

NOTICE

NOTICE is hereby given that the Twenty-Sixth Annual General Meeting of the Members of the SANGHVI FORGING AND ENGINEERING LIMITED will be held at the Registered Office of the Company at 244/6-7, GIDC Industrial Estate, Waghodia, Dist. Vadodara 391 760 at 5:00 p.m. on Friday, September 26, 2014 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, 2014 as at that date together with the Reports of Directors and the Auditors Report thereon.
2. To appoint a Director in place of Shri Jayantilal Babulal Sanghvi (DIN: 00291657), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company for a term of three years and to fix their remuneration and in this connection, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that M/s Shah & Bhandari, Chartered Accountants, (Registration No. 118852W), Vadodara be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Twenty-Ninth Annual General Meeting of the Company (i.e. for a term of three years) at a remuneration to be decided by the Board of Directors in consultation with M/s Shah & Bhandari."

Special Business

To consider and if thought fit to pass with or without modification the following Resolutions:

4. To pass the following resolution, with or without modification, as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 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, Shri Shantaram Surya Prakasarao Yarlagaadda (DIN: 03050982), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office until the conclusion of the fifth consecutive

Annual General Meeting of the Company for a term upto March 31, 2019."

5. To pass the following resolution, with or without modification, as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 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, Dr. Ram Chandra Prasad (DIN:03144923), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office until the conclusion of the fifth consecutive Annual General Meeting of the Company for a term upto March 31, 2019."

6. To pass the following resolution, with or without modification, as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 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, Dr. Baba Karnire Pai (DIN: 03160657), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office until the conclusion of the fifth consecutive Annual General Meeting of the Company for a term upto March 31, 2019."

7. To pass the following resolution, with or without modification, as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 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, Shri Ram Swaroop Kaushal (DIN: 03182544), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has

received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office until the conclusion of the fifth consecutive Annual General Meeting of the Company for a term upto March 31, 2019."

8. To pass the following resolution, with or without modification, as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013, if any, and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Jyoti V. Menghani (holding DIN: 06946687), whose term of office as an Additional Director, pursuant to Section 161 of the Companies Act, 2013, expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office until the conclusion of the fifth consecutive Annual General Meeting of the Company for a term upto March 31, 2019."

9. To approve the remuneration of Cost Auditors for the Financial Year ending March 31, 2015 :

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions 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), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company, if applicable, for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To consider and if thought fit, to pass, with or without modification(s) the following resolutions as Special Resolutions:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the

proposed related party transactions between the Company with Sanghvi Europe B.V., wholly owned subsidiary, Netherlands, for Sell or Purchase of goods and services as briefly mentioned in the Explanatory statement to this resolution.

RESOLVED FURTHER THAT any Director and Company Secretary of the Company be and are hereby individually authorised to sign any documents or agreement for above proposed transaction on behalf of the Company and take necessary steps to do all acts, deeds and things as may be necessary and incidental to give effect to this resolution."

By Order of the Board of Directors
 For Sanghvi Forging & Engineering Ltd.

Place: Vadodara,
 Date August 13, 2014
Registered Office:
 244/6 & 7, GIDC Industrial
 Estate, Waghodia, Dist.
 Vadodara 391 760

Sagar Pandya
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (the "Meeting") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing a proxy should, however, be deposited at the Company's Registered Office at 244/6 & 7, GIDC Industrial Estate, Waghodia, Dist. Vadodara 391 760 (Gujarat) not less than 48 hours before the commencement of the aforesaid meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the 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 a proxy for any other person or shareholder.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, September 18, 2014 to Friday, September 26, 2014 (both days inclusive).
3. The Explanatory Statement pursuant to Section 102 of the Companies act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
4. Members/ Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.

5. Members desiring any information as regards the Accounts are requested to write to the Company Secretary at an early date so as to enable the Management to reply at the Meeting.
 6. Members holding shares in physical form are requested to kindly notify the Company of any change in their addresses so as to enable the Company to address future communication to their correct addresses. Members holding shares in demat form are requested to notify their respective Depository Participant of any change in their addresses.
 7. Members are requested to kindly bring their copies of the Annual Report to the Meeting.
 8. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
 9. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
 10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
 11. Electronic copy of the Annual Report for Financial Year 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(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 for Financial Year 2013-14 is being sent in the permitted mode.
 12. Members who have not registered their email address, physical copies of the Notice of the 26th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
 13. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report for the F.Y. 2013-14. will also be available on the Company's website www.sanghvivforge.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Waghodia, Vadodara for inspection during normal business hours on working days. 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 free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: cs@sanghvivforge.com.
- 14. Voting through electronic**
- In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the General Meeting by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The instructions for e-voting are as under:
- In case of members receiving e-mail:**
- (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now, select the "SANGHVI FORGING AND ENGINEERING LIMITED" from the drop down menu and click on "SUBMIT"
 - (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 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 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> <p>▲ 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.</p> <p>▲ 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.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>▲ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly 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 for the relevant SANGHVI FORGING AND ENGINEERING 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 changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

▲ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

▲ They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

▲ After receiving the login details they have to create a user who would be able to link the account(s) 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.

- ▲ They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

1. Shri S. Samdani, Practicing Company Secretary failing him Shri Suresh Kabra, Practicing Company Secretary failing him Ms. Ankita Parmar, Practicing Company Secretary of Samdani Shah & Associates has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

2. The Results shall be declared at the GM of the Company or thereafter. This Notice as well as the Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the GM of the Company and communicated to the NSE and BSE.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on September 17, 2014 (9:00 a.m.) and ends on September 19, 2014 (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 August 14, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company.

