

## **SANGHI INDUSTRIES LIMITED**

CIN No. : L18209TG1985PLC005581

Regd. Office: Sanghinagar P. O. Hayatnagar Mandal, R. R. District, Telangana - 501511

Tel. 08415-242240, Email : [companysecretary@sanghiment.com](mailto:companysecretary@sanghiment.com)

Website: [www.sanghiment.com](http://www.sanghiment.com)

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the **Thirty Second Annual General Meeting** of the Members of **M/s. Sanghi Industries Limited** will be held on Saturday, the 14<sup>th</sup> day of September, 2019 at 10.00 a.m. at its Registered Office at Sanghinagar P.O., Hayatnagar Mandal, R. R. District, Telangana - 501 511 to transact the following business:

#### **Ordinary Business:**

1. To receive, consider and adopt financial statements of the Company including Audited Balance Sheet as at 31<sup>st</sup> March, 2019 and Statement of Profit and Loss and Cash Flow for the year ended on that date together with the Directors' Report and also the Auditors' Report thereon.
2. To appoint a Director in place of Smt. Bina Engineer (holding DIN: 01653392), who retires by rotation and being eligible, offers herself for re-appointment.

#### **Special Business:**

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**.

**“Resolved that** pursuant to the provisions of Section 148 and all the applicable provisions of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force) the consent of members be and is hereby accorded to ratify the remuneration decided by the Board of Directors of the Company based on the recommendation of the Audit Committee of Rs. 2,25,000/- (Rupees Two Lac Twenty Five Thousand Only) plus out of pocket expenses and GST, if any to M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad appointed by the Board of Directors to conduct the audit of the Cost records of the Company for the financial year 2019-20.

**Resolved further that** Shri Ravi Sanghi, Chairman & Managing Director, Smt. Bina Engineer, Whole-time Director and Shri Anil Agrawal, Company Secretary of the Company be and is hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**.

**“Resolved that** in accordance with the provisions of sections 196, 197, Schedule V and all other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), read with Articles of Association of the Company and such other approvals as are necessary, consent of the Company be and is hereby accorded to the re-appointment of Smt. Bina Engineer (holding DIN: 01653392) as a Whole time director of the Company with effect from 6<sup>th</sup> September, 2019, for a period of three years on the remuneration and the terms and conditions as set out in the Explanatory Statement.

**Resolved further that** in the event of any loss, absence or inadequacy of the profits of the Company, the remuneration mentioned in the Explanatory Statement shall be paid to Smt. Bina Engineer, as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013 and as may be amended from time to time.

**Resolved further that** Nomination and Remuneration Committee of the Board be and is hereby authorized to revise from time to time during the tenure of the appointment of Smt. Bina Engineer, the remuneration payable to her subject to overall limits laid down in Section 197, Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) without further approval of the Board and members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

**Resolved further that** the Chairman and Managing Director or Company Secretary be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to the above resolution.”

5. 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 provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, if any, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder from time to time, Shri Mahendra K Doogar (DIN: 00319034), a Non-Executive Independent Director

of the Company, who is eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a further period of five consecutive years and shall not be liable to retire by rotation in accordance with the provisions of the Companies Act, 2013."

6. 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 provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 (the 'Act') and the Rules made thereunder read with Schedule V of the Act, consent of the Company be and is hereby accorded to continue the payment of remuneration to Shri Ravi Sanghi, Chairman and Managing Director which might exceed the limit prescribed under the aforesaid regulation for his remaining tenure.

7. 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 provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 (the 'Act') and the Rules made thereunder read with Schedule V of the Act, consent of the Company be and is hereby accorded to continue the payment of remuneration to Shri Aditya Sanghi, Whole-time Director (DIN: 00033755) which might exceed the limit prescribed under the aforesaid regulation for his remaining tenure.

8. 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 provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 along with the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 (the 'Act') and the Rules made thereunder read with Schedule V of the Act, consent of the Company be and is hereby accorded to continue the payment of remuneration to Shri Alok Sanghi, Whole-time Director (DIN: 00033506) which might exceed the limit prescribed under the aforesaid regulation for his remaining tenure.

