



SAM INDUSTRIES LIMITED

**23rd
Annual Report
2016 - 2017**



BOARD OF DIRECTORS

Mr. Ashutosh A. Maheshwari, Chairman
Mrs. Gitanjali A. Maheshwari, Whole time Director
Mr. Kishore Kale, Director
Mr. Santosh Muchhal, Independent Director (upto 27th June 2017)
Mr. Ritesh Kumar Neema, Independent Director
Mr. Yogendra Vyas, Independent Director
Mr. Devraj Singh Badgara, Additional Independent Director (w.e.f. 2nd June 2017)

CHIEF FINANCIAL OFFICER

Mr. Gopal Prasad Shrivastava

COMPANY SECRETARY

Mr. Navin S. Patwa

AUDITORS

M/s. M. Mehta & Company,
Chartered Accountants
11/5, South Tukoganj,
Nath Mandir Road, Indore-452001

SECRETARIAL AUDITOR

M Maheshwari & Associates
202-C, Kanchan Sagar, 18/1, Old Palasia,
A. B. Road, Indore -452001

BANKERS

Indian Overseas Bank
IDBI Bank
Union Bank of India

REGISTRAR & TRANSFER AGENT

M/s. Ankit Consultancy Pvt. Ltd.,
Plot No. 60, Electronic Complex,
Pardeshipura, Indore – 452010 (M. P.)

Registered Office

Village: Dakachiya, A. B. Road, Tehsil: Sanwer,
District – Indore – 453771 – M. P., India

Website: www.sam-industries.com
Email: secretarial@sam-industries.com

**NOTICE**

Notice is hereby given that the 23rd Annual General Meeting (AGM) of the Members of Sam Industries Limited will be held on Friday, the 29th September, 2017 at 4:00 P.M. at the Registered Office of the Company at Village: Dakachiya Tehsil: Sanwer, A. B. Road - Indore - 453771 - Madhya Pradesh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017 including Audited Balance Sheet as at 31st March, 2017 and audited Statement of Profit & Loss Account for the year ended on 31st March, 2017 and the Cash Flow Statement for the year ended on that date and together with the Reports of Directors and Auditors thereon. and in this regard pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended March 31, 2017 including Audited Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss Account for the year ended on 31st March, 2017 and the Cash Flow Statement for the year ended on that date and together with the Reports of Directors and Auditors thereon be and are hereby considered and adopted.

2. To appoint a director in place of Mr. Kishore Kale who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment and to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:-

"RESOLVED THAT Mr. Kishore Kale (DIN: 01743556), Director of the Company, who retires by rotation at this 23rd Annual General Meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company and he shall be liable to retire by rotation."

3. To appoint Messrs Manoj Khatri & Co. Chartered Accountants, In place of M/s. M. Mehta & Company, Chartered Accountants as the Statutory Auditors

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), appointment of Messrs Manoj Khatri & Co. Chartered Accountants (Registration No. 011546C), be and is hereby appointed as Statutory Auditors of the Company, in place of M/s. M. Mehta & Co., Chartered Accountants (Registration No. 00957C) retiring Statutory Auditor, to hold the office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of 28th Annual General Meeting of the Company to be held in the calendar year 2022, subject to ratification by the Members at every Annual General Meeting held thereafter.

FURTHER RESOLVED THAT the Board be and is hereby authorized to fix such remuneration as may be recommended / determined by the Audit Committee in consultation with the Auditors, 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 and applicable taxes."

SPECIAL BUSINESS:

4. To appoint of Mr. Devraj Singh Badgara, (DIN: 07429570), as an Independent Director

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Devraj Singh Badgara, (DIN: 07429570), who was appointed by the Board as an additional director, of the Company with effect from 2nd June 2017, to hold office upto conclusion of this Annual General Meeting, in respect of whom the Company has received a notice in writing from a member under section 160 of the Act, signifying his intention to propose Mr. Devraj Singh Badgara, as a candidate for the office of Independent director of the Company, be and is hereby appointed as an Independent director, to hold office for five consecutive years effective from 2nd June 2017 till 1st June 2022 and he shall be not liable to retire by rotation."

5. To Revise the Remuneration of Mrs. Gitanjali A. Maheshwari (DIN: 00094596), Whole-Time Director of the Company

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT Pursuant to the provisions of Section 197 read with Part I and Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or



re-enactment thereof), and recommendation of Nomination and Remuneration Committee and the approval by the Board, the consent of the members at the general meeting, be and is hereby accorded for the revision in the remuneration of Mrs. Gitanjali A. Maheshwari (DIN:00094596), Whole-time Director of the Company, from Rs. 5,00,000/- (Rupees Five Lakhs only) to Rs. 10,00,000/- (Rupees Ten Lakhs only) per month, with effect from 1st February, 2017, for the remaining tenure of whole time directorship (till 13th August 2019) on the terms and conditions as mentioned in the Explanatory statement attached with the Notice.

