **STATUTORY AUDITORS**

In terms of provisions of Section 139 of the Companies Act, 2013, and the rules made there under M/s Raj Viyom & Co., (formerly known as M/s Raj Sandhya & Co.) Chartered Accountants were appointed as statutory auditors by the shareholders of the Company in the 42<sup>nd</sup> Annual General Meeting for second consecutive term of Five (5) years i.e., from the conclusion of 42<sup>nd</sup> AGM till the conclusion of 47<sup>th</sup> AGM to be held in the year 2027.

## **COST AUDIT**

COST AUDITORS Mr. S. R. Kapur, Cost Accountant (Membership No.:- M-4926), Add.: A-16 (G.F.), Ansal Courtyard, Bye Pass Road, Modipuram Crossing, Meerut, UP- 250001 were appointed as Cost Auditors for conducting the cost audit of the Company for the year ended 31 March 2024 The said firm has been appointed as cost auditors of the Company for the financial year 2024-25 as well.

## **SECRETARIAL AUDIT**

M/s D. K Gupta & Co., Practicing Company Secretary (Membership Number: 5226, Certificate of Practice Number: 3599) was appointed as Secretarial Auditors to conduct Secretarial Audit of the Company and have submitted the Secretarial Audit Report for the year ending 31 March 2024 which is annexed to this Board's Report as. As per amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in addition to the abovementioned Secretarial Audit Report, listed company is also required to obtain an Annual Secretarial Compliance Report from a practicing Company Secretary w.r.t. the compliances of all applicable SEBI Regulations, amendments, circulars or guidelines etc. by the Company. Accordingly, the same has been obtained and filed with the concerned Stock Exchanges.

Further pursuant to SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, read with Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) (Amendment) Regulations, 2018, the Company is required to obtain a certificate from Practicing Company Secretary that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The said Certificate has been obtained from M/s D. K Gupta & Co., Practicing Company Secretary (Membership Number: 5226, Certificate of Practice Number: 3599), which is annexed to this Board's Report.

Pursuant to Section 204 of the Companies Act, 2013 M/s D. K Gupta & Co., Practicing Company Secretary (Membership Number: 5226, Certificate of Practice Number: 3599) have been appointed as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year ending 31 March 2025.

## **AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:**

There are no observations/qualifications in statutory audit report. The comments in the Auditors Report read with the notes to the accounts are self-explanatory and do not call for any explanation under Section 134 of the Companies Act, 2013. As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report. Observations, if any made therein are self-explanatory and read with Notes on Account of Financial Statement.

**PREVENTION OF INSIDER TRADING:**

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019. Pursuant thereto, the Company has formulated and adopted a new Code of practice for fair disclosure of unpublished price sensitive information and Code of Conduct. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code during the FY 2023-24 and the same has been informed under Code of Conduct section of this report.

**DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR:**

The Company has neither made any application nor any proceeding pending under Insolvency and Bankruptcy Code, 2016 during the financial year 2023-24.

**DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTION:**

The Company has not made any one-time settlement during the financial year 2023-24 with Banks or Financial Institution.

**DISCLOSURE OF CERTAIN TYPE OF AGREEMENTS BINDING ON THE COMPANY**

Pursuant to Clause 5A of Para A of Part A of Schedule III of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, that the Company/ Board did not received any information (mentioned in Clause 5A of Para A of Part A of Schedule III of SEBI listing regulation) during the relevant financial year from its Shareholders, Promoters, Promoter Group Entities, Related Parties, Directors, Key Managerial Personnel, Employees of the Company or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity and also any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements.

**ANNUAL RETURN**

Extract of the Annual Return in Form MGT-7 would be available at the website of the Company at

["www.sangalpapers.com."](http://www.sangalpapers.com)



## **PARTICULARS OF EMPLOYEES**

The provisions of Rule 5 (2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (include any modification or amendment thereof, if any) requiring particulars of the employees in receipt of remuneration in excess of Rupees One Crore and Two Lakh per year and Rupees Eight lakh Fifty Thousand per month only to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rupees One Crore and Two Lakh per year and Rupees Eight lakh Fifty Thousand per month during the financial year 2023-2024.

The information required under section 197 (12) of the Companies Act, 2013 read with Rules 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in the Statement annexed herewith as "Annexure –III".

## **ACKNOWLEDGEMENT:**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company , Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous co-operation and assistance.

**For and on behalf of the Board of Directors,**

**Date: 05/08/2024**

**Amit Sangal**

**Himanshu Sangal**

**Place: Mawana**

**Whole Time Director/CFO**

**Managing Director**

**DIN- 00091486**

**DIN - 00091324**

## **ANNEXURE "I" TO BOARD'S REPORT**

### **ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES**

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 including any amendments if any, the company's profit or turnover is below the prescribed limit as defined under the act. Therefore, provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company for the FY ended 31<sup>st</sup> March 2024.

CSR is a commitment by business to behave ethically and contribute to economic development and to improve the quality of life of local community and society at large. It includes ensuring environmental sustainability, promoting gender equality, education etc. Business entities can no longer limit themselves to using resources, to engage in activities that increase their profits. They have to be socially responsible corporate citizens and also contribute to the social good.

We have assumed the above requirement to act in socially diligent manner. We have explored its impact on the economic, social and environmental sector which directly affects the relationships with employees, society, environment and other stake holders. The Company has developed and implemented a policy pursuant to the provisions of section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy), Rules 2014.

1. **Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 including any amendments if any, the company's profit or net worth or turnover is below the prescribed limit as defined under the act. Therefore, provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company for the F.Y. ended 31<sup>st</sup> March 2024.

2. **Composition of the CSR Committee: NA**
3. **Weblink of Composition of the CSR Committee and CSR Policy, and CSR Projects, if any, and approved by the Board of Directors are disclosed on the website of the company at <https://www.sangalpapers.com>.**

**As the company is not required to constitute the CSR Committee and the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable for the financial year 2023-24, therefore, other information in this report are not applicable to the Company.**

**For and on behalf of the Board of Directors,**

**Date: 05/08/2024**

**Amit Sangal**

**Himanshu Sangal**

**Place: Mawana**

**Whole Time Director/CFO**

**Managing Director**

**DIN- 00091486**

**DIN - 00091324**



## ANNEXURE "II" TO BOARD'S REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

### 1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract/arrangement/transaction with its Related Parties which is not in ordinary course of business or not at arm's length during F.Y. 2023-24. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

(a) Name(s) of the related party and nature of relationship: Not Applicable

(b) Nature of contracts/arrangements/transactions: Not Applicable

(c) Duration of the contracts / arrangements/transactions: Not Applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

(e) Justification for entering into such contracts or arrangements or transactions: Not Applicable

(f) Date(s) of approval by the Board: Not Applicable

(g) Amount paid as advances, if any: Not Applicable

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

**2. Details of material contracts with related parties or arrangement or transactions at arm's length basis during F.Y.2023-2024:**

SL. NO.	Name of Related Party	Nature of relationship with the Director	Nature of contracts/ transaction	Duration of contract/ transactions	Amount/value of Transaction in the year in (Rs.Lakhs)	Amount paid as advances, if any
1.	Mr. Tanmay Sangal (DINNo.:01297057)	Son of MD (Mr. Himanshu Sangal)	Salary for holding office or place of profit	Regular Service	40	NIL
2.	Mr. Vinayak Sangal (DIN No.: 06833351)	Son of WTD (Mr. Amit Sangal)	Salary for holding office or place of profit	Regular Service	40	NIL
5.	Smt. Renu Sangal-PAN-ATBPS2221F	Wife of Sh. Himanshu Sangal, Managing Director of the Company	Rent	Regular	4.44	NIL

**For and on behalf of the Board of Directors,**

**Date: 05/08/2024**

**Amit Sangal**

**Himanshu Sangal**

**Place: Mawana**

**Whole Time Director/CFO**

**Managing Director**

**DIN- 00091486**

**DIN - 00091324**

## ANNEXURE “III” TO BOARD’S REPORT

Pursuant to Section 197 (3) of the Companies Act, 2013 read with rule 5 of the Companies

(Appointment & Remuneration of Managerial Personal) Rules, 2014

Sangal Paper Limited is paper manufacturing company. The remuneration and perquisites provided to our employees including management of the company are on par with industries benchmarks. The Board of Directors and Nomination and Remuneration committee continuously review the compensation of our MD, WTD/CFO and other KMP to align both the short term and long term business objectives of the company and to link with the performance of the directors and KMPs. The details of remuneration to KMP including MD and WTD/CFO in the below table:

### 1.Remuneration of Managing Director, Whole Time Director/Chief Financial Officer (CFO):

Name of Director	Directors Identification Number (DIN)	Designation	Remuneration in the year 2024 (Rs. In Lakhs)	Remuneration in the year 2023 (Rs. In Lakhs)	% increase of remuneration in fiscal 2024 as compared to 2023	The ratio of the remuneration of each director to the median of remuneration of employees of the company for the Financial Year 2023-2024
Himanshu Sangal	00091324	Managing Director	84	84	NIL	67.63:1
Amit Sangal	00091486	Whole Time Director/CFO	84	84	NIL	67.63:1

\*includes benefits provided by the company to concern MD and WTD during the financial year and remuneration drawn during the FY 2023-2024 year.

