

SANMIT INFRA LIMITED

CIN: L70109MH2000PLC288648

Regd.Office:no.601, Makhija Royale, 6th Floor
S.V. Road, Khar (w) Mumbai-52

ANNUAL REPORT
2016-17

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BOARD OF DIRECTORS :

- | | |
|-----------------------|-------------------------|
| 1. Mr. Sanjay Makhija | : Managing Director |
| 2. Mr. Sanjay Nasta | : Independent Director |
| 3. Mr. Meena Bhate | : Independent Director. |
| 4. Mr. Haresh Makhija | : Director |
| 5. Mohan Rathod | : Independent Director |
| 6. Mr. Dinesh Makhija | : CFO |

BANKERS:

HDFC Bank

AUDITORS :

M/s. K.M. Tapuria & Co.
Chartered Accountants

COMPLIANCE OFFICER :

Ms. Asmita Sarphale

LISTING :

BSE Listed

REGISTERED OFFICE :

601, Makhija Royale, 6th Floor, S.V. Road, Khar (w) Mumbai-52
Email : sanmitinfra@gmail.com
Website : www.sanmitinfra.co.com

REGISTRAR & SHARE TRANSFER AGENT:

Purva Sharegistry (I) Pvt.Ltd.
9, Shiv Shakti Industrial Estate,
J.B. Boricha Marg, Opp. Kasturbba Hospital,
Lower Parel (E) Mumbai-400011.

SANMIT INFRA LIMITED

NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the members of Sanmit Infra Limited will be held as under:

Day	: Thursday	Venue	: 601, Makhija Royale, 6 th Floor S.V. Road
Date	: 28 th September, 2017		Khar (w), Mumbai-400052.
Time	: 11.00 a.m.		

To transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Statement of the Company for the financial year ended 31st March, 2017, the Reports of the Board of Directors and Auditors thereon;
2. To Re-appoint Auditors and fix their remuneration:

*To ratify the appointment of auditors of the Company and to fix their remuneration and to pass the following resolution as an **Ordinary Resolution**:*

"RESOLVED THAT pursuant 139, 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee to the Board of Directors, M/s. K M Tapuriah & Co, Chartered Accountants, having registration No. 314043E be and are hereby re-appointed as a Auditors of the Company who shall hold office from this Annual General Meeting for a term of 5 consecutive years till conclusion of the Annual General Meeting to be held in the calendar year 2023 (subject to ratification of the appointment by the members at every Annual General Meeting) and that the Board of Directors be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, and that such remuneration may be paid on a progressive billing basis in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.

SPECIAL BUSINESS:

3. **Adoption of new sets of Articles of Association**

To consider and if though fit, to pass with or without modification the following resolution as a **Special Resolution** :

RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company with immediate effect;

"RESOLVED FURTHER THAT Mr. Sanjay Makhija Managing Director of the Company, Mr Haresh Makhija Director and be and are hereby severally authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution."

Place: Mumbai
Date : 11.8.2017

By Order of Board
For Sanmit Infra Limited

Sd/-

Sanjay Makhija
(Managing Director)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company.
2. **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 601, MAKHIJA ROYALE, 6TH FLOOR, , S.V. ROAD, KHAR MUMBAI-52.**
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