FURTHER RESOLVED THAT where in any financial year, during her term of office, the Company makes no profits or its profits are inadequate, the Company may pay Mrs. Gitanjali A. Maheshwari minimum remuneration by way of salary, perquisites and/or allowances subject to the maximum ceiling calculated in accordance with the scale laid down in Section II of Part II of Schedule V to the said Act, as applicable to the Company at the relevant time depending upon the capital of the Company and as may be agreed to by the Board of Directors of the Company and acceptable to Mrs. Gitanjali A. Maheshwari, the Whole Time Director of the Company subject to necessary approval(s) as may be required.

FURTHER RESOLVED THAT the Board be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

6. To approve Related Party Transactions with the Company

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

"RESOLVED THAT pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 (including statutory modification (s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors to enter into transaction(s) of giving / taking property of any kind on lease to / from Related Party, rendering / availing of loan from / to Related Party with or without interest / charges thereon including rollover / extension of maturity from time to time, whether material or otherwise, for a period of 5 (Five) years with effect from 1st October 2017, for Related Party Transaction up to an estimated annual value of Rs. 100.00 Crores (Rupees One Hundred Crores only) Per Annum excluding taxes to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and the Related Party.

FURTHER RESOLVED THAT the Board of Director of the Company be and is hereby authorized to negotiate and finalize other terms and conditions and to do all the acts, deeds and things as may be necessary, proper or expedient to give effect to this Resolution."

**By order of the Board
For Sam Industries Limited**

**Place: Indore
Date:18/08/2017**

**Navin S. Patwa
Company Secretary**

Notes:

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of this meeting. Members/ Proxies should bring their attendance slip duly filled in order to attend the meeting.
A person can act as proxy on behalf of members not-exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
Appointing a proxy does not prevent a member from attending the meeting in person or shareholder.
2. The Register of Members and Share Transfer Register of the Company will remain closed from Saturday, 23rd September 2017 to Friday, 29th September 2017 (both days inclusive)
3. Shareholders desiring any information regarding the accounts are requested to inform the Company at least 10 days before the Annual General Meeting to enable the Management to keep the information ready.



4. Shareholders are requested to bring their copy of the Annual Report along with them to the Annual General Meeting, as copies of the Report will not be distributed again at the Meeting, in view of the increasing cost of Annual Report
5. Members / Proxies should bring the Attendance Slip sent herewith duly filled in and handover the same at the entrance after affixing their signature for attending the Meeting.
6. In case of joint holders attending the meeting, the members whose name appears as first holder in the order of name will be entitled to vote.
7. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices etc. from the Company electronically.
8. Section 72 of the Companies Act, 2013 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company in Form SH-13.
9. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is sent in the permitted mode.
10. The Ministry of Corporate Affairs (vide circular Nos.17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively, has undertaken Green initiative in 'Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by representing / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Transfer Agent.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Transfer Agent of the Company.
12. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for the year 2016-17 will also be available on the Company's website at www.sam-industries.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours (11.00 A.M. to 1.00 P.M.) on all working days except Saturday and Sunday up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same, by post. For any communication, the shareholders may also send requests to the Company's investor email id: secretarial@sam-industries.com.
13. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the business under item no. 4, 5 & 6 above, is annexed hereto. The relevant details as required by Regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of person seeking appointment / re-appointment as Directors under item nos. 2 & 4 of the notice, are also annexed.
14. Voting through electronic means In compliance with provisions of Section 108 of the Companies Act, 2013, and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members' facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for members voting electronically are as under:-

- (i) The voting period begins from Tuesday, 26th September, 2017 at 9:00 A. M. and ends on Thursday, 28th 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 (i.e. record date) i.e. 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.



- (iv) Now 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted in any earlier voting of any other company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 folio number in the PAN field. In case the folio 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 folio number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	<p>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.</p> <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 (iv).

NOTE: Please keep the sequence number in safe custody for future e-voting.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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 can also be used by the demat holders for voting of resolutions of any other company on which they are eligible to vote, provided that company opts for Remote 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.
- (x) For Members holding shares in physical form, the details can be used only for Remote e-Voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Sam Industries Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can down-



load the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- 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 they have to create 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 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.