16. EXPLANATORY STATEMENT in respect of Special Business pursuant to Section 102 of the Companies Act, 2013 ('the Act'):

Item No.4: Shri Shantaram Surya Prakasarao Yarlagadda, is an Independent Director of the Company.

He holds degree in mathematics and mechanical engineering. He has worked as scientific officer at the Department of Atomic Energy, Government of India. He has worked in various capacities at the Rajasthan Atomic Power Project, Madras Atomic Power Project, Kakrapar Atomic Power Project, Kaiga Atomic Power Project and Tarapur Atomic Power Project. He finally retired as a Director after 40 years of service in the Department of Atomic Energy Government of India. He is also a member emeritus of the India Nuclear Society. He does not hold any Directorship and Membership in any other company.

Shri Yarlagadda does not hold any Shares of the Company.

Shri Yarlagadda is a director whose period of office is liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Act, Shri Yarlagadda being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of the Company to hold office for a term of five consecutive years until the conclusion of the fifth consecutive Annual General Meeting hereafter. A notice under Section 160 of the Act has been received from a member proposing Shri Yarlagadda as a candidate for the office of Director of the Company.

In opinion of the Board, Shri Yarlagadda fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Considering their knowledge and experience and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Shri Yarlagadda as an Independent Director under Companies Act, 2013. Accordingly, the Board recommends the resolution in relation to appointment of Shri Yarlagadda as an Independent Director, for the approval by the Members of the Company.

Copy of the draft letter for appointment of Shri Yarlagadda as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Except Shri Yarlagadda, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

Item No.5: Professor (Retd.) Ram Chandra Prasad, is an Independent Director of the Company. He holds a doctorate in metallurgical engineering from the Indian Institute of Science, Bangalore. He has worked as assistant professor at the National Institute of Foundry and Forge Technology, Ranchi and as professor at the Indian Institute of Technology, Bombay since 1986. He has honoured with the Distinguish Alumnus Award at BIT Sindri in the year 2002. He was chairman of IIM Mumbai chapter during the period from 1999 and 2000. He does not hold any Directorship and Membership in any other company. Dr. Prasad does not hold any Shares of the Company.

Dr. Prasad is a director whose period of office is liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Act, Dr. Prasad being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of the Company to hold office for a term of five consecutive years until the conclusion of the fifth consecutive Annual General Meeting hereafter. A notice under Section 160 of the Act has been received from a member proposing Dr. Prasad as a candidate for the office of Director of the Company.

In opinion of the Board, Dr. Prasad fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Considering their knowledge and experience and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Dr. Prasad as an Independent Director under Companies Act, 2013. Accordingly, the Board recommends the resolution in relation to appointment of Dr. Prasad as an Independent Director, for the approval by the Members of the Company.

Copy of the draft letter for appointment of Dr. Prasad as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Except Dr. Prasad, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

Item No.6: Dr. Baba Karnire Pai, is an Independent Director of the Company. He holds a doctorate in metallurgical engineering from the Indian Institute of Technology Bombay. He was Professor and the Head of Metallurgical and Materials Engineering faculty of Technology and Engineering at MS University Kalabhavan, Vadodara. He is currently Director of Institute of Technology

& Management Universe, Vadodara. He does not hold any Directorship and Membership in any other company. Dr. Pai does not hold any Shares of the Company.

Dr. Pai is a director whose period of office is liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Act, Dr. Pai being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of the Company to hold office for a term of five consecutive years until the conclusion of the fifth consecutive Annual General Meeting hereafter. A notice under Section 160 of the Act has been received from a member proposing Dr. Pai as a candidate for the office of Director of the Company.

In opinion of the Board, Dr. Pai fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Considering their knowledge and experience and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Dr. Pai as an Independent Director under Companies Act, 2013. Accordingly, the Board recommends the resolution in relation to appointment of Shri Pai as an Independent Director, for the approval by the Members of the Company.

Copy of the draft letter for appointment of Dr. Pai as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Except Dr. Pai, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

Item No.7: Shri Ram Swaroop Kaushal, is an Independent Director of the Company. He is a banker by profession and holds a Masters degree in Arts. He was previously employed with State bank of India. He has vast years of experience in the Banking sector. He is a certified Associate of the Indian Institute of Bankers. He is presently working as an Advisor (Learning & Development) with SBI Mutual Fund. He does not hold any Directorship and Membership in any other company.

Shri Kaushal does not hold any Shares of the Company.

Shri Kaushal is a director whose period of office is liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Act, Shri Kaushal being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of the Company to hold office for

a term of five consecutive years until the conclusion of the fifth consecutive Annual General Meeting hereafter. A notice under Section 160 of the Act has been received from a member proposing Shri Kaushal as a candidate for the office of Director of the Company.

In opinion of the Board, Shri Kaushal fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Considering their knowledge and experience and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Shri Kaushal as an Independent Director under Companies Act, 2013. Accordingly, the Board recommends the resolution in relation to appointment of Shri Kaushal as an Independent Director, for the approval by the Members of the Company.

Copy of the draft letter for appointment of Shri Kaushal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Except Shri Kaushal, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

Item No. 8: Dr. Jyoