

SANMIT INFRA LIMITED
14TH ANNUAL REPORT 2013-2014

14TH
ANNUAL REPORT

OF

SANMIT INFRA LIMITED

FOR THE YEAR ENDED

ON

31ST MARCH, 2014

SANMIT INFRA LIMITED

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 14th Annual General Meeting of the Members of the Company will be held on Tuesday, 30th September, 2014 at 11.00 a.m. at the registered office of the Company at 5, Damodharan Street, Kellys, Chennai-600010, Tamil Nadu to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet of the Company as on 31st March, 2014 and the Profit and Loss Account for the Year ended on that date and reports of the Directors and Auditors.
- 2) To appoint a Director in place of **Mr. Sanjay Makhija (DIN: 00586770)**, who retires by rotation and being eligible, offers himself for re-appointment.
- 3) **Appointment of Mr. Satyajit Mishra as an Independent Director of the Company.**

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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, **Mr. Satyajit Mishra (DIN: 00019743)**, a non-executive Independent Director of the Company, and who is eligible for re-appointment and offered himself for re-appointment, be and is hereby appointed a non-executive Independent Director of the Company with effect from September 30, 2014 and for a period of 5-years i.e. upto September 29, 2019.”

- 4) **Appointment of Mr. Miten Shroff as an Independent Director of the Company.**

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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, **Mr. Miten Shroff (DIN: 03384163)**, a non-executive Independent Director of the Company, and who is eligible for re-appointment and offered himself for re-appointment, be and is hereby appointed a non-executive Independent Director of the Company with effect from September 30, 2014 and for a period of 5-years i.e. upto September 29, 2019.”

- 5) **Appointment of Statutory Auditors of the Company.**

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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. K.M.Tapuriah, Chartered Accountants (Firm Registration No. 314043E), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 17th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

Place: Mumbai
Date : 14.08.2014

BY ORDER OF BOARD
For Sanmit Infra Limited
Sd/-
Sanjay Makhija
Chairman

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NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

PROXIES IN ORDER TO BE VALID, SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING AT THE REGISTERED OFFICE AT 5, DAMODHARAN STREET, KELLYS, CHENNAI-600010, TAMIL NADU.

The Share Transfer Books and Members Register of the Companies will remain closed from Monday, 22nd September, 2014 to Friday, 26th September, 2014 (both days inclusive) in terms of the provision of Section 91 of the Companies Act, 2013.

2. In compliance with SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2000 read with circular No. D&CC/FITTC/CIR-18/2003, mandating a Common Agency for Share Registry Work (Physical & Electronic), the company has appointed M/s. Purva Shareregistry (India) Pvt. Ltd. as the Registrar & Share Transfer Agents, having their office at 9, Shiv Shakti Industrial Estate, J.R.Boricha Marg, Lower Parel (East), Mumbai- 400 011.
3. Members are requested to notify immediately any change in their address to:
 - a. To their Depository Participants (Dos) in respect of their electronic share accounts, and
 - b. to the share transfer agent M/s. Purva Shareregistry (India) Pvt. Ltd. at 9, Shiv Shakti Industrial Estate, J.R.Boricha Marg, Lower Parel (East), Mumbai- 400 011.
4. Members are requested to bring copies of the Annual Report and should bring the attendance slip duly filled in for attending the meeting.
5. Members are requested to notify the change in address, if any immediately to the Company quoting their respective folio number.
6. Any query relating to the accounts should be notified to the Company at least 7 days before the date of Annual General Meeting.
7. Information required to be furnished under the Listing Agreement.

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed/reappointed are given below:

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Name of Director	Mr. Sanjay Makhija	Mr. Satyajit Mishra	Mr. Miten Shroff
Date of Birth	16 th February, 1972	11th June 1964	14/10/1982
Date of Appointment	13/02/2012	13/02/2012	11/02/2013
Qualification	B.COM	FCS	T.Y.BMM
Expertise in Specific Functional Area	Real Estate	Corporate Laws, Corporate Accounts, Acquisition, Merger, takeover and Finance	Finance
Executive & Non Executive Director	Non Executive Director	Non- Executive Independent Director	Non- Executive Independent Director
Independent Director	No	Yes	Yes
Other Directorship	1) Makhija Developers Private Limited 2) Garrett Developers Private Limited 3) Aashna Builders Private Limited	1) Aris International Limited	1) Alternate Director in India Home Loan Limited
DIN No	00586770	00019743	03384163

NOTES ON E-VOTING:

1. In terms of Sections 107 and 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is providing its members the facility to exercise their right to vote at the meeting by electronic means on any or all of the businesses specified in the accompanying Notice. Necessary arrangements have been made by the Company with CDSL to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the General Meeting.

The procedure and instructions for voting through electronic means are as follows:-

- a) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- b) Now click on “Shareholders” to cast your votes.
- c) Now select the Electronic Voting Sequence Number (“EVS”) along with “Sanmit Infra Limited” from the drop down menu and click on “SUBMIT”.
- d) Shareholders maintaining their holding in Demat form, Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID). Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on “Login”

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- e) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below:
- f) Fill up the following details in the appropriate boxes:

For Members holding shares in Demat and Physical Form

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as physical shareholders) 1. Members who have not updated their PAN with the company/Depository participants are requested to use the first 2 letters of their name and 8 digits of the sequence number which is mentioned in address label affixed on annual report, in the PAN field. 2. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the 1st two characters of the name in capital letters. eg: If your name is Ramesh Kumar with sequence number 1 enter 'RA00000001' in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

Please enter the DOB or dividend bank details in order to login.

In case either of the details are not recorded with the depository please enter the member ID/Folio No. in the Dividend Bank details field.

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i) For Members holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- j) Click on the relevant EVSN on which you choose to vote.
- k) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

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- m) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- n) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- p) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- q) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate. They should submit a scanned copy of the registration form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- r) The voting period begins on 26th September, 2014 (9 a.m.) and ends on 27th September, 2014 (6 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the 28th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- s) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- t) The Company has appointed M/s. Ramesh Chandra Mishra & Associates, Practicing Company Secretaries (C.P. No.5477) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- u) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- v) In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice.

Place: Mumbai
Date : 14.08.2014

BY ORDER OF BOARD
For Sanmit Infra Limited

Sd/-
Sanjay Makhija
Chairman

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DIRECTOR'S REPORT

To
The Members,
M/s. Sanmit Infra Limited

Your Directors are pleased to present the 14th Annual Report together with Audited Statement of Accounts for the year ended 31st March 2014.

FINANCIAL RESULTS:

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Total Income	2,50,175	9,78,685
Total Expenditure	7,77,416	9,64,114
Profit (Loss) before Depreciation	(5,27,241)	14,571
Less: Depreciation	(68,285)	(24,012)
Profit (Loss) before Tax	(5,95,526)	(9,441)
Less: Current Tax	-	-
Deferred Tax	3,781	(62,96,222)
Profit (Loss) after Tax	(5,99,307)	(63,05,663)

OPERATIONS PERFORMANCE:

Income of the company is Rs. 2, 50,175/- compared to Rs. 9, 78,685/- in previous year. Profit/Loss before Tax is Rs. (5, 95,526)/- as compared Rs. (9,441)/- to in previous year.

TRANSFER TO RESERVES

Due to unabsorbed losses no amount has been proposed to be transferred to Reserves.

DIVIDEND:

In view of accumulated losses, your Directors do not recommend any dividend for the year.

FIXED DEPOSIT:

The Company has not accepted / renewed any deposit within the meaning of Section 73 of the Companies Act, 2013 and rules made there under from the public or from the shareholders during the period under review.

AUDITORS:

M/s.K.M.Tapuriah & Co., Chartered Accountants, Mumbai retire as Auditors of the company at the conclusion of the ensuing Annual General Meeting. They have signified their willingness to get re-appointed and have given declaration to the effect that if re-appointed their appointment will be within the limits fixed under section 224(1) (B) of the Companies Act, 1956. The Audit committee recommends the re-appointment of M/s. K.M.Tapuriah & Co. as Auditor of the company for the financial year 2014-2015.

AUDITORS REPORT:

Observations made in the Auditors Report are self-explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956.

DIRECTORS:

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Mr. Sanjay Makhija, Director, will retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment as a Director at the said meeting.

In compliance with the provision of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Mr. Satyajit Mishra and Miten Shroff as Independent Director for a period of 5 years from the end of the 14th Annual General Meeting.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134 of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed:

- i. That in the preparation of the accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review.
- iii. That the Directors 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.
- iv. That the Directors have prepared the accounts for the financial year ended 31st March, 2014 on a 'going concern basis'.
- v. That the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively;
- vi. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INDEPENDENT DIRECTORS' DECLARATIONS

In the opinion of the Board, the independent director(s) are, individually, person of integrity and possess relevant expertise and experience.

The Independent Director(s) under section 149(6) of the Companies Act, 2013 declared that:

- i. They are not a promoter of the Company or its holding, subsidiary or associate company;
- ii. They are not related to promoters or directors in the company, its holding, subsidiary or associate company.
- iii. The independent Directors have /had no pecuniary relationship with company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- iv. None of the relatives of the Independent Director has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- v. Independent Director, neither himself nor any of his relatives—

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- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - (iii) Holds together with his relatives two per cent or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- vi. Independent director possesses such qualifications as may be directed by the Board.
- vii. The Company & the Independent Directors shall abide by the provisions specified in schedule IV of the Companies Act, 2013.

NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to section 178 of the Companies Act, 2013, the Company has set up a Nomination and Remuneration and Stakeholders Relationship Committee consisting of Three (3) Directors i.e. Mr. Sanjay Makhija, Mr. Satyjit Mishra and Mr. Miten Shroff. Mr. Sanjay Makhija is the Chairman of the Committee.

The Gist of the Policy of the said committee:

- 1) For Appointment of Independent Director (ID):
 - a) Any person who is between the age of 25 years and below 75 years eligible to become ID;
 - b) He has to fulfill the requirements as per section 149 of the Companies Act, 2013 read with cl. 49 of the Listing Agreement;
 - c) Adhere to the code of conduct as per Schedule IV to the Companies Act, 2013;
 - d) Strictly adhere to the Insider Trading Regulation of the SEBI and Insider Trading policy of the Company;
 - e) ID should have adequate knowledge and reasonably able to contribute to the growth of the Company and stakeholders;
 - f) ID should be able to devote time for the Board and other meetings of the company;
 - g) Entitled for sitting fees and Reasonable conveyance to attend the meetings; and
 - h) Able to review the policy, participate in the meeting with all the stakeholders of the company at the Annual Meeting.

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EXTRACT OF ANNUAL RETURNS

1. The Paid up capital of the Company: Rs. 9,89,84,000/- consisting of 98,98,400 equity shares of face value of Rs.10/- each.
2. The Board of Directors of the company consists of 6 Directors i.e. 1 Executive Director, 2 Independent Directors and 3 Non Executive Directors.
3. The secured debt of the company is Nil.
4. There was no un-paid dividend during the year.

DETAILS RELATING TO LOANS AND INVESTMENTS

Details relating to section 186 of the Companies Act, 2013 with regards to loans & investment made by the company are given in detail in the Auditor's Report and the annexure thereto.

DETAILS RELATED PARTY TRANSACTIONS

Details of related party transactions as per section 188 of the Companies Act, 2013 are given in the Auditor's report and annexure thereto.

RISK MANAGEMENT POLICY

The company has developed Risk Management Policy mainly covering the following areas of concerns:

1. License and policy of respective government all over the world in connection with shares and securities.
2. The Company's risk and control policy is designed to provide reasonable assurance that objectives are met by integrating management control into daily operation, by ensuring all the Compliance.

CHANGE OF REGISTERED OFFICE

The company made an application for Change of Registered Office from the State of Tamilnadu to State of Maharashtra and the said application is pending before the appropriate authority.

MATERIAL CHANGES:

There was no any material changes & commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the annexed balance sheet relates & the date of the director's report.

PERFORMANCE OF THE BOARD AND COMMITTEE:

During the year under review, the performance of the Board & Committee and Individual Director(s) based on the below parameters satisfactory:

- a. Most of the Directors attended the Board meeting;
- b. The remunerations paid to executive Directors strictly as per the company and industry policy.
- c. The Independent Directors only received sitting fees.
- d. The Independent Directors contributed a lot based on their experience and knowledge and Independent views.
- e. The Credit Policy, Loan Policy and compliances were review.
- f. Implementation of Risk Management Policy