Other Instructions –

- 1) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date on Friday, 22nd September 2017.
- 2) Mr. Manish Maheshwari, proprietor M/s M. Maheshwari & Associates, Company Secretaries (Membership No. FCS 5174, CP No. 3860) has been appointed as the Scrutinizer to scrutinize the Remote e-Voting process in a fair and transparent manner.
- 3) The Chairman shall, at the end of the discussion on the resolutions on which voting is to be held at the AGM, allow the use of ballot paper for all those Members who are present at the AGM and who have not cast their votes by availing the Remote e-voting facility.
- 4) The Scrutinizer shall, immediately after the conclusion of the voting at the general meeting, will first count the votes casted at the meeting, thereafter unblock the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the Company and make, not later than forty eight hours (48) of conclusion of meeting a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- 5) The results declared along with the report of the scrutinizer will be placed on the website of the Company. Viz. www.sam-industries.com and website of CDSL immediately after the results are declared by the Chairman or a person authorized by him and will simultaneously be communicated to the BSE Limited, the Stock Exchange on which the securities of the Company are listed.
- 6) This Notice has been placed on the website of the company i.e. www.sam-industries.com and also on the website of CDSL .
- 7) Members please note that no gifts shall be distributed at the meeting.

**By Order of the Board
For Sam Industries Limited**

**Place: Indore
Date:18/08/2017**

**Navin S. Patwa
Company Secretary**



As required by section 102(1) of the Companies Act, 2013, the following Explanatory Statements set out all material facts relating to the special business in accompanied notice.

Item No.04 of the Notice

Pursuant to the provisions of section 149 & 160 of the Companies Act, 2013 read with SEBI (Listing Obligations & Disclosures Requirements), Regulations, 2015 and as recommended by Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 2nd June 2017 has appointed Mr. Devraj Singh Badgara (DIN: 07429570), as an additional Director. He is classified as an Independent non executive Director with effect from 2nd June 2017, for a term of five years, ended on 1st June 2022, subject to the approval of the Shareholders at the ensuing AGM. The Company has received a notice from a member signifying his intention to propose the candidature of Mr. Devraj Singh Badgara, to the office of Independent director of the company under section 160 of the Companies Act, 2013 along-with requisite deposit of Rs.1,00,000/- (Rupees One Lakh) only.

Further, in the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for such appointment as independent director and he is independent of the management.

It may also be mentioned that none of the other Directors (other than Mr. Devraj Singh Badgara) / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution as set out at item No. 4 of the Notice.

The Board considers that his association with the Company would be beneficial and hence the Board recommends his appointment for the approval of the members of the Company.

A brief profile of Mr. Devraj Singh Badgara is annexed to this notice:

Item No.05 of the Notice

The Board of Directors based on the recommendation of Nomination and Remuneration Committee has approved the revision of remuneration of whole time director Mrs. Gitanjali A. Maheshwari, in their meeting held on 31st January 2017 with effect from 1st February 2017 from Rs. 5,00,000/- (Rupees Five Lakhs only) to Rs. 10,00,000/- (Rupees Ten Lakhs only) after considering various parameters which, inter-alia, includes, the scale of operations of the Company and increased involvement of the whole time director, for the overall growth of the Company especially in respect of Real Estate units, and enhancing companies value through various initiatives with a view to ensure objectivity in determining the remuneration package as well as maintaining a balance between interest of the company and the shareholders.

The remuneration of whole time director Mrs. Gitanjali A. Maheshwari, is also subject to the approval of the members as required by the provisions of Section 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, (the Act) read with Schedule V of the Act and Rules thereof.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Mr. Ashutosh A. Maheshwari and Mrs. Gitanjali A. Maheshwari) is concerned or interested, financially or otherwise, in this resolution as set out at item No. 5 of the Notice.

The Board considers that revision of the remuneration of Mrs. Gitanjali A. Maheshwari, whole time director would be beneficial and hence the Board recommends the Special Resolution set out item at no. 5 of the Notice for the approval of the shareholders.

Terms and Conditions :

- a) The term of Mrs. Gitanjali A. Maheshwari, Whole-time Director, is for a period commencing from 14th August 2014 till 13th August, 2019 and terms and conditions of her appointment may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.
- b) No sitting fees will be paid to the Whole-time Director for attending meeting of the Board of Directors or any committee thereof.
- c) The appointment may be terminated by either party by giving three months' notice of such termination or salary in lieu thereof or by mutual consent.
- d) Salary: 10,00,000/- (Rupees Ten Lakh only) per month.
- e) Perquisites: The perquisites shall be valued as per Income Tax Rules, 1962. However the amount of perquisites shall be restricted to annual salary. For this purpose, perquisites will be as follows:-
 - 1) Medical Reimbursement : The reimbursement of actual medical expenses incurred by self and family of the Whole time Director.
 - 2) Health Insurance: Health Insurance premium for covering self and dependant family members of Mrs. Gitanjali A. Maheshwari.