Note:

- The details in the table are on accrual basis.
- Remuneration provided to MD and WTD recommended by the Nomination and Remuneration Committee and approved by Board of Directors.
- Remuneration calculation of MD and WTD/CFO as per Schedule V of Companies Act, 2013 and others applicable rules and regulations if any.

## 2. Increase in remuneration of other Key Managerial Personnel (KMP):

Name of KMP	Title	Remuneration in the year 2023- 2024 (Rs. In Lakhs)	Remuneration in the year 2022-2023 (Rs. In Lakhs)	% increase/decrease of remuneration in fiscal 2023-24 as compared to 2022-23
Anant Vats	Company Secretary cum Compliance officer(appointed w.e.f 01/06/2023)	6.32	0	Not Applicable
Arpit Jain	Company Secretary cum Compliance officer(upto 31/05/2023)	0.94	5.52	2.17%

The details in the above table are on accrual basis. For the purpose of comparison annualized remuneration/salaries for both the financial year 2023 and financial year 2024 are taken for the purpose of calculation.

## 3. Remuneration of Directors (Non-executive) other than MD,WTD and KMP:

Name of Director	Directors Identification Number (DIN)	Designation	Remuneration in the year 2024 (Rs. In Lakhs)	Remuneration in the year 2023 (Rs. In Lakhs)	% increase of remuneration in fiscal 2024 as compared to 2023	The ratio of the remuneration of each director to the median of remuneration of employees of the company for the Financial Year 2023-2024
Tanmay Sangal*	01297057	Director	NIL	NIL	NA	NA
Vinayak Sangal*	06833351	Director	NIL	NIL	NA	NA
PremSethi	07146425	Director	NIL	NIL	NA	NA
Geeta Gupta	00095939	Director	NIL	NIL	NA	NA
Sapan Sodhi	10178992	Director	NIL	NIL	NA	NA
Vartika Malik	00687839	Director	NIL	NIL	NA	NA

Note:

The details in the above table are on accrual basis. For the purpose of comparison annualized remuneration/salaries for both the financial year 2023 and financial year 2024 are taken for the purpose of calculation.

\*Mr. Tanmay Sangal, President Marketing/Non-Executive Director and Mr. Vinayak Sangal, President Operation/Director (Non-Executive Director) of the Company are receiving salary in the capacity of employees and not in capacity of director since 2017.

**4.Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

Top 10 Employee in terms of remuneration drawn during the year:

Employee Name	Designation	Educational Qualification	Experience (in years)	Remuneration in 2023-24(in Lakhs)	Previous employment and designation	Date of Commencement of employment	Date of Birth/Age as on 01.01.24(in years)	No of share held as on date 31 <sup>st</sup> March 2023	Relationship with Director
Tanmay Sangal	President Marketing	MBA	13	40	Deloitte/ Business Valuation Analysis	01/01/2017	16/10/1985/39	45731	Son of Mr. Himanshu Sangal, MD
Vinayak Sangal	President Operation	B.tech., MBA	7	40	Godrej boyce Manufacturing co. ltd./ Purchasing Manager	01/04/2017	21/11/1991/33	14487	Son of Mr. Amit Sangal, WTD/CFO
Praveen Agarwal	VP Plant	B.E., P.G.	40	12	Ruchi Paper Mill,/GM	03/04/2017	15/05/1960/64	NA	NA
Yashveer Tyagi	GM Power Plant	B.O.E.	21	7.20	Rama Paper Mills Limited	20/01/2022	20/03/1969/56	NA	NA
Dinesh Kumar Sharma	GM Production	Diploma in Paper Tech.	34	8.40	Shree Krishna Paper Mill, / Work Manager	21/12/2018	15/07/1966/58	NA	NA
Jitendra Pratap Singh	VP Marketing	MBA	20	8.82	Prolific Papers Limited	01/07/2023	08/08/1980/44	NA	NA
Rakesh Paspola	Sales Manager	B.A.	28	7.72	NA	01/06/2014	20/06/1968/56	NA	NA
Sanjay Kumar Agarwal	GM Finance	M.Com, L.LB., CA	38	6.60	Anand Triplex Board Ltd./GM Finance	01/08/2009	01/07/1966/58	60	NA
Kesho Singh	Electric Manager	M.Tech.	38	6.92	NA	01/07/2008	12/01/1959/65	NA	NA

**5.The percentage increase in the median remuneration of employee in the financial year: 5.18%**

Note: During the year median remuneration of employee increases due to number of employee for the financial year 2023-2024 is less than number of employee during the financial year 2022-2023.

**6.The number of permanent employees on the rolls of company as on 31<sup>st</sup> March, 2024: 230 for the year 2023-2024.**

**7.The number of permanent employees on the rolls of company as on 31<sup>st</sup> March, 2023: 252 for the year 2022-2023.**

**8.**Average percentage increase in the salaries of employees other than the managerial personnel in the financial year 2023-2024 was 1.76% (estimated) and increase in the managerial remuneration for the same financial year was NIL. However, the company is paying fixed remuneration to the individuals based on the responsibility and position, the Company is paying remuneration to the Key Managerial Person (KMP) as per skills and experience. Increment in Managerial remuneration of the Key Managerial Persons (KMP) and MD and WTD are as per Managerial Remuneration Policy.

**9.**Key parameter for any variable component of remuneration availed by the Director-Variance in managerial remuneration as per Managerial Remuneration Policy.

**10.**We affirm that the remuneration paid to the Directors, Key Managerial Personnel and employees is as per the remuneration policy of the Company.

**11.**Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

<b>Closing date of the Financial Year</b>	<b>Issued Capital (Shares)</b>	<b>Closing Market Price Per Share</b>	<b>EPS</b>	<b>PE Ratio</b>	<b>Market Capitalization (Rs. in Lakhs)</b>
31.03.2023	1307260	128.30	25.90	4.95	1677.21
31.03.2024	1307260	186.90	18.90	9.89	2443.27
Increase/(Decrease)	-	58.60	(7.00)	4.94	766.06
% of Increase/(Decrease)	-	45.67%	(27.03) %	99.79 %	45.67%

**12. Market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

The equity shares of the Company were initially listed on BSE Ltd. in the year 1994. The last public offer of the equity shares was made in the year 1994 by way of Public issue to the general public at a price of Rs. 10/- per equity share. As on 31<sup>st</sup> March, 2024 the market quotation of the Company's share price (closing price) was Rs. 186.90.

**13. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:**

There is only one Managing Director, one Whole Time Director cum Chief Financial Officer (CFO), two non-executive directors and two Independent Directors as on 31/03/2024. During the year there were two independent directors, two more independent directors were appointed by the board on 27/05/2024 and they were confirmed by the shareholders in 43<sup>rd</sup> AGM held on 24/08/2024 and two of the directors retired due to expiry of their term on 24/08/2024.

**14. Comparison of remuneration of the KMP against the performance of the company:**

Name	Remuneration of KMP and Directors for the period 2023-2024 (Rs. In Lakhs)	Performance of the Company PAT as on 31 <sup>st</sup> March 2024 (Rs. In Lakhs)
Himanshu Sangal Managing Director	84	247.06
Amit Sangal Whole Time Director cum CFO	84	247.06
Tanmay Sangal President Marketing/ Director	NIL	247.06
Vinayak Sangal President Operation/Director	NIL	247.06
Anant Vats Company Secretary(from 01/06/2024)	6.32	247.06
Arpit Jain Company Secretary (upto 31/05/2024)	0.94	247.06

Note: Mr. Tanmay Sangal, President Marketing and Mr. Vinayak Sangal, President Operation are receiving remuneration in the capacity of Place of Profit and not in the capacity of Directors, refer to AOC-2 for disclosure regarding this.



**15. The key parameters for any variable component of remuneration availed by the directors:**

There is no variable component in the remuneration of Executive Directors of the Company.

**16. Is remuneration as per the remuneration policy of the Company: Yes**

**17. The ratio of the remuneration of the highest paid director to that of the employee who are not directors but receive remuneration in excess of the highest paid director during the year: NA**

Sd/-

Sd/-

Date: 05/08/2024

Amit Sangal

Himanshu Sangal

Place: Mawana

Whole Time Director/CFO

Managing Director

DIN- 00091486

DIN - 00091324

**FORM NO. MR – 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2024**

**[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies Appointment and Remuneration Personnel Rules, 2014]**

To  
The Members,  
Sangal Papers Ltd.  
CIN: L21015UP1980PLC005138

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Sangal Papers Ltd. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by **Sangal papers Ltd.** ('the Company') its officers, agents, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on **31<sup>st</sup> March 2024** complied with the statutory provision listed hereunder and also that the Company has proper Board processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

**A. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provision of:**

- I. The Companies Act, 2013 and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder and as amended from time to time;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Shares Based Employees Benefits) Regulations 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

VI As informed by management other laws applicable to the Company are:-

1. Air (Prevention and Control of Pollution) Act, 1981 read with The Air (Prevention and Control of Pollution) Rules, 1982
2. Employee's Compensation Act, 1923
3. Employees' Pension Scheme, 1995
4. Employees' Provident Fund Scheme, 1952
5. Employees Provident Funds And Miscellaneous Provisions Act, 1952
6. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
7. Industrial Disputes Act, 1947
8. The Contract Labour (Regulation & Abolition) Act, 1970
9. The Payment of Bonus Act, 1965
10. The Payment of Gratuity Act, 1972
11. The Payment of Wages Act, 1936
12. Water (Prevention and Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975
13. Child Labour (Prohibition and Regulation) Act, 1986
14. Employees Deposit-Linked Insurance Scheme, 1976
15. Explosives Act, 1884
16. Foreign Exchange Management Act, 1999
17. Income-Tax Act, 1961 | Income-Tax Rules, 1962
18. Industrial Employment (Standing Orders) Act, 1946
19. Legal Metrology Act, 2009
20. Competition Act, 2002
21. Goods and Services Act, 2016 and Rules thereunder,

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

**B. I Further Report that:**

The Board of Directors of the Company is duly constituted with executive, non-executive and independent directors. Based on our examination, the Company has complied with the provisions of the Act in respect of changes in the composition of the Board of Directors that took place during the period under review.

