

Sangam Power Generation Company Limited

Shakti Bhawan Extension, 14-Ashok Marg
Lucknow

No: 597 /CS-Sangam/Meeting/2009

Date: 10th July, 2009

To,
Shareholders

NOTICE

Pursuant to Section 171(2)(II) of the Companies Act 1956, Notice is hereby given that the 2nd Annual General Meeting of the Shareholders of Sangam Power Generation Company Limited will be held on 13th July, 2009 at 11:30 AM at the Board Room, 7th Floor, Shakti Bhawan, 14-Ashok Marg, Lucknow to transact the following business:-

1- FIXATION OF STATUTORY AUDITOR'S FEE

The Comptroller and Auditor General of India, New Delhi has issued the appointment order of Statutory Auditor's for the year 2007-08 vide CA.V/COY/UTTAR PRADESH SPGCL/1074 DATED 26-11-2008 (copy enclosed). The matter regarding Fixation of remuneration of the Auditors was placed before the Board of Directors in their 7th meeting held on 08.05.2009 for their approval and recommendation and the Board acceded the proposal.

In view of above it is proposed that the following resolution be passed with or without modifications as an ordinary resolution.


"RESOLVED that the appointment of Statutory Auditors M/s Singh Agarawal & Associates, Chartered Accountant, Akshat 30, Corporation Bank Building, Ashok Marg (Old No. 1-D/F), 1st Floor, Near Gomati Bridge, Lucknow made by the Comptroller and Auditor General, Govt. of India, under section 619(2) and subsequently agreed upon by the Board of Directors of the Company be and is hereby approved."

"FURTHER RESOLVED that the fee of Statutory Auditors for the financial year 2007-2008 for Rs. 15,000/- as approved and recommended by the Board of Directors of the Company be and is hereby approved."

2- Adoption of annual accounts for the financial year 2008-09 i.e. Year ended on 31-03-2009.

The Annual Accounts for the Financial Year ended on 31st March, 2009 are under preparation. Hence it is proposed that the Meeting be adjourned for the adoption of said accounts, till such time all the formalities regarding finalisation of Annual Accounts are completed.

By order of the Board,


(H.K. Agrawal)
Company Secretary

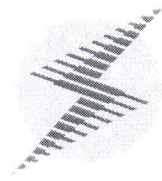
- Note : 1- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself.
2- The Share Transfer Book of Member of the Company will be closed from 10.07.2009 to 16.07.2009.

Copy to the following shareholders with a request to please attend the above meeting:-

1. Shri Navneet Sehgal, Chairman, Sangam PGCL, Lucknow.
2. Shri Narendra Bhooshan, Additional Managing Director, UPPCL, Lucknow.
3. Shri S.K. Agrawal, Director (Finance), UPPCL, Lucknow.
4. Shri A.K. Agrawal, Chief General Manager(Fund), UPPCL, Lucknow.
5. Shri V.K. Verma, Chief Engineer(Planning), UPPCL, Lucknow.
6. Shri H.K. Agrawal, Company Secretary, UPPCL, Lucknow.
7. U.P. Power Corporation Ltd. through nominee.

By order of the Board,


(H.K. Agrawal)
Company Secretary



Sangam Power Generation Company Limited
Shakti Bhawan Extension, 14-Ashok Marg
Lucknow

FORM OF PROXY

I/We.....
in the district.....
being a member/members of the above named Company hereby
appoint.....of.....
in the district of.....or failing
him.....of.....in the
district of.....as my/our proxy to vote for
me/us on my/our behalf at the 2nd Annual General Meeting of the
Company to be held on 13th July, 2009 at Lucknow and at any
adjournment thereof.

Revenue Stamp
of Re. 1.00

Signed this.....day of.....2009

NOTE:-

Proxy must reach the Company's Registered Office not less than 48 hours
before the meeting.



OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
10, BAHADUR SHAH ZAFAR MARG, NEW DELHI - 110 124

No. CA. V/ COY/ UTTAR PRADESH , SPGCL (1)/ 1074

To

Dated : 26/11/2008

THE MANAGING DIRECTOR
SANGAM POWER GENERATION COMPANY LIMITED
3RD FLOOR, SHAKTI BHAWAN EXTENSION, 14 ASHOK MARG,
Lucknow - 226001

Subject : Appointment of Auditors u/s 619 (2) of the Companies Act, 1956 for the
financial year 2007-2008

Sir/Madam,

I am directed to state that in exercise of the powers conferred by sub-section(2) of section 619 of the Companies Act, 1956, as amended vide the Companies(Amendment) Act, 2000, the Comptroller and Auditor General of India is pleased to appoint the following firm(s) of Chartered Accountants as the Statutory/Joint Statutory/ Branch Auditors of the company for the year(s) : 2007-2008

As per Annexure - II

2. You are requested to contact the concerned auditors individually under intimation to this office.

3. The supplementary audit under section 619 (3) & (4) of the Companies Act, 1956 of your company is entrusted to

ACCOUNTANT GENERAL (COML. & RECEIPT AUDIT) UTTAR PRADESH, 6 FLR
KENDRIYA BHAWAN,,SECTOR H, ALIGANJ
LUCKNOW 226024

4. The remuneration and other allowances payable to the auditors may be regulated as per the provisions of section 224 (8) (aa) of the Companies Act 1956 read with guidelines issued by the Department of Company Affairs vide No. 7/76 dated 8th April, 1976 (printed at pages 3949 to 3951 of A. Ramaiya's guide to the Companies Act, 1956 - 15th edition 2001-part2).

5. The audit fee and other allowances paid/ payable to the auditors may please be intimated to this office for reference and record.

6. The above appointment is subject to the other conditions stipulated in Annexure-I (Copy enclosed).

Yours faithfully,

(Ranjit Mazumder)

Sr. Administrative Officer

Fax : 91-11-23222460, 91-11-23234014

Phone : 23231440, 23231761

E-mail : saoca5@cag.gov.in

CE (Plg.)

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(सं. १०/२००८)
निजी सचिव
सम्बद्ध प्रबंध निदेशक

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16/12/08

ANNEXURE-II

List of Chartered Accountant Firms for the year(s) : 2007-2008

S.No.	Firm Name	PSUCode/ Unit Code	Station	Audit Details	Fees in Rs. as intimated by PSU
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STATUTORY AUDITORS

1.	SINGH AGARWAL & ASSOCIATES (CR0793) "Akshat" NF-1, 30, Ashok Marg, Near Gomti Bridge, 1st Floor, Corporation Bank Building, Lucknow 226001 UTTAR PRADESH	SPGCL STAR (1)	LUCKNOW		2000
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Audit fees payable to auditor
may kindly be intimated at
the earliest.

Appointment of auditors of Government Companies/Deemed Government Companies under Section 619 (2) of the Companies Act, 1956.

1. CONDITIONS FOR THE COMPANY

1. The Company may send a list of Directors and the previous Auditors of the Company giving their names and addresses to the newly appointed Auditors immediately on receipt of this letter.
2. While the auditor is responsible for forming and expressing an independent opinion on the financial statements, the responsibility for their preparation is that of the management of the enterprise. The audit of the financial statements does not relieve the management of its responsibilities relating to the maintenance of adequate accounting records, internal controls and safeguarding of the assets of the enterprise. As provided in Section 215 (3) of the Act, the Company should submit to the auditors the Balance Sheet and Profit & Loss account duly approved by the Board of Directors for their report thereon.
3. According to Section 227 (1) of the Act, the books of accounts and vouchers may be made available to the Auditors. A suitable program of audit in consultation with the statutory auditors and the concerned MAB/AG be drawn up so as to complete the audit within the prescribed time schedule. Details of transactions or explanation called for by the Statutory Auditors must be furnished expeditiously.
- 4 (i). The remuneration payable to the Auditors fixed by the Company in accordance with the amended provisions of Section 224 (8) of the Companies Act, 1956 may be ~~intimated immediately to this office and to the auditors.~~
- (ii) While ~~fixing the auditor's remuneration, the consideration might be given to the volume of work involved, amount of time normally spent by the audit firm's partners/chartered accountant employees and the audit clerks.~~
- (iii) While fixing audit fee due consideration might also be given to the notification No.1-CA(7)/93/2006 dated 18th September 2006 issued by the Institute of Chartered Accountants of India prescribing minimum audit fee. It has been clarified that city/town referred to in the Notification refers to city/town of the Head office or Branch office of the auditor to which the audit is actually allotted.

(iv) In cases where audits are allotted to the Branch office of the CA Firm no TA/DA should be paid by the company for the audit of the Company/Units located at the ~~same location of the branch.~~

5. In the interest of maintaining the independence of auditors, no assignment for consultancy or internal audit or any other services may be provided to the firm or its partners or relatives (husband, wife, brother, or sister or any lineal ascendant or descendant) of partners of the firm or its Associates during the year of audit and for one year after the firm ceases to be auditor. Non-audit assignments that involve performing management functions or making management decisions are also prohibited during the year of audit and for one year after the firm ceases to be auditor. This condition would not apply in case of auditors being entrusted assignments for the tax audit under Income Tax Act, review of Quarterly/ half yearly accounts as per SEBI guidelines, VAT audit required under various State Legislations and other statutory certificates related to the audit assignment.

6(a) The Company should confirm past audit details including audit fees. The changes in details including the fees in the future may be intimated to this office from time to time. Any other remuneration like TA/DA, Certification fees etc. (Tax/Management consultancy fee) paid to the Statutory/Branch Auditors in addition to the audit fees in the last three years and in future may also be intimated. The remuneration for other work like review of quarterly accounts as per SEBI guidelines, fees for tax audit, other statutory certificates etc should be restricted to a reasonable percentage of the total audit fee payable to the auditors and which in total should not exceed the fee payable for carrying out the statutory audit as provided in the notification dated 8th March 2002 issued by ICAI. The details of such remuneration may also be intimated to this office for record.

6(b) The Auditors have to comply with the directions issued by this office under Section 619 (3)(a) of the Companies Act, 1956 and for this purpose the auditors have to attend meetings called by the concerned MAB/AG for attending such meetings, reasonable expenditure on TA/DA incurred by the auditors may be reimbursed by the company.

7. Proposals for reorganisation of units in the future may be sent to this Office well before the beginning of the financial year the accounts of which are to be audited.

8. The Company may also intimate to this office (i) the date of commencement of audit, and the date on which the comments of the C&AG of India along with the Auditors Report is placed in AGM as per the provisions of Section 619(5) of the Companies Act, 1956.

9. To reduce the arrears, in case of Company whose accounts are in arrears, and to avoid delays in appointing auditors for the past few accounting years in arrears, the Company may initiate action for appointment of auditors for the subsequent years soon after the completion of audit of the preceding years. A copy of such certified accounts may be made available direct to the Principal Director (Commercial) in this Office. If the process is repeated in succession, the Company can hold a series of meetings of the shareholders and present the accounts. It can thus clear the accounts for 3-4 years within a period of one year.