- 3) Leave Travel Concession: For self and family once in a year.
 - 4) Club Fees: Fees of clubs subject to the maximum of two clubs.
 - 5) Credit Cards: Entry and renewal fees to be reimbursed/ paid by Company. All expenses for official purposes to be reimbursed/paid by the company at actual.
 - 6) Leave: As per the Rules of the Company applicable to the Senior Executives.
 - 7) Accident Insurance: Premium not to exceed Rs.12,000/- per annum
- f) Other Benefits:
- In addition to the perquisites, Mrs. Gitanjali A. Maheshwari shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration specified above:
- 1) Provident Fund: Company's Contribution towards Provident Fund at the rate of 12% of the salary or such rate prescribed as per Employees' provident fund and Miscellaneous Provisions Act, 1952.
 - 2) Superannuation Fund: Company's Contribution subject to a maximum of 15% of the salary for every completed year of service.
 - 3) Gratuity: As per the rules of the Company applicable to the Senior Executive.
 - 4) Leave Encashment: Payable annually-in excess of 90 days.
- g) Reimbursement of Expenses:
- Expenses incurred for travelling, boarding and lodging by Mrs. Gitanjali A. Maheshwari and her spouse and attendant(s) during Company's legitimate business trips and provision of car(s) for Company's business and communication expenses shall be reimbursed at actual basis and not considered as perquisites.

Item No.06 of the Notice

The Company, in the Ordinary course of its business enters into various transactions, contracts, arrangements which are at arm's length basis with various affiliates including D & H Secheron Electrodes Private Limited ["Related Party" as per the provisions of the Companies Act, 2013 (the Act) and Regulation 2 (1) (zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Regulations)].

The Transaction with D & H Secheron Electrodes Private Limited inter-alia includes leasing of properties, availing or rendering of services, reimbursement of expenses, lease rent payments, lending or borrowing of monies (as may be permissible under the provisions of the Act), etc., which are entered into, in the ordinary course of business, are at arms' length basis and in the best interest of the Company.

Considering the future business projections, the Company envisages the transactions with D & H Secheron Electrodes Private Limited may exceed the materiality threshold of 10% of the annual turnover of the Company. Thus, in terms of explanations (i) of Regulation 23 of the SEBI Regulations, by way of abundant caution, approval of the shareholders is being sought.

The disclosure as required under the Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014 are as under:

Name of the related party	Name of the Director or KMP who is related	Nature of relationship	Nature, material terms and particulars of contracts or arrangements	Amount & Other information relevant or important for the members to take decision on the proposed resolution
D & H Secheron Electrodes Pvt. Ltd.	Mr. Ashutosh A. Maheshwari Mrs. Gitanjali A. Maheshwari	Other related party Directors' relative are Directors	Lease Rent to be paid as per agreement	Upto Rupees Twelve Crores per annum

The Annual value of the transactions proposed is estimated on the basis of the Company's current transactions and future business projections.



The Audit Committee and the Board, at their meetings held on 18th August 2017, considered and approved the aforesaid transactions. The Board is of the opinion that the above transaction shall be in the best interest of the Company.

Except as mentioned in Notes to Accounts in Balance sheet (Accounting Standard 18) none of the Director, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in this Resolution. Except Mr. Ashutosh A. Maheshwari and Mrs. Gitanjali A. Maheshwari .

The Board recommends the Special Resolutions as set out at Item No. 6 of the Notice for approval by the shareholders.

**By Order of the Board
For Sam Industries Limited**

**Place: Indore
Date:18/08/2017**

**Navin S. Patwa
Company Secretary**

Particulars of Directors who are proposed to be Re-appointed / appointed at the Meeting are given below:

Name of Director	DEVRAJ SINGH BADGARA	KISHORE KALE
Director Identification Number (DIN)	07429570	01743556
Fathers Name	Rajendra Singh Badgara	Khanderao Narayan Kale
Date of Birth	26th December, 1971	3rd September, 1953
Nationality	Indian	Indian
Date of Appointment	02/06/2017	13/11/2014
Inter se relationship with others director	None of the other Directors, Key Managerial Personnel of the Company & their relatives is in any way, related with Mr. Devraj Singh Badgara.	None of the other Directors, Key Managerial Personnel of the Company & their relatives is in any way, related with Mr. Kishore Kale.
Qualification	B. Com	Diploma (Mechanical)
Expertise in Specific Functional Area	Basic Designing and Printing	Manufacturing and Welding Consumable
Number of Shares held in the Company either by him or on a beneficial basis for any other persons	NIL	NIL
Board position held	Additional Director will hold the office till the conclusion of the AGM to be held on 29th September 2017.	Director is not independent director is retiring by rotation and retiring at the conclusion of the AGM
Terms & conditions of appointment/re-appointment	Subject to the Shareholder's approval to be appointed as Independent Director on the Board for a fixed terms of 5 years commencing from 2nd June 2017. He is not liable to retire by rotation.	Director who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. He is liable to retire by rotation
List of outside Directorship held	NIL	Dwekam Electrodes P. Ltd.
Chairman / Member of the Committee of the Board of Directors of the Company	Member of Audit Committee and Chairman of Stakeholder Relationship Committee and Remuneration Committee w.e.f. 27th June 2017	NIL