As informed adequate notices were given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at generally seven days in advance and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and committee meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors or the Committees of the Board as the case may be.

**C. I Further Report that:**

based on review of compliance mechanism established by the Company, I am of the opinion that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**D. I Further Report that:**

During the audit period, there was no event or actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, Guidelines, standards, etc.;

Place: Meerut

**for D. K. GUPTA & CO.**  
(Company Secretaries)

Date: 2<sup>nd</sup> August 2024

ICSI UDIN: F005226F000883356 Dated 2<sup>nd</sup> August 2024

**DINESH KUMAR GUPTA**  
(Proprietor)

C. P. No. 3599

FCS No. 5226

Peer Review Certificate no. 1993/2022

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

**'ANNEXURE - A'**

To

The Members,

**Sangal Papers Ltd.**

CIN: L21015UP1980PLC005138

My report of even date is to be read along with this letter.

**Management's Responsibility**

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express as opinion on these secretarial records based on my audit.

**Auditor's Responsibility**

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

**Disclaimer**

5. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Meerut

Date: 2<sup>nd</sup> August 2024

ICSI UDIN: F005226F000883356 Dated 2<sup>nd</sup> August 2024

**for D. K. GUPTA & CO.**  
(Company Secretaries)

**DINESH KUMAR GUPTA**  
(Proprietor)

C. P. No. 3599

FCS No. 5226

Peer Review Certificate no. 1993/2022

**Secretarial Compliance Report of Sangal Papers Limited**

For the Financial Year Ended On 31<sup>st</sup> March 2024

[Pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> Feb. 2019 for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members,

**Sangal Papers Limited**

CIN: L21015UP1980PLC005138

Reg. Office: Village Bhainsa, 22 K. M. Mawana Road, Meerut- 250401 UP IN

I, Dinesh Kumar Gupta, Practicing Company Secretary (FCS No. 5226 and C. P. No. 3599) have examined:

- (a) all the documents and records made available to us and explanation provided by Sangal Papers Limited (“the Company”),
- (b) the filings/ submissions made by the Company to the stock exchanges,
- (c) website of the Company,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification.

**For the year ended on 31<sup>st</sup> March 2024 (“Review Period”) in respect of compliance with the provisions of :**

- a. the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b. the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);



The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the company during the period under review)**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the company during the period under review)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the company during the period under review)**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the company during the period under review)**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2021; **(Not applicable to the company during the period under review)**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

(k) Any circulars/ guidelines issued thereunder

Based on my examination and verification of the documents and records produced to me and according to the information and explanations given to me by the Company, I report that:

Sl. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS*
1.	<p><b><u>Secretarial Standard</u></b></p> <p>The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)</p>	Yes	
2.	<p><b>Adoption and timely updation of the Policies:</b></p> <ul style="list-style-type: none"> <li>■ All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Company</li> <li>■ All the policies are in conformity of with SEBI Regulations and has been reviewed &amp; timely updated as per the regulations / circulars / guidelines issued by SEBI.</li> </ul>	Yes	
3.	<p><b>Maintenance and disclosure on website:</b></p> <ul style="list-style-type: none"> <li>• The Company is maintaining a functional website.</li> </ul>	Yes	all disclosures generally required to be uploaded on company's website are available

	<ul style="list-style-type: none"><li>• Timely dissemination of the documents/ information under a separate section on the website.</li><li>• Web-links provided in annual corporate governance reports under Regulation 27(21) are accurate and specific which redirects to the relevant document(s)/ section of the website</li></ul>		on <a href="https://sangalpapers.com/financials/">https://sangalpapers.com/financials/</a>  for financial year 2023-24 as on the date of our report.
4.	<b>Disqualification of Director:</b>  None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	
5.	<b>Examined the details related to Subsidiaries of the Company:</b>  (a) Identification of material subsidiary companies;  (b) Requirement with respect to disclosure of material as well as other subsidiaries.  (Company is not having any material subsidiaries)	NA	The Company had identified and there were no Material Subsidiary Company of the Company during the review period.
6.	<b>Preservation of Documents:</b>  The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations,	Yes	

	2015		
7.	<p><b>Performance Evaluation:</b></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations</p>	Yes	
8.	<p><b>Related Party Transactions:</b></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions.</p> <p>(b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee</p>	<p>(a) Yes</p> <p>(b) NA</p>	The Company has obtained the prior approval of Audit Committee for all Related party transactions
9.	<p><b>Disclosure of events or information:</b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes	
10.	<p><b>Prohibition of Insider Trading:</b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	Yes	
11.	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b>		

	No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	
12.	<b>Additional Non-compliances, if any:</b>  Additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	NA	No non-compliance observed for all SEBI regulation/circular/guidance note etc

**Further, based on the above examination, we hereby report, during the review period that:**

- (a) The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sl. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ circular No.	Deviations	Action taken by Company	Type of Action	Details of violation	Fine Amt.	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

- (b) The Company was not required to take any action with regard to compliance with the observations made in previous reports as the same was not applicable:

**D. K. GUPTA & CO.**

(Company Secretaries)

Sl. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ circular No.	Deviations	Action taken by Company	Type of Action	Details of violation	Fine Amt.	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Place: Meerut

Date: 29<sup>th</sup> May 2024UDIN: F005226F000480261 dated 29<sup>th</sup> May 2024for D. K. GUPTA & CO.  
(Company Secretaries)DINESH  
KUMAR  
GUPTADigitally signed by  
DINESH KUMAR  
GUPTA  
Date: 2024.05.29  
12:06:47 +05'30'DINESH KUMAR GUPTA  
(Proprietor)

C. P. No. 3599

M. No. F-5226

Peer Review Certificate no. 1993/2022

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE - A' and forms an integral part of this report.

**'ANNEXURE - A'**

To

The Members,

**Sangal Papers Limited**

CIN: L21015UP1980PLC005138

Reg. Office: Village Bhainsa, 22 K. M. Mawana Road, Meerut- 250401 UP IN

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express as opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of SEBI laws, Corporate and other applicable laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Compliance Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Meerut

Date: 29<sup>th</sup> May 2024

**UDIN: F005226F000480261 dated 29<sup>th</sup> May 2024**

**for D. K. GUPTA & CO.**  
(Company Secretaries)

DINESH  
KUMAR  
GUPTA

Digitally signed by  
DINESH KUMAR  
GUPTA  
Date: 2024.05.29  
12:06:15 +05'30'

**DINESH KUMAR GUPTA**  
(Proprietor)

C. P. No. 3599

M. No. F-5226

Peer Review Certificate no. **1993/2022**



**SANGAL PAPERS LIMITED (CIN- L21045UP1980PLC005138)**

22- Km – Meerut Mawana Road, Mawana- 250401, Distt. – Meerut (U.P)

E- Mail ID:[sangalinvestors1980@gmail.com](mailto:sangalinvestors1980@gmail.com), PH. No. : 01233-271515

**This report on Corporate Governance forms part of the Directors Report for the financial year ended 31<sup>st</sup> March, 2024.**

**1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Sangal Papers Ltd. strives to adopt the standard of excellence in Corporate Governance. The Company has consistently practiced good Corporate Governance norms for the past several years for the efficient conduct of its business and meeting its obligations towards all its stakeholders viz, the shareholders, customers, employees and the community in which the Company operates.

The Company has established procedures and systems to be fully complied with the requirements stipulated by the Securities and Exchange Board of India (SEBI) from time to time, under Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and other related policy adopted by the company has been implemented in a manner so as to achieve the objectives of Corporate Governance.

The essential elements of Corporate Governance are fairness, transparency, accountability and responsibility towards which company continues to remain committed.

**2. BOARD OF DIRECTORS**

**(i) COMPOSITION AND CATEGORY OF DIRECTORS**

The Board of Directors of the Company have an optimum combination of Executive, Non- Executive and Independent Directors who have an in- depth knowledge of business, in addition to the expertise in their areas of specialization.

The Board of the Company comprises Six Directors- Two Executive Directors and Four Non-Executive Directors, of whom two are Independent Directors. The current strength of the Board includes one Woman Independent Director.