#### Registered Office:

Sanghinagar P.O.,  
Hayatnagar Mandal, R. R. District,  
Telangana – 501 511

Place: Ahmedabad  
Date: 13<sup>th</sup> August, 2019

By Order of the Board  
for **Sanghi Industries Limited**

Anil Agrawal  
**Company Secretary**

#### Notes :

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT MORE THAN 50 (FIFTY) AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE THE PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY CANNOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
- Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
- Members holding shares in physical form are requested to notify immediately any change in their address to the Company quoting their folio numbers. Members holding shares in electronic form shall address all communications to their respective Depository Participants only.
- Members are requested to bring their copies of the Annual Report to the meeting for their reference.
- Members desiring any information as regards the Accounts are requested to write to the Company at least 7 working days before the meeting so as to enable the Management to keep the information ready at the time of meeting.
- Corporate members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Act are requested to send the Company a certified copy of Board Resolution/Authorization together with specimen signatures authorizing their representative to attend and vote on their behalf at the meeting.

8. For the convenience of members and for proper conduct of the members, entry to the place of meeting will be regulated by attendance slips. Members are requested to affix their signatures at the place provided on the attendance slip and hand it over at the registration counters.
9. The Ministry of Corporate Affairs (MCA), New Delhi has taken "Green initiatives in Corporate Governance" by allowing paperless compliance by the Companies and issued a circular clarifying that the service of documents to be made by a Company can be made through electronic mode. To support the green initiative of the Ministry of Corporate Affairs, members who have not yet registered their e-mail id are requested to register the same immediately.

Members holding shares in physical form are requested to register their e-mail id by communicating the same to the Company mentioning their Folio number. Members holding shares in electronic form are requested to register their e-mail id for which they are advised to approach their Depository Participants in this regard.

10. 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.
11. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018-49 dated 30<sup>th</sup> November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1<sup>st</sup> April, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company promptly.
12. Information required to be furnished as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and secretarial standards on the General Meeting issued by the Institute of Company Secretaries of India, the particulars of Directors who are proposed to be re-appointed, are given below:

<b>Name of Director &amp; DIN</b>	<b>Date of Birth</b>	<b>Date of First Appointment</b>	<b>Brief resume, Qualification Expertise and Experience</b>	<b>Shareholding in the Company</b>	<b>Details of Directorship held in other Listed companies</b>	<b>Details of membership / chairmanship of other Board committees</b>
Smt. Bina Engineer DIN: 01653392	13 <sup>th</sup> April, 1967	27 <sup>th</sup> January, 2007	B.Com, Chartered Accountant having rich and varied experience of more than two decades in the areas of Project and Corporate finances. She has successfully arranged the project funds, take out finance, working capital requirements etc. She is responsible for the Corporate and Project Finance affairs of the Company.	Nil	----	----

Name of Director & DIN	Date of Birth	Date of First Appointment	Brief resume, Qualification Expertise and Experience	Shareholding in the Company	Details of Directorship held in other Listed companies	Details of membership / chairmanship of other Board committees
Shri Mahendra K. Doogar DIN: 00319034	1 <sup>st</sup> July, 1951	11 <sup>th</sup> February, 2016	Graduate from Commerce Stream and a qualified Chartered Accountant. He is in practice since 1976 and acquired wide experience and exposure in the field of Corporate finance, Taxation, Statutory and Internal Audit, Investment banking.	Nil	1. Dalmia Refractories Ltd. 2. Kamdhenu Ltd. 3. Morgan Ventures Ltd. 4. Frick India Ltd.	1. Dalmia Refractories Ltd. - Member-Audit Committee 2. Kamdhenu Ltd. - Chairman-Audit and Stakeholder Committee, Member-Nomination and Remuneration Committee and CSR Committee 3. Morgan Ventures Ltd. - Member-Audit Committee, Chairman-Stakeholder Committee, Member-Nomination and Remuneration Committee 4. Frick India Ltd. - Member-Audit Committee and Nomination & Remuneration Committee

None of the aforementioned director is in any way inter-se related, related with the Managerial personnel or other KMPs.

13. A Route Map showing the Directions to reach the venue of the 32<sup>nd</sup> Annual General Meeting is attached along with the notice as per the requirement of Secretarial Standards – 2 on “General Meeting”.
14. The Board of Directors has appointed Shri Srikant Sangai, Practising Company Secretary, (COP No. 11113) as the Scrutinizer to scrutinize the remote e-voting and poll process at the Annual General Meeting in a fair and transparent manner. The scrutinizer shall, after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not being in the employment of the Company and make a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall counter sign the same.

15. The result will be declared on receipt of Scrutinizers Report. The results declared along with the scrutinizer's report will be available on the website of the Company ([www.sanghiment.com](http://www.sanghiment.com)) and on the website of agency ([www.evotingindia.com](http://www.evotingindia.com)).

The Company shall simultaneously forward the results to NSE and BSE where the equity shares of the Company are listed.

16. The facility of voting through poll shall be made available at the venue of the Annual General Meeting. The Members attending the Annual General Meeting who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. Members who have cast their vote by remote e-voting prior to the meeting may also be entitled to attend the Annual General meeting but shall not be entitled to cast their vote again. In case the members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through poll papers shall be treated as Invalid.
17. Shareholders holding equity shares shall have one vote per share as shown against their holding. The shareholders can vote for their entire voting rights as per their discretion. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date i.e. 7<sup>th</sup> September 2019 only shall be entitled to avail facility of remote e-voting and poll process at the venue of the meeting.
18. Members who hold shares in electronic form are requested to write their DP ID and Client ID and those who hold shares in physical form are requested to write their Regd. Folio number in the Attendance Slip for attending the Annual General meeting to facilitate identification of membership at the Annual General Meeting.
19. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date, may obtain Sequence No. for remote e-voting by sending a request at [companysecretary@sanghiment.com](mailto:companysecretary@sanghiment.com) and cast vote after following the instructions for remote e-voting as provided in the Notice convening the meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.
20. Shri Anil Agrawal, Company Secretary of the Company, shall be responsible for addressing all the grievances in relation to this Annual General Meeting including e-voting. His contact details are - Email: [companysecretary@sanghiment.com](mailto:companysecretary@sanghiment.com); Phone / Mobile No. : 08415- 242240.
21. In compliance with provisions of section 108 of the Act and Rule 20 of The Companies [Management and Administration] Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility of 'remote e-voting' to exercise their right to vote at the 32<sup>nd</sup> Annual General Meeting. The Company is providing remote e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited [CDSL] to facilitate remote e-voting. The detailed process, instructions and manner for availing e-voting facility is as below:

**The instructions for shareholders voting electronically are as under:**

- (i) The remote E- voting period commences at 10.00 a.m. on 11<sup>th</sup> September, 2019 and ends at 5.00 p.m. on 13<sup>th</sup> September 2019 (both days inclusive). During this period the shareholders of the Company holds shares either in physical form or dematerialized form as on the cut off date (record date) of 7<sup>th</sup> September 2019 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](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) 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.
- (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](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user, please enter your PAN Number / PAN Value and Dividend Bank Details (Sequence Number) as printed and despatched separately.
- (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 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of Sanghi Industries Limited for 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 password then enter the User ID and the image verification code and click on Forgot Password and 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. 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, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://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](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.

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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

#### CONTACT DETAILS:

Company	Sanghi Industries Ltd. E-mail ID: <a href="mailto:companysecretary@sanghiment.com">companysecretary@sanghiment.com</a>
E-voting Agency	Central Depository Services (India) Limited E-mail ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>
Scrutinizer	Shri Srikanth Sangai, Practising Company Secretary. Email id: <a href="mailto:sangaisri@yahoo.com">sangaisri@yahoo.com</a>

## ANNEXURE TO THE NOTICE

### Explanatory Statement

#### (Pursuant to the provisions of Section 102 of the Companies Act, 2013)

In conformity with the provisions Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to special businesses contained in the accompanying Notice.

#### **Item No. 3**

The Board on recommendation of the Audit Committee has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the Cost records of the Company for the financial year 2019-20.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, consent of the shareholders is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2019-20.

Your Directors recommend the passing of the proposed Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise, in the proposed resolution.

#### **Item No. 4**

Smt. Bina Engineer is a qualified Chartered Accountant having rich and varied experience of more than two decades in the areas of Project and Corporate finances. She has successfully arranged the project funds, take out finance, working capital requirements etc. Presently, Smt. Bina Engineer is responsible for the Corporate and Project Finance affairs of the Company.

During the tenure of Smt. Bina Engineer as Whole Time Director, she has continuously contributed to great extent in the growth of the Company. Considering several aspects and her increased responsibilities, the Board of Directors has considered it appropriate and advisable to re-appoint her for a period of 3 years with effect from 6<sup>th</sup> September, 2019 and accordingly she has been re-appointed as the Whole-time Director. In the event of any loss, absence or inadequacy of profits of the Company, the Company can pay remuneration to their managerial personnel as per the limits mentioned in Section II of Part II of Schedule V of the Companies Act, 2013 if the conditions mentioned therein are fulfilled. The remuneration has been fixed on the basis of recommendation of the Nomination and Remuneration Committee. The terms and conditions of re-appointment are as under:

- (A) Salary: Rs. 1.25 Crore (Rupees One Crore Twenty Five Lac Only) per annum with suitable break up as per the rules of the Company.

She will be entitled for annual increment upto 25% of last salary drawn as may be finalized by Nomination and Remuneration Committee.

- (B) In addition to above (A), not exceeding commission @ 0.50% of net profits of each financial year as calculated under the provisions of Section 198 of the Companies Act, 2013.

- (C) Perquisites:

Gratuity: The Company shall pay gratuity as per the Company's rules.

Leave: She shall be entitled to leave benefits as per the Company's rules.

- (D) She shall be liable to Retire by Rotation.

She shall be entitled for other benefits as per the rules of the Company as available to other senior executives of the Company.

As per the provision of Sections 196, 197, Schedule V and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), the re-appointment of and payment of remuneration to Whole Time Director requires the approval of the Shareholders in General Meeting by way of special resolution and hence necessary resolution has been proposed for your approval.

The Board of Directors is of the view that the services of Smt. Bina Engineer will be of immense value to the Company. Your Directors, therefore, recommend her re-appointment as Whole Time Director of the Company. Your Directors recommend the passing of the proposed Special Resolution.

Except Smt. Bina Engineer being an appointee, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested financially or otherwise in the resolution.



**Statement containing information required to be given as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013.**

**I. General Information:**

- (1) Nature of Industry : Cement Industry
- (2) The commercial operations have already begun.
- (3) The Company is not a new Company
- (4) Financial performance:

(Rs. In Crores)

Particulars	Year ended (Audited) (31-03-2019)	Year ended (Audited) (31-03-2018)
Total Income	1088.23	1074.03
Operating Profit	123.94	165.69
Profit Before Tax	52.60	93.31
Profit After Tax	52.60	93.31
Total Comprehensive Income	52.48	93.36

- (5) There was export earnings amounting to Rs. 19.13 Crores and outgo was Rs. 234.09 Crores including Rs 90.15 Crores towards Capital Expenditure during the financial year 2018-19.
- (6) There are no foreign investments directly in the Company and the Company has not entered into foreign collaboration.

**II. Information about the appointee:**

- (1) Background details: Smt. Bina Engineer is a qualified Chartered Accountant having rich and varied experience of more than two decades in the areas of Project and Corporate finances. She has successfully arranged the project funds, take out finance, working capital requirements etc.
- (2) Past Remuneration: Smt. Bina Engineer was paid remuneration of Rs. 10.42 Lakh per month plus perquisites and benefits during the financial year 2018-19.
- (3) Recognition and awards: She has been awarded with “Best Woman CFO Award 2018” by Yes Bank and Business World Magazine on 11th May, 2018 at Delhi. Earlier, she has been conferred the Best CA CFO Award 2016 by Institute of Chartered Accountants of India and CFO 100 Roll of Honours – 2018, by CFO India chapter.
- (4) Job profile and her suitability: Smt. Bina Engineer is responsible for the Corporate and Project Finance affairs of the Company. Her rich and varied experience and knowledge in Project and Corporate Finance has helped the Company to a great extent.
- (5) Remuneration proposed: As per details given below.
- (6) There are no companies of the same size in the industry, as such there is no statistics available of comparative remuneration profiles.
- (7) Besides the proposed remuneration, Smt. Bina Engineer has no pecuniary relationship directly or indirectly with the Company. Also she is not directly or indirectly related to any Director, Promoter or Key Managerial Personnel of the Company.

**III. Other information:**

During the year ended 31<sup>st</sup> March 2019, the total revenue was Rs. 1088.23 Crores against Rs. 1074.03 Crores in the previous year. Company reported a net profit before and after tax of Rs. 52.60 crores for the year ended 31<sup>st</sup> March, 2019 as against a profit of Rs. 93.31 crores in the previous fiscal. The Total Comprehensive Income for the year is Rs. 52.48 Crores against Rs. 93.36 Crores in previous year. The earnings per share (EPS) for 2018-19 stood at Rs. 2.10 as against EPS of Rs. 4.14 in previous financial year.

The Company has emerged as a major cement player in western India over the last few years. It is ranked as the second largest cement plant at one location in India. It is one of the top 3 players in Gujarat and is also increasing its presence in Maharashtra, Rajasthan and Kerala.

The profits of the Company are in line with the current industrial scenario and are reasonable. The Company's products are very well accepted in the local as well as international market. The Company has made significant growth and the sales of the Company has increased from time to time.



However, due to increase in cost of materials consumed, power & fuel, Selling expenses etc has affected company's profitability and hence profits are lower compared to previous year.

Now, Company is focusing on expansion of capacity to tap the future potential in the industry, it has successfully improved its Credit Rating and tied up Long Term Loan and Equity Funds for the expansion project. Completion of this project will help the Company to further improve its results and profitability. The Company has taken a series of steps under the guidance of Smt. Bina Engineer for improvement and development of the Company.

#### IV. Disclosures:

##### (A) Salary:

Rs.1.25 crore (Rupees One Crore Twenty Five Lac Only) per annum. The Board may give one or more increment depending upon work performance, working of the Company etc. as per the rules of the Company. She will be entitled for Annual Increment upto 25% of last salary drawn as may be finalized by Nomination and Remuneration Committee.

##### (B) Commission:

Commission @ 0.50% of net profits of each financial year as calculated under the provisions of Section 198 of the Companies Act, 2013.

##### (C) Perquisites:

1. **Gratuity:** The Company shall pay gratuity as per the Company's rules.
2. **Leave:** She shall be entitled to leave benefits as per the Company's rules.
3. She will be entitled for other benefits as per the rules of the Company as available to other senior executives of the Company.
4. **Notice period:** The agreements may be terminated by either party giving the other party six months notice in writing of such termination.
5. **Stock option:** The Company has not formulated any scheme for giving stock options to its employees, Managing Director and Executive Directors.

#### Item No. 5

Shri Mahendra K. Doogar (holding DIN: 00319034) is a Non-Executive Independent Director of the Company, who was holding office upto 10<sup>th</sup> February, 2019. He fulfils the requirement of Independent Director as laid down under Section 149 of the Companies Act, 2013 read with the Rules framed thereunder and is eligible for re-appointment as an Independent Director. The Company has received from him a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act, in connection with his re-appointment as an Independent Director.

On the basis of recommendation by the Nomination and Remuneration Committee the Board has approved his re-appointment as an Independent Director for a further period of five consecutive years.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 the re-appointment of Shri Mahendra K. Doogar as Independent Director is now being placed before the Members for their approval.

All the relevant documents, i.e. appointment letter, the terms and conditions of the appointment of Shri Mahendra K. Doogar as Independent Director of the Company shall be open for inspection by the Members at the Registered Office of the Company between 10:00 am to 5:00 pm on all working days (Monday to Friday) except Saturdays, Sundays and holidays upto the date of Annual General Meeting.

Your Directors recommend the passing of the proposed Special Resolution.

Except Shri Mahendra K. Doogar, being an appointee, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

#### Item No. 6 , 7 and 8

Appointment and the terms of payment of remuneration to executive Directors who are part of Promoter and Promoter Group have been approved by the members in the previous Annual general meetings till the tenure as enumerated below:

Sr. No.	Name of Director	Present tenure of appointment	Present tenure of payment of remuneration
1	Shri Ravi Sanghi, Chairman and Whole-time Director	01/09/2015 to 31/08/2020	01/09/2018 to 31/08/2020
2	Shri Aditya Sanghi, Whole-time Director	06/09/2017 to 05/09/2022	06/09/2017 to 05/09/2020
3	Shri Alok Sanghi, Whole-time Director	06/09/2017 to 05/09/2022	06/09/2017 to 05/09/2020

Pursuant to provision of Regulation 17(6) (e) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, applicable from April 1, 2019, the Company shall be required to take approval of members by way of special resolution for payment of remuneration to Executive Directors who are Promoters or members of the Promoter Group in excess of the threshold limit prescribed under the said regulation.

The appointment and terms of payment of remuneration have already been approved by the members by way of Special resolution in the previous Annual General Meetings held, however following the spirit of Good governance and for abundant caution the Board is proposing to obtain approval of members by way of special resolution to continue the payment of remuneration, which might exceed the limit prescribed under said regulation, to the aforementioned Directors on the same terms and conditions as already been approved by the members till the expiry of their tenure for payment of remuneration.

The Board recommends passing of the proposed special resolutions.

Except Shri Ravi Sanghi, Chairman and Managing Director, Shri Aditya Sanghi, Whole-time Director and Shri Alok Sanghi, Whole-time Director along with their relatives, none of the other Directors or Key Managerial Personnel are interested, financially or otherwise, in the proposed resolutions.

**Registered Office :**

Sanghinagar P.O.,  
HayatnagarMandal, R. R. District,  
Telangana – 501 511

Place: Ahmedabad  
Date: 13<sup>th</sup> August, 2019

By Order of the Board  
for **Sanghi Industries Limited**

Anil Agrawal  
**Company Secretary**