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4. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2017 to 28th September, 2017—(both days inclusive) for the financial year ended March 31, 2017 and for the AGM.
5. In compliance with SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2002 read with circular No. D&CC/FITTC/CIR-18/2003 dated February 12, 2003, mandating a Common Agency for Share Registry Work (Physical & Electronic), the company has already appointed M/s. Purva Share Registry (India) Private Limited as the Registrar & Share Transfer Agent, having their office at No.9, Shiv Shakti Industrial Estate, Ground Floor, J.R. Boricha Margh, Opposite Kasturbha, Mumbai-400011. .
6. Members are requested to notify immediately any change in their address:
 - a. To their Depository Participants (Dos) in respect of their electronic share accounts, and
 - b. To the share transfer agent M/s. Purva Share Registry (India) Private Limited having their office at No.9, Shiv Shakti Industrial Estate, Ground Floor, J.R. Boricha Margh, Opposite Kasturbha, Mumbai-400011.
7. Members may please bring the Admission Slip duly filled in and may hand over the same at the entrance to the Meeting Hall.
8. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Board of Directors of the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
9. Members who are holding shares in physical form are requested to get their shares dematerialized with any depository participants in their own interest.
10. Members are requested to carry the copy of the Annual Report sent to them. Electronic copy of the Annual Report for 2016-2017 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a print copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode. Members are requested to register/update their email address for receiving all communication including Annual Report, Notices etc. from the Company electronically.
11. Members may also note that the notice of the 17th Annual General Meeting and the Annual report for 2016-2017 will also be available on the Company's website www.sanmitinfra.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days from 11.00 a.m. to 1.00 p.m. from Monday to Friday. Members are requested to bring their copies of the Annual report at the time of attending the Annual General Meeting.
12. Members may also note that the notice of the 17th Annual General Meeting and the Annual report for 2016-2017 will also be available on the Company's website www.sanmitinfra.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days from 11.00 a.m. to 1.00 p.m. from Monday to Friday. Members are requested to bring their copies of the Annual report at the time of attending the Annual General Meeting.
13. Information required to be furnished under Regulation 36 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, in respect of the directors seeking appointment/reappointment at the AGM, is furnished below. The directors have furnished consent/declaration for their appointment/reappointment as required under the Companies Act, 2013 and the Rules thereunder.

SANMIT INFRA LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No 3 of the accompanying Notice dated 11th August, 2017.

ITEM NO. 3

Sanmit Infra Limited was incorporated on 05th August, 2000 under the provisions of the companies Act, 1956.

The existing article of Association (AOA) were based on the companies Act, 1956 and several clauses / regulations in the existing AOA contain references to specific sections of the companies Act, 1956 which are no longer in force.

The existing regulations of the articles of Association are replaced by the new set of regulations and adopted as new set of Articles of Associations as per the requirements of Table F of the First Schedule in the Companies Act, 2013. The modification in Articles of Association is carried out to give effect to provision of the Companies Act, 2013.

Consent of the shareholders by way of Special resolution is required in this regard. The entire set of proposed articles of association is available on the website of the company.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

The directors recommend the aforesaid resolution for the approval by the members as a Special resolution.

Voting through Electronic Means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as per listing agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the below provisions, through the e- voting services provided by CDSL.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **25th September, 2017** at **9.00 a.m.** and ends on **27th September, 2017** at **5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **22nd September, 2017** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Now to cast your vote: Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form 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)
	<ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">If both the details are not recorded with the depository or company please enter the member id / Folio number in the Dividend Bank details field as mentioned in instruction (v).

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- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant "Sanmit Infra Limited" on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) The Company has appointed M/s. Ramesh Chandra Mishra & Associates, Practicing Company Secretaries (C.P. No. 3987 and FCS No. 5477) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- (xxii) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- (xxiii) In case of Members who are entitled to vote but have not 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 : 11.8.2017

By Order of Board
For Sanmit Infra Limited

Sd/-

Sanjay Makhija
(Managing Director)

SANMIT INFRA LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 17th Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2017.

SUMMARY OF FINANCIAL RESULTS OF THE COMPANY:

(Rs. in Lacs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Total Income	955,692,463	1,682,939
Total Expenditure	953,707,547	1175340
Profit/loss before tax	1,984,916	507,599
Current Tax	-	73000
Deferred Tax	1,483	2,694
Profit/(loss) for the year from continuing operations	1,983,433	4,321,905

OPERATIONS PERFORMANCE:

Income of the company from operations is of 955,692,463/-Profit before tax is 1,984,916/- as compared to) in previous year as 507,599/-.

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 did not recommend any dividend for the year.

DEPOSITS:

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 public or from the shareholders during the period under review.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) read with Schedule Part V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 with Stock Exchange in India, is presented in a separate **Annexure -I** forming part of the Annual Report.

CHANGE OF REGISTERED OFFICE:

The company had applied for the change in the registered office of the company from Chennai to Mumbai and has received the approval for the same from Registrar of Companies.