**Composition of the Board of Directors as on 31<sup>st</sup> March 2024:**

Director Name	Category of Directors	Qualification of director	Experience in years	Expertise in area	Subject to retirement by rotation	No. of Directorship in other Company (including private limited company)	Number of Committee positions held in other public companies	
							Chairman	Member
Mr. Himanshu Sangal	Managing Director/ Promoter / Executive	Graduate, LLB.	44(Paper industries) 10(Pharma)	Operation, production, administrative management	No	NIL	NA	NA
Mr.Amit Sangal	Whole Time Director/CFO/ Promoter / Executive	Graduation in commerce	31(Paper industries) 12 (Finance)	Finance, sale, operation, raw material management	No	TWO(2)	NA	NA
Mr.Tanmay Sangal	Director/ Promoter / Non-Executive	MBA (Finance)	15	International business, Marketing, finance and business administration	Yes	NIL	NA	NA
Mr.Vinayak Sangal	Director/ Promoter / Non-Executive	B.tech., MBA	10	Operation, raw material and production management	Yes	NIL	NA	NA
Mr.Sapan Sodhi	Independent Director/ Non-Executive	Law Graduate	30	Administration , legal	No	NIL	NA	NA
Mrs.Vartika Malik	Independent Director/ Non-Executive / Women Director	Law Graduate	30	Management, taxation, Legal	No	ONE (1)	NA	NA

Pursuant to the applicable provisions of Companies Act, 2013 and The Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Board has carried out an evaluation of its own performance, the Directors individually as well as the valuation of the working of its Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The manner in which evaluation has been carried out has been explained in the Corporate Governance Report. Mr. Sapan Sodhi, Non-Executive Independent Director is the Chairperson of the Board of Directors.

**(ii) Details of Board Meetings:**

The total number of Board Meetings held during the financial year ended as on 31<sup>st</sup> March 2023 was Seven (7).The details are as follows:

**Board Meetings**

S.No.	Date of Board Meeting
1	27/05/2023
2	26/07/2023
3	11/08/2023
4	15/09/2023
5	09/11/2023
6	04/01/2024
7	13/02/2024

(iii) Attendance of Directors at the Board Meetings:

Name of the Director	Designation/ Category	Board Meeting Held During the Year	Board Meeting attended during the year	Whether attended last AGM
Himanshu Sangal	Managing Director/Promoter/Executive Director	7	7	Yes
Amit Sangal	Whole Time Director cum CFO/Promoter/ Executive Director	7	7	Yes
Tanmay Sangal	Director/Promoter/ Non-Executive Director	7	7	Yes
Vinayak Sangal	Director/Promoter/ Non-Executive Director	7	7	Yes
Prem Sethi	Independent Director/ Non-Executive Director	7	3	Yes
Mrs. Geeta Gupta	Independent Director/ Non-Executive Director	7	3	No
Sapan Sodhi	Independent Director/ Non-Executive Director	7	6	Yes
Mrs. Vartika Malik	Independent Director/ Non-Executive Director	7	6	Yes

### 3. COMMITTEES OF THE BOARD

#### 1. Audit Committee

##### i) Terms of Reference:

Apart from all the matters provided in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 177 of the Companies Act 2013, the Audit Committee reviews reports/findings of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.

In order to effectively discharge their responsibility, the Audit Committee members have been empowered: -

- To investigate any activity within its terms of reference.
- To seek information from any employee of the Company.
- To obtain outside legal or other professional advice.
- To invite statutory/ internal auditors.

The Committee acts as a link between the Internal Auditor, Statutory Auditor and the Board of Directors of the Company. The Committee reviews the financial statements and other related matters before submission to the Board for approval.

The audit committee charter containing terms and conditions is available on our website <https://sangalpapers.com>

**ii) Composition :**

The Audit Committee before re-constitution consists of Three Directors as follows,

Name of Director	Category	Designation
Mrs. Geeta Gupta	Chairperson	Independent/Non-Executive Director
Mr. Prem Sethi	Member	Independent/Non-Executive Director
Mr. Himanshu Sangal	Member	Managing Director

The Second Term of Mrs. Geeta Gupta and Mr. Prem Sethi as Independent Director expired from the conclusion of 43<sup>rd</sup> AGM held on 24/08/2023.

Audit Committee was reconstituted w.e.f.16/09/2023 by the Board of Directors in their meeting held on 15/09/2023 and the members consists of Three Directors as follows:

Name of Director	Category	Designation
Mrs. Vartika Malik	Chairperson	Independent/Non-Executive Director
Mr. Sapan Sodhi	Member	Independent/Non-Executive Director
Mr. Himanshu Sangal	Member	Managing Director

The total number of Audit Committee Meetings held during the financial year ended on 31<sup>st</sup> March 2024 was Five.The details are as follows:

**Audit Committee Meetings**

S.No.	Date of Board Meeting
1	27/05/2023
2	26/07/2023
3	11/08/2023
4	09/11/2023
5	13/02/2024

The attendance records of the members at the meeting are as follows:

Name of the Member	No. of Meetings Held	No. of Meetings Attended
Geeta Gupta	5	3
Prem Sethi	5	3
Himanshu Sangal	5	5
Vartika Malik	5	2
Sapan Sodhi	5	2

## 2. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee before re-constitution consists of Three Directors as follows:

Name of Director	Category	Designation
Mrs. Geeta Gupta	Chairperson	Independent/Non-Executive Director
Mr. Prem Sethi	Member	Independent/Non-Executive Director
Mr. Himanshu Sangal	Member	Managing Director

The Second Term of Mrs. Geeta Gupta and Mr. Prem Sethi as Independent Director expired from the conclusion of 43<sup>rd</sup> AGM held on 24/08/2023.

Stakeholders Relationship Committee was reconstituted w.e.f.16/09/2023 by the Board of Directors in their meeting held on 15/09/2023 and the members consists of Three Directors as follows:

Name of Director	Category	Designation
Mrs. Vartika Malik	Member	Independent/Non-Executive Director
Mr. Sapan Sodhi	Chairperson	Independent/Non-Executive Director
Mr. Himanshu Sangal	Member	Managing Director

The total number of Stakeholder Relationship Committee Meetings held during the financial year ended on 31<sup>st</sup> March 2024 was 1(One). The details are as follows:

### Stakeholder Relationship Committee Meetings

S.No.	Date of Board Meeting
1	24/11/2023

The attendance records of the members at the meeting are as follows:

Name of the Member	No. of Meetings Held	No. of Meetings Attended
Himanshu Sangal	1	1
Vartika Malik	1	1
Sapan Sodhi	1	1

The Stakeholders Relationship committee charter containing terms and condition is available on the website of the Company at <https://sangalpapers.com>



### Investors' complaints attended and resolved during 2023-24

Investors' complaints	Attended/resolved during 2023- 24
Pending at the beginning of the year	0
Received during the year	1
Disposed of during the year	1
Remaining unresolved at the end of the year	0

### 3. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee inter alia include Succession planning for Board of Directors and Senior Management Employees, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria, identifying potential individuals for appointment of Key Managerial Personnel and other senior managerial position and review the performance of the Board of Directors and Senior Management personnel including Key Managerial personnel based on certain criteria approved by the Board.

The Nomination and Remuneration Committee before re-constitution consists of Three (3) Directors as follows:

Name of Director	Category	Designation
Mrs. Geeta Gupta	Chairperson	Independent/Non-Executive Director
Mr. Prem Sethi	Member	Independent/Non-Executive Director
Mr. Vinayak Sangal	Member	Non-Executive Director

The Second Term of Mrs. Geeta Gupta and Mr. Prem Sethi as Independent Director expired from the conclusion of 43<sup>rd</sup> AGM held on 24/08/2023.

Nomination and Remuneration Committee was reconstituted w.e.f.16/09/2023 by the Board of Directors in their meeting held on 15/09/2023, the members consists of Three Directors as follows:

Name of Director	Category	Designation
Mrs. Vartika Malik	Chairperson	Independent/Non-Executive Director
Mr. Sapan Sodhi	Member	Independent/Non-Executive Director
Mr. Vinayak Sangal	Member	Managing Director

The total number of Nomination and Remuneration Committee Meetings held during the financial year ended on 31<sup>st</sup> March 2024 was 1(One). The details are as follows:

#### Nomination and Relationship Committee Meetings

S.No.	Date of Board Meeting
1	27/05/2023
2	26/07/2023



The attendance records of the members at the meeting are as follows:

Name of the Member	No. of Meetings Held	No. of Meetings Attended
Geeta Gupta	2	2
Prem Sethi	2	2
Vinayak Sangal	2	2
Vartika Malik	2	1
Sapan Sodhi	2	1

The Committee ensures appropriate disclosure on the remuneration of Directors and deals with the remuneration package of Directors, Service Contract, Notice Period, Severance Fees and Stock Option, if any. Sitting fee of Rs. 2000/- per meeting is payable to all non-executive directors except the promoter group directors, who attended the Board Directors meetings and committee meetings held during the year. No shares of the Company are held by independent directors. The Nomination and Remuneration Committee charter containing terms and condition is available on the website of the Company at <https://sangalpapers.com>

**Payment to Managing Director and Whole Time Director/CFO: On Annual basis**

Name of the Director	Designation	Remuneration(Rs. In Lakhs)
Mr. Himanshu Sangal	Managing Director	84
Mr. Amit Sangal	Whole Time Director/CFO	84

**Payment to Director (other than Managing Director and Whole Time Director/CFO):**

Name of the Member	Designation	Remuneration(Rs. In Lakhs)
Mr. Tanmay Sangal	President Marketing/ Director	NIL
Mr. Vinayak Sangal	President Operation/Director	NIL
Mr. Prem Sethi	Independent Director	NIL
Mrs. Geeta Gupta	Independent Director	NIL
Mr. Sapan Sodhi	Independent Director	NIL
Mrs. Vartika Malik	Independent Director	NIL

\*Mr. Tanmay Sangal, President Marketing and Mr. Vinayak Sangal, President Operation receiving monthly salary in the capacity of employee of the company and not in the capacity of directors of the Company.

Sitting Fees to non-executive Directors is Rs. 2000 per month

The Company is paying sitting fees only to independent non-executive directors and not to others.

#### **4. BOARD MEMBERS AND INDEPENDENT DIRECTOR'S PERFORMANCE EVALUATION**

Pursuant to the provision of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board and Nomination and Remuneration Committee have carried out the annual evaluation of performance of individual Board of Directors and Independent Directors as individual for the financial year 2023-24. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Non observation find in evaluation of Board of Directors of the company, so it does not require any action.

#### **5. DIRECTOR'S APPOINTMENT AND REMUNERATION POLICY:**

Policy for appointment and removal of Director, KMP and Senior Management

##### **i. Appointment criteria and qualifications**

**a)** The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.

**b)** A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

**c)** The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years, subject to the conditions. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

##### **ii. Term / Tenure**

**a)** Managing Director/Whole-time Director: The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**b) Independent Director:** - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on specified date or such other date as may be determined by the Committee as per regulatory requirement; he/she shall be eligible for appointment for one more term of 5 years only. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Managing Director or Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**iii. Evaluation** The Committee shall carry out evaluation of performance of every Director, KMP, Independent Directors and Senior Management Personnel at regular interval (yearly).

**iv. Removal** Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**v.** The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **6. POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME-DIRECTOR, KMP, AND SENIOR MANAGEMENT**

### **i. General:**

**a)** The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Nomination and Remuneration Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

**b)** The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage/slabs/conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

**c )** Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

**d)** Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**ii. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

**a) Fixed pay:** The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Nomination and Remuneration Committee and approved by the shareholders and Central Government, wherever required.

**b) Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**c) Provisions for excess remuneration:** If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**iii. Remuneration to Non- Executive / Independent Director:**

**a) Remuneration / Commission:** The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

**b) Sitting Fees:** The Non – Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**c) Commission:** Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

**d) Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

## 7. GENERAL BODY MEETINGS

i) The details of the last three Annual General Meetings are held as under:

Financial Year	Date	Time	Venue and Medium	No. of Special Resolution Passed
2022-23	24/08/2023	1:30 P.M.	Vill. Bhainsa, 22km., Mawana Road, Meerut, Offline	Two (2)
2021-22	28/09/2022	1:30 P.M.	Vill. Bhainsa, 22km., Mawana Road, Meerut, Offline	Two (2)
2020-21	29/09/2021	01:00 PM	Vill. Bhainsa, 22km., Mawana Road, Meerut, Online	Four (4)

i) **Postal Ballot :**

For the year ended as on 31<sup>st</sup> March, 2024, there was no ordinary or special resolution passed by the company through postal ballot.

## 8. SUCCESSION POLICY:

The Nomination and Remuneration Committee works with the Board of Directors of the Company on the leadership succession plan and prepare contingency plans for succession in case of any exigency.

## 9. RISK MANAGEMENT POLICY:

Pursuant to the Section 134(3) of Companies Act, 2013, The Company has a risk management program which comprises of a series of processes, structures and guidelines to assist the Company to identify, assess, monitor and manage its business risks, including any material changes to its risk profile.

The objective and scope of the Risk Management Committee broadly comprises:

- i) Oversight of the risk management performed by the executive management.
- ii) Review of the risk management policy in-line with legal requirements and SEBI guidelines.
- iii) Reviewing risks and initiating mitigation actions.



## **10. FAMILIARIZATION PROGRAM AND INDEPENDENT DIRECTORS MEETING:**

As per Company annual strategy and planning, a Familiarization program of the independent directors of the company conducted by the company during the financial year ended on 31<sup>st</sup> March 2024. All Independent Director of the company introduce to the Board attend an orientation program. In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulation, 2015 a separate meeting of the Independent Directors of the Company was held on 23<sup>rd</sup> Day of February, 2024. Mr. Sapan Sodhi was unanimously elected as Chairman of the meeting and Mrs. Vartika Malik was present at the said Meeting.

During the year under review, the Independent Directors met on 23<sup>rd</sup> Day of February, 2024 inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors were present at the meeting.

## **11. SHAREHOLDERS:**

### **(a) MEANS OF COMMUNICATION WITH SHAREHOLDERS:**

The quarterly, half yearly and annual results are communicated to the BSE limited, where the company's share are listed as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the results are published in Financial Express (English language News paper) and Jansatta (Hindi language News Paper). The results are not sent individually to the shareholders. The financial results are also displayed on the web site of the company at [www.sangalpapers.com](http://www.sangalpapers.com) > Click Investors Tab > Click on Financials Tab.

As per SEBI guideline the Company has maintained website namely <https://sangalpapers.com> providing the information about the company such as details of our business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting and handling investor grievance etc. the information provided on the website is being updated regularly.

### **Complaints and Grievances:**

In line with the existing provisions of the SEBI (LODR) Company has created a separate e-mail address [sangalinvestors1980@gmail.com](mailto:sangalinvestors1980@gmail.com) to receive complaints and grievances of the investors.

### **Share Transfers Agents:**

M/s. Mas Services Limited, T-34, 2<sup>nd</sup> Floor Okhla Industrial Area, Phase-II, New Delhi-110020  
E-mail: [sm@masserv.com](mailto:sm@masserv.com), [investor@masserv.com](mailto:investor@masserv.com), Phone No.: 011- 26387281-82-83.

**Share Transfer System:**

Share Transfer system: It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. The Registrar & Share Transfer Agents, process every fortnight requests for approving share transfers. The processing activities with respect to requests received for share transfers are completed within the time prescribed by the authorities. After such processing, the facility of simultaneous transfer and de-materialisation of shares is provided to the shareholders. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard. Further pursuant to Regulation 40(9) of SEBI Listing Regulations, certificate on yearly basis confirming the due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time. Reconciliation of Share Capital Audit Report for the Quarter ended 31st March 2024, confirming that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL as on 31st March 2024, was obtained from practicing Chartered Accountant and submitted to the stock exchanges with in stipulated time. The Company's Shares are traded at the Stock Exchange in compulsory demat form. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4. The shares in physical mode which are lodged for transfer/Demat may be sent to our RTA M/s. Mas Services Limited, T-34, 2<sup>nd</sup> Floor Okhla Industrial Area, Phase-II, New Delhi-110020,  
E-mail: [investor@masserv.com](mailto:investor@masserv.com), Phone No.: 011- 26387281-82-83.

**12. PARTICULARS RELATING TO THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has adopted a policy on Prevention of Sexual Harassment at Workplace which aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. An Internal Complaints Committee ("ICC") has been set up from the senior management which is responsible for redressed of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the year ended March 31, 2024 no complaints pertaining to sexual harassment have been received.

- i. Number of complaints filed during the financial year: Nil
- ii. Number of complaints disposed of during the financial year: Nil
- iii. Number of complaints pending as at the end of the financial year: Nil



### 13. AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

A Certificate has been obtained from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance laid down in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of the said company with stock exchanges.

### 14.CEO/CFO CERTIFICATION

The MD and CFO have issued certificate pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 certifying that the financial statements do not contain any untrue statements and these statements represent a true and fair view of the Company's affair. The said certificate is annexed and forms part of the Annual Report.

### GENERAL SHAREHOLDERS INFORMATION

#### •Annual General Meeting :

Date	Thursday, 12 <sup>th</sup> Day of September, 2024
Time	01:30 P.M.
Place	Through Video Conferencing/OAVM

Please note that Annual Report and Notice shall be mailed to the shareholders who have registered or updated their email id's with the company.

#### NOTE :

*Investors/Shareholders are requested to update their PAN, email id, mobile no., Bank details and Nominee details with the company by contacting our Company's RTA (Registrar and Share Transfer Agent) by emailing at [investor@masserv.com](mailto:investor@masserv.com) and Contact No. – 01126387281-82-83 or visit [www.masserv.com](http://www.masserv.com).*

#### Postal Ballot

There was no Postal Ballot in the year, pursuant to Section 110 of the Companies Act, 2013 read with relevant Rules.

#### Financial Year

The Financial Year of the Company is from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 for which this report is prepared.

**Financial Calendar (tentative dates)**

First quarter results (June 30)	By first half of August 2024
Second quarter results (September 30)	By first half of November 2024
Third quarter results (December 31)	By first half of February 2024
Fourth quarter & annual audited results of the current Financial Year (March 31)	By Second half of May 2025

**Listing in Stock Exchange and Stock Code:****Name of Stock Exchange:** BSE**Scrip Code:** (516096)**Scrip ID:** SANPA**ISIN:** INE384D01022**Registrar and Share Transfer Agent:** MAS SERVICES LTD.,

Address: T-34, IInd Floor, Okhla Industrial Area, Phase- II, New Delhi- 110020.

Phone No.: 011-26387281 - 82 – 83

Mail ID: [investor@masserv.com](mailto:investor@masserv.com)**Confirmation of payment of Annual Listing Fees of BSE:**

The Company has paid the listing fees and any other fees, if any of BSE Limited for the financial year 2023-2024 and 2024-2025.

**Market Price Data:**

High/Low of Market price of Company's equity share traded on BSE, during the financial year ended on 31<sup>st</sup>March, 2024 was as follows:

Month	High	Low
April 2023	146.75	125.10
May 2023	166.50	135.50
June 2023	168.00	135.30
July 2023	156.90	139.00
August 2023	160.00	141.00
September 2023	214.00	151.05

October 2023	202.60	178.50
November 2023	199.95	164.35
December 2023	187.80	162.80
January 2024	190.00	165.50
February 2024	219.65	171.20
March 2024	217.00	175.00

**Share held in physical and Dematerialized Form:**  
As on 31.03.2024

SHARES HELD IN NSDL	228989	17.52%
SHARED HELD IN CDSL	677231	51.81%
SHARES HELD IN PHYSICAL	401040	30.67%
<b>TOTAL</b>	<b>1307260</b>	<b>100.00%</b>

**Distribution of Shareholding as on March 31, 2024.**

No. shareholders	of	Percentage total (%)	Size of Shareholding	No. of Share	Amount in Rs.	Percentage total (%)
7995		98.364	1 to 5000	489147	4891470	37.418
67		0.824	5001 to 10000	51278	512780	3.923
27		0.332	10001 to 20000	35108	351080	2.686
9		0.111	20001 to 30000	21914	219140	1.676
6		0.074	30001 to 40000	19129	191290	1.463
2		0.025	40001 to 50000	8974	89740	0.686
10		0.125	50001 to 100000	72116	721160	5.517
12		0.148	100001 to above	609594	6095940	46.631
<b>8128</b>		<b>100.000</b>	<b>Total</b>	<b>1307260</b>	<b>13072600</b>	<b>100.000</b>

**Shareholding Pattern:** Shareholding pattern of the company as on 31<sup>st</sup> March, 2024.

Sr. No.	Category	No. of Share	% of Shareholding
1.	Promoters (Individuals)	516042	39.48
2.	Other than promoters (Individuals)	769651	58.88
3.	Corporate bodies	17620	1.34
4.	Financial Institutions/Bank and Mutual Funds	0	0.00
6.	Venture capital Fund	0	0.00
7.	NRI's (Repatriated and Non-Repatriated)	3367	0.26
8.	Clearing Members	580	0.04
	<b>Total</b>	<b>1307260</b>	<b>100.00</b>

**Outstanding GDR's/ADR's/Warrant's/Convertible instruments and their impact on equity.**

NIL.

**Foreign Exchange risk and hedging activity:**

NIL

**Book Closure:**

The register of Members and share Transfer books of the company shall remain closed from **6<sup>th</sup> September,2024 to 12<sup>th</sup> September, 2024 (both days inclusive).**

**Registered office/Plant locations and address for correspondence:**

Sangal Papers Limited's plant and registered office situated at:

Village Bhainsa, 22km stone, Meerut- Mawana road, Mawana, Meerut, UP- 250401

**CREDIT RATING:**

Your Company enjoys credit rating from Brickwork Ratings, The Brickwork Ratings India Pvt. Ltd. has granting credit rating to the company as **BWR BBB- (Pronounced as BWR Triple B Minus), Outlook: Stable (Reaffirm)** for Fund Based(Cash Credit and Term Loan (o/s)) and **BWR A3 (Pronounced as BWR, A Three) (Reaffirm)** for Non Fund Based: Bank Guarantee and ILC/FLC for the F.Y. 2021-2022. We have not taken any credit rating from any credit rating agency as we do not require the same after F.Y.2021-2022.

The rating shall be uploaded on company's website [www.sangalpapers.com](http://www.sangalpapers.com) > under **Investors Tab** > under **Financials Tab** and to the BSE ([www.bseindia.com](http://www.bseindia.com)) whenever applicable.



**DISCLOSURE:****Disclosures on materially significant Related Party Transactions (RPT) that may have potential conflict with the interests of company at large:**

During the financial year 2023-2024, the Company's transactions with the related parties are in compliance with the applicable provisions of the Act and SEBI Listing Regulations and do not have potential conflicts with the interest of the Company. Further, the details of related party transactions are presented in Notes to the financials statements of the company. In line with requirement of the Act and SEBI Listing Regulations, the Company has formulated a policy for determining Materially Significant Related Party Transactions and the same is disclosed on website of the Company at [www.sangalpapers.com](http://www.sangalpapers.com).

**Total fees for all services paid by the company to the statutory auditors for the financial year 2023-2024:**

Total fees of INR 2.00 Lakhs (including out of pocket expenses) for financial year 2023-24, for all services, was paid by the Company, to the Statutory Auditors.

**Certificate from Mr. DK Gupta, proprietor M/s DK Gupta & Co., Company Secretary in Practice that none of the directors on the board of the company have been debarred or disqualified from the being appointed or continuing as directors of the companies by the Board/MCA:**

A certificate from Mr. DK Gupta proprietor M/s DK Gupta & Co., Company Secretary in Practice, certificate attached herewith.

**Details of non-compliance by the Company, penalties, structures imposed by SEBI or any statutory authority, on any matter related to the capital markets during the last three years:**

The Company always strive to comply with the requirements of the Stock exchange, SEBI and other statutory authorities on all matters related to capital markets from time to time as required through circulars and notifications etc. However, during the FY 2021-2022 the company has been imposed with the fine of Rs. 58,000 (excl. GST) due to non-compliance under Reg. 27 (2) of SEBI (LODR) 2015 read with vide circular no. – SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22<sup>nd</sup> January 2020. The company filed the necessary return immediately as came to knowledge through email received from BSE. The company has applied and written to BSE for waiver off such fine with detail reason of missing of filing return under respective regulation. Any further action taken or relief provided by BSE in this regard shall be uploaded to company's website "www.sangalpaper.com" and BSE [www.bseindia.com](http://www.bseindia.com) immediately.

**Suspense Escrow Demat Account:**

SEBI, vide its letter No. SEBI/HO/MIRSD/POD-1/OW/P/2022/ 64923 dated December 30, 2022, had issued Guidelines with respect to procedural aspects of 'Unclaimed securities-Suspense Escrow Demat Account' to be opened by listed entities pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/6 dated January 25, 2022, latest by January 31, 2023. The Company has opened the 'Unclaimed Securities Suspense Escrow demat Account' within the stipulated timeline in the name of Sangal Papers Limited Suspense Escrow Demat Account.

**Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel have been denied access to the audit committee;**

The details of the policy on vigil mechanism, whistle blower can be found out on our website at <https://sangalpapers.com>  
The Company confirms that no personnel have been denied access to the audit committee.

**Compliance with the conditions of Corporate Governance:**

The Company has complied with all the Corporate Governance requirements specified in regulation 17 to 27, clause (b) to (i) of sub-regulation (2) of regulation 46 or any other relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Policy for determining 'material' subsidiaries : NA**

**Declaration on code of conduct and code of ethics:**

The board has laid down the standard procedure of business code of conduct and code of ethics which is expected to be followed by the directors which is being followed by them. The board of directors has laid down/adopted a Code of Conduct and Code of Ethics for all Board members of the Company and such policies are on the Company website i.e. <https://sangalpapers.com>. All Board Members have affirmed compliance with the code of conduct for the financial year 2023-24.

**For and on behalf of the Board of Directors**

**Date: 05/08/2024**

**Amit Sangal**

**Himanshu Sangal**

**Place: Mawana**

**Whole Time Director/CFO**

**Managing Director**

**DIN- 00091486**

**DIN- 00091324**

**CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER ON CORPORATE GOVERNANCE**

**The Board of Directors,**

**Sangal Papers Limited,**

**Vill. Bhainsa, 22km stone, Meerut-Mawana road,**

**Mawana, Meerut, UP**

We have reviewed the financial statement and the cash flow statement of Sangal Papers Ltd. For the financial year 2023-24 and certify that:

- a) These statements to the best of our knowledge and belief :
  - I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading.
  - II. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable law and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Directors and Senior Management Personnel during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d) We have also indicated to the Auditors and the Audit Committee :
  - i) Significant changes in Internal Controls with respect to financial reporting during the year.
  - ii) Significant changes in accounting policies during the year and these have been disclosed in the notes to the financial statements.
- e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

**For and on behalf of the Board of Directors**

**Date: 05/08/2024**

**Amit Sangal**

**Himanshu Sangal**

**Place: Mawana**

**Whole Time Director/CFO**

**Managing Director**

**DIN- 00091486**

**DIN- 00091324**



**Raj Viyom & Co.**  
Chartered Accountants



Mobile: +91- 9105875000  
572/7, Bhartiya Colony,  
MUZAFFARNAGAR-251001

Ref. No.

Dated.....

**AUDITOR'S COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

The Members  
**Sangal Papers Limited,**  
Vill. Bhainsa, 22km stone, Meerut-Mawana road,  
Mawana, Meerut, UP

We have examined the compliance of conditions of Corporate Governance by Sangal Papers Limited For the year ended March 31<sup>st</sup>, 2024 stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of the said company with stock exchanges.

The Compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company to ensure Compliance with the condition of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all mandatory Conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**For RAJ VIYOM & CO.,**  
Chartered Accountants,  
ICAI Firm Regn. No. 002011C,



CA Raj Kumar Sharma  
**Partner**  
Membership No.: 077650  
UDIN: 24077650BKDFJM1745

Dated: 25.07.2024  
Place: Muzaffarnagar

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Your Directors have great pleasure in presenting the management discussion and analysis report for the year ended on March 31<sup>st</sup>, 2024.

Sangal Papers Limited (hereinafter called “The Company”) incorporated in the year 1980 and having registered office in the State of Uttar Pradesh. The company is engaged in manufacturing of Writing and Printing Paper, News Print paper, Kraft and wide range of color papers. We manufacture paper on customized requirement of the customers. The management discussed the various aspects and come out with this summary:

### A) INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian Paper Industry which accounts for about 4.5% of global production, in recent times it has registered faster growth rates of about 7%. The domestic demand is expected to grow at about 6 to 7% per annum. Paper Industry plays a very important role in the socio economic development of the country.

Despite several infrastructural hurdles there is strong growth in demand in various segments of the Indian Paper Industry. There is a shift in preference for higher quality products in the market and players are seeing opportunities for profitable growth. So for meeting the growing demand, capacity upgrading, improvement in the quality, is the need of the hour. Industry needs to have cost effective funds and availability of good quality and cost effective raw material and low cost energy.

### Financial Performance

Particulars	Financial Year (2023-24)	Financial Year (2022-23)	% Increase/ % Decrease(-)
Turnover(Revenue from Operations) (Rupees In lakhs)	19,033.87	22,610.34	-15.82
Profit Before Tax (Rupees in lakhs)	346.82	479.83	-27.72
Profit After Tax and other comprehensive income(Rupees in lakhs)	242.35	334.46	-27.54
Earnings per share (in Rupees)	18.90	25.90	-27.03

Paper pervades all sectors of our activity from books to bullets and from morning newspaper to nuclear technology. Indian paper industry is highly fragmented with varying sizes.

In global context, India is one of the fastest growing markets for paper and paper consumption and is estimated to touch 30 million tons by 2026-27. Our company is also engaged in manufacturing of news print paper and the newsprint sector in India is governed by the Newsprint Control Order (NCO), 2004.

#### **B) Opportunities and Threats:**

The Company's products have been enjoying consistently good brand image and loyalty from the consumers for the past several years and the company is optimistic on increasing the sale of the paper product in India and abroad. There is opportunity to explore global markets due to restrictions on China and the global players are eyeing on India for their needs.

The Government has also prioritized policies aimed at promoting rapid up-gradation in supply chain systems for retail distribution and export of food materials. The footwear and garment export segment are growing. All these and other trends indicate that there will be better demand for high quality, world class packaging material.

For Indian paper industry, biggest concern is the use of high volume of water and electricity consumption in manufacturing process which creates pollution in the environment. Due to which to reduce such pollution filters and upgradation in technology requires from time to time which involves heavy investment in CAPEX which is a continuous challenge to small scale paper manufactures in this price sensitive commodity (paper) market.

#### **INSTALLED CAPACITY**

The Company's current installed capacity is 33,000 MT per annum.

#### **STATE OF THE COMPANY**

The following statement on the affairs of the company under review:

1. The Company engaged in single segment i.e. company engaged in manufacturing of Paper.
2. There is no change in status of the company.
3. There is no change in financial year of the company.
4. There was expenditure in capital work in progress of Rs.264.49 Lakhs during the year in plant and machinery for quality improvement, cost effectiveness and value addition.
5. Due to above there is modernization, expansion and diversification during the year.

Your company is manufacturing paper on demand of the Customer, our production and market size is negligible in paper industry. In reference of pricing of writing printing paper and other various variety of paper, our company is very small company by size and value. We are following price decided by the customer and the market forces. We are only price takers and not setters. The price of paper is determined/decided by taking into various factors like quantity, quality etc.

The company is trying hard to utilize the capacity to its optimum level, making use of the best of operational techniques and economical use of the resources. Raw material used by the company is one of the best quality of its category with strong quality checks, the availability of raw material for production depends on the availability in the market as well as price consideration.

Manufacturing of paper involves very high volume of water and electricity, which results in creating pollution to the environment which is one of the biggest threats to the paper industry. To overcome this challenge, industry needs latest technology based machines and pollution reducing equipment's or filters to curb pollution which involves high cost and also it takes time to get the environmental clearance from the government.

**C) Segment:**

Sangal Papers Limited engaged in single segment of business. Manufacturing of Paper is our primary business activity.

In geographic segment, the company is selling its paper in India and exporting to Sri Lanka, Singapore, Nepal, Iran, United Arab Emirates and other various countries.

We have good network of dealers and significant customers base which are scattered around the country and the world.

**Financial Performance**

Particulars	Financial Year (2023-24)	Financial Year (2022-23)	% Increase/ % Decrease(-)
Turnover(Revenue from Operations) (Rupees In lakhs)	19,033.87	22,610.34	-15.82
Profit Before Tax (Rupees in lakhs)	346.82	479.83	-27.72
Profit After Tax and other comprehensive income(Rupees in lakhs)	242.35	334.46	-27.54
Earnings per share (in Rupees)	18.90	25.90	-27.03

There is a dip in the Turnover and profits in this year as compared to last year due to the fact that in the last year production was 42,181 M.T. as compared to 33,239 M.T this year. This was due to the fact that Machine II was converted to manufacturing of Kraft paper in last year and then again converted to Writing and Printing Paper.

#### **D) Outlook and other concerns:**

This Section lists future based statement, it depend on the present and future Market and paper industry situations and also involvement of risk and uncertainties.

Now the Government of India is focusing on overall development of all the sectors with the aim of improving infrastructural facilities. This has resulted in opening of the global markets and more of foreign players are coming in India for fulfilling their demand.

So this will give boost to the Paper Industry as well. There is better flow of materials across the country due to improved infrastructure facilities.

There has also been witnessed strong demand of packaging paper due to increase in organized retail sector. Focus on education sector and other organizations added demand of writing and printing paper too.

For Indian paper industry, biggest concern is the use of high volume of water and electricity consumption in manufacturing process which creates pollution in the environment. Due to which to reduce such pollution filters and up-gradation in technology, funds are required in CAPEX which is a challenge to small scale paper manufacturers in this price sensitive commodity (paper) market.

There was expenditure in capital work in progress of Rs.264.49 Lakhs during the year in plant and machinery for quality improvement, cost effectiveness and value addition.

**CARE Ratings or IPMA (Indian Paper Manufacturers Association) estimates a growth of 6 – 7 % on year on year basis and will reach 30 million tons by FY 2026-2027 largely driven by emphasis on education and literacy coupled with growth in organized retail, according to industry body IPMA.**

The growth will be largely driven by printing & writing and packaging & paper board segment. The Indian paper industry can be broadly classified into three segments:

**1. Printing & writing (P&W):** Printing and writing segment caters to office stationary, textbooks, copier papers, notebooks etc. This segment forms 31% of domestic paper industry. Governments thrust on education through steps like Right to Education, Sarva Shiksha Abhiyan, rise in service sector are key factors contributing to the growth of this segment.

**2. Packaging & paper board:** Packaging paper & board segment caters to tertiary and flexible packaging purposes in industries such as FMCG, food, pharma, textiles etc. This segment forms 47% of the domestic paper industry. This is currently fastest growing segment owing to factors such as rising urbanization, increasing penetration of organized retail, higher growth in FMCG, pharmaceutical.

**3. Newsprint:** Newsprint serves the newspaper & magazines industry. This segment forms 18% of Indian paper industry. This segment is under stress due to lower growth rates and import threat.

Our actual results could differ materially from those anticipated in these statements a result of certain factors. The company will try or make efforts to increase in the revenue and profit of the company in future. The company will also try to enter in new geographical area for capturing more market and try to increase the percentage to participate in the national and international market. A large portion of the revenue is dependent on the top clients of the company and the loss of any one of major client cloud significantly impact of the business. We may be the subject of litigation which, if adversely determine could harm our business and operating result.

**E) Internal Financial Control and their adequacy:**

The Company identifies a risk based internal audit scope and assesses the inherent risk in the processes and activities of the department within the company and ensures that appropriate risk management limits, internal control mechanisms and mitigation strategies are in place. The Internal Auditors, via, their internal audit reports, make suggestion for better application of policies and rules relating to the deficiencies/non-compliance of various audit areas and give suggestions/recommendations and control directives like periodic reconciliation, proper authorizations/approvals, processing controls, segregations of duties, maker-checker approach, etc. so as to mitigate the deficiencies and make the process, procedure, systems and functions more robust, accountable, reliable and compliant. The suggestions made by the Internal Auditors and the compliances thereof are placed before the Audit Committee. The Audit Committee of the company, the details of which have been provided in the Corporate Governance Report. The Committee reviews audit reports submitted by the Internal Auditors. Internal Financial Control's Suggestions for improvement are considered and the Committee follows up on the implementation of corrective actions. The Committee also meets the Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the company.

**F) Financial Performance:**

**Funds (Equity):**

AS per present capital structure of the company i.e. we have authorized capital of Rs. 7,00,00,000/- divided into 70,00,000 equity share of Rs. 10/- each. The issued, subscribed and paid-up capital is Rs. 1,30,72,600/- divided into 13,07,260 equity share of Rs. 10/- each.

**Other Funds (Other equity):**

<b>Particulars</b>	<b>Financial Year (2023-24)</b>	<b>Financial Year (2022-23)</b>	<b>% Increase/ % Decrease(-)</b>
Revaluation Reserve(Rs. In lakhs)	48.56	48.56	0
Retained Earnings(Rs. In lakhs)	3,976.30	3,733.95	6.49

**Revenue from Operations:**

<b>Particulars</b>	<b>Financial Year (2023-24)</b>	<b>Financial Year (2022-23)</b>	<b>% Increase/ % Decrease(-)</b>
Turnover(Revenue from Operations)(Rs. In lakhs)	19,033.87	22,610.34	-15.82
Other Income(Rs. In lakhs)	99.16	202.03	-50.92
Profit Before Tax (Rs. in lakhs)	346.82	479.83	-27.72
Profit After Tax and other comprehensive income(Rs.in lakhs)	242.35	334.46	-27.54
Earnings per share in( Rupees)	18.90	25.90	-27.02

**G) Human Resources Relationship:**

As per human resources relationship policy of the company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them and as well as we protects the right of the employee/workers and provide a comfortable environment to the employee/workers. The company is a paper manufacturing industry, we are maintaining a culture and custom for our employee to attract and retain the best talent. During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

Employees of the company are essential assets of the company. Our company believes for welfare and development of the company as well as employees. As at 31<sup>st</sup> March, 2024, the company employed 230 permanent employees.



#### H) Details of significant changes:

During the financial year 2023-2024, changes in financials and operating position of the company.

#### Financial Ratios:

Sr.no.	Ratio	Definition	UOM	2023-24	2022-23	% change
1	Debtor Turnover	Net credit Sale/Average Account Receivable	Times	7.12	8.51	-16.33%
2	Inventory Turnover	Sale/Avg. Inventory	Times	8.44	11.66	-27.62%
3	Interest Coverage ratio	EBIT/Finance Cost	Times	1.37	3.47	-60.52%
4	Current Ratio	Current Assets/ Current Liabilities	Times	1.54	1.46	5.48%
5	Debt equity Ratio	Debt/Equity	%	0.66	0.67	-1.49%
6	Operation Profit Margin	EBIT/Sale	%	3.15	2.98	5.70%
7	Net Profit Margin	Net profit/Total Revenue	%	1.3	1.5	-13.33%

The Company reported a decline of 15.82% in its sales due to change in the product mix due to which production declined from last year as machine II was changed to manufacturing of Kraft from Writing & Printing paper and then again changed from Kraft to Writing and Printing paper. The Company reported decrease of 16.33% in Debtor Turnover Ratio during the financial year 2023-2024 as compared to last year due to better operations. Company reported decrease of 27.62% in Inventory Turnover Ratio during the financial year 2023-2024 due to better operations. The Company reported decrease of 60.52% in Interest Coverage Ratio during the financial year 2023-24 due to increase of Finance Cost and decrease of profit. The Company reported 5.48% increase in Current Ratio during the financial year 2023-2024 due to increase in current assets. There is negligible decrease of 1.49% in Debt Equity Ratio during the financial year 2023-2024. The Company reported a growth of 5.70% in Operating Profit Margin during the financial year 2023-24 due to better operations. Company reported decline of 13.33% in Net Profit Margin due to Taxation effect.

**I) Announcement:**

The statements in the “Management Discussion and Analysis Report” section describes the Company’s objectives, projections, estimates, expectations and predictions, which may be “forward looking statements” within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

**For and on behalf of the Board of Directors**

**Date: 05/08/2024**

**Amit Sangal**

**Himanshu Sangal**

**Place: Mawana**

**Whole Time Director/CFO**

**Managing Director**

**DIN- 00091486**

**DIN - 00091324**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
***(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To,  
The Members,  
SANGAL PAPERS LIMITED,  
CIN: L21015UP1980PLC005138  
Reg. Office: Vill. Bhainsa, 22km stone Meerut-Mawana Road, Mawana, Meerut, UP- 250401

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sangal Papers Limited having CIN: L21015UP1980PLC005138 and having registered office at "Vill. Bhainsa, 22km stone, Meerut-Mawana Road, Mawana, Meerut, UP" (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31<sup>st</sup> March, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Cessation
1.	HIMANSHU SANGAL	00091324	25/11/1980	
2.	AMIT SANGAL	00091486	27/09/1996	
3.	TANMAY SANGAL	01297057	30/11/2003	
4.	VINAYAK SANGAL	06833351	01/03/2014	
5.	PREM SETHI	07146425	16/03/2015	24/08/2023
6.	GEETA GUPTA	00095939	16/03/2015	24/08/2023
5.	SAPAN SODHI	10178992	27/05/2023	
6.	VARTIKA MALIK	00687839	27/05/2023	

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**for D. K. GUPTA & CO.**  
(Company Secretaries)

Place: Meerut  
Date: 2<sup>nd</sup> August 2024  
ICSI UDIN: F005226F000883180 dated 2<sup>nd</sup> August 2024  
Peer Review Certificate no. 1993/2022

**DINESH KUMAR GUPTA**  
(Proprietor)  
C. P. No. 3599  
M. No. F-5226

**Independent Auditor's Report**  
**To the Members of SANGAL PAPERS LIMITED, MEERUT**

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **SANGAL PAPERS LIMITED, MEERUT** ("the Company") which comprise the Balance sheet as at **31 March 2024**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone IND AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) rules, 2015, as amended, ("Ind As") and other accounting policies generally accepted in India, of the state of affairs of the Company as at **31 March 2024** and its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended **31 March 2024**. These matters were addressed in the context of our audit of the Standalone IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During the year under consideration, we have no key audit matters to report.

**Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2023-24, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS Financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS



financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement of Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(1) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the



standalone financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating and the results of our work; and (ii) to evaluate the effect of any identified misstatements in the IND AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, based on our audit we report that;
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Ind AS specified under section 133 of the Act.
  - e. On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164 (2) of the Act.



- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements as at 31 March, 2024. – Refer Note 37 to the Standalone Ind As financial statements;
- (ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses as at 31 March, 2024;
- (iii) There has been no amount required to be transferred, to the Investor Education and Protection Fund by the Company;
- (iv) (a) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The company has not declared or paid dividend during the year covered by our audit.
- (vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **RAJ VIYOM & CO.,**  
Chartered Accountants,  
Firm Regn. No. 002011C

Dated: 30.05.2024  
Place: MUZAFFARNAGAR

CA Raj Kumar Sharma  
**Partner**  
Membership No.077650  
UDIN: 24077650BKDFIH3071



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

(The annexure referred to in our report to the members of **SANGAL PAPERS LIMITED, MEERUT** ('the Company') for the year ended 31 March 2024.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
- (b) The Company does not have any intangible asset.
- (c) According to the information and explanations given to us, physical verification of property, plant & equipment have been carried out by the management. According to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the company and nature of its assets.
- (d) The Company has not revalued any of its Property, plant & equipment during the year.
- (e) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- (f) In our opinion and according to the information and explanations given to us, no proceedings have been initiated or are pending against the company as at 31 March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988(As amended in 2016) and rules made thereunder.
- (ii) (a) The inventories (except for goods in transit) were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification. In our opinion and according the information and explanations given to us the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories by the management as compared with book of account.
- (b) According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, at point of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the company with such bank are in agreement with the audited books of account of the Company, the differences, if any are either not material or minor in nature.
- (iii) The Company has not made any investments, provided any guarantee or given any security, or provided any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013, hence clause (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has not made any investments or given any loans, or provided any guaranty or security as specified under Section 185 & 186 of the Companies Act, 2013, hence provision of the clause (iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed bt the Central Government for



maintenance of cost records under section 148(1) of The Companies Act, 2013, and are of the opinion, that prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii)(a) According to the records of company and information and explanations given to us, the company is regular in depositing undisputed statutory dues including, provident fund employees' state insurance, income-tax, duty of customs, goods and service tax, cess and any other statutory dues with the appropriate authorities during the year. There is no undisputed amounts payable, as at 31.03.2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, duty of customs, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)(a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us, the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instrument). The Company has taken term loan from bank and has been applied to the purpose for which they were raised.
- (d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have, prima facie, not been used during the year for long term purposes by the company.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year hence reporting under clause (x) (a) is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi)(a) According to information and explanations given to us, no fraud by the Company and no material fraud on the company by its officers or employees has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act 2013 has been filed ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

- (xii) In our opinion, the Company is not a Nidhi Company hence reporting under clause (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 , where applicable and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports of the Company issued till date of the audit report, for the period under audit.
- (xv) According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of Companies Act, 2013 are not applicable to the Company.
- (xvi) According to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause(xvi) of the Order is not applicable to the Company.
- (xvii) In our opinion and according to the information and explanations given to us, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) According to the information and explanations provided to us, there has no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations provided to us and On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanation given to us, the provision of section 135 are not applicable on the company hence, the provisions of clause (xx) of the Order is not applicable to the Company.

(xxi) In our opinion and according to the information and explanation given to us, the company is not required to prepare Consolidate financial statement hence, the provisions of clause (xxi) of the Order is not applicable to the Company .

For **RAJ VIYOM & CO.,**  
Chartered Accountants,  
Firm Regn. No. 002011C

Dated: 30.05.2024  
Place: MUZAFFARNAGAR

CA Raj Kumar Sharma  
**Partner**  
Membership No.077650  
UDIN: 24077650BKDFIH3071