The registered office of the company has been changed from Chennai to Mumbai.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the year the board proposed to widen it's business activities by insertion of trading activities in petroleum products and the same was been approved by the way of postal ballot 6th January,2017.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

During the financial year the company has faced heavy losses and the company had made application for reduction of Capital with the appropriate authority, which has been approved by the National Company Law Tribunal.

CAPITAL RE-ORGNATISATION :

The accumulated losses of the company as on 31st March 2014, Rs. 8,41,36,400/-which amounts to more than 88 % erosion of its paid up capital, the company preferred a reduction of capital under section 66 of the companies act, 2013 and the members at their meeting held on 15th October, 2017 approved the same.

The company considering the accumulated losses, under clause 24(f) of the Listing Agreement with BSE and on receipt of the

in principle approval filed and application with the Hon'ble National Company Law Tribunal under Section 66 of the Companies Act, 2013 for the Reduction of Capital. The Hon'ble National Company Law Tribunal approved the reduction of capital on 30th June, 2017. The company is in the process to give effect to reduction of capital.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Companies Act, 2013, provides for the appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 read with applicable rules, provides that independent directors shall hold office for a term up to five consecutive years on the board of a company; and shall be eligible for re-appointment on passing a special resolution by the shareholders of the Company.

Further, according to Sub-section (11) of Section 149, no independent director shall be eligible for appointment for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in Sub-sections (6) and (7) of Section 152 of the Act shall not apply to such independent directors.

The board accepted resignation of Mr. Kanyalal Makhija on 8th June, 2017 as the director of the company.

NUMBER OF MEETINGS OF THE BOARD:

The Board met 7 times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

INDEPENDENT DIRECTORS DECLARATION:

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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

1. They are not promoters of the Company or its holding, subsidiary or associate company;
2. They are not related to promoters or directors in the company, its holding, subsidiary or associate company.
3. 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;
4. 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;
5. Independent Director, neither himself nor any of his relatives—
 - (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 percent or more of the gross turnover of such firm;
 - (iii) Holds together with his relatives two percent. or more of the total voting power of the company; or
 - (iv) is a Chief Executive or Director, by whatever name called, of any nonprofit organization that receives twenty-five percent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company;
6. Independent Director possesses such qualifications as may be directed by the Board.
7. The Company & the Independent Directors shall abide by the provisions specified in Schedule IV of the Companies Act, 2013.

SANMIT INFRA LIMITED

BOARD EVALUATION:

SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors should be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

The Board approved the evaluation results as collated by the Nomination and Remuneration Committee.

PERFORMANCE OF THE BOARD AND COMMITTEES:

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

- (i) All Directors had attended the Board meetings;
- (ii) The remunerations paid to Executive Directors are strictly as per the Company and industry policy.
- (iii) The Independent Directors only received sitting fees.
- (iv) The Independent Directors contributed significantly in the Board and committee deliberation and business and operations of the Company and subsidiaries based on their experience and knowledge and Independent views.
- (v) The Credit Policy, Loan Policy and compliances were reviewed periodically;
- (vi) Risk Management Policy was implemented at all critical levels and monitored by the Internal Audit team who places report with the Board and Audit committee.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As on 31st March, 2017, the Board consists of 6 members. Out of which one is the Managing Director, two non executive directors three are Independent Director. The Women Director is also one of the Independent director.

Mr. Kanyalal Makhija director of the company resigned from the board as on 8th June, 2017.

The policy of the Company on directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Board and are stated in this Board report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

COMMITTEES OF THE BOARD:

Currently, the Board has Four Committees :1) Audit Committee, 2) Nomination and Remuneration Committee, 3) Stakeholders Relationship Committee, 4) Shares Transfer Committee.

A detailed note on the Board and its Committees is provided under the Corporate Governance Report that forms part of this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to the Section 178 of the Companies Act, 2013, the Company has set up a Nomination and Remuneration and Stakeholders Relationship Committee. A detailed note on the composition of the Committees is provided in the corporate governance report section of this Annual Report.

The Key Features of the Policy of the said committee are as follows:

For Appointment of Independent Director (ID):

- a. Any person who is between the age of 25 years and below 75 years eligible to become Independent Director(ID);
- b. He has to fulfill the requirements as per section 149 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement;
- c. Adhere to the code of conduct as per Schedule IV to the Companies Act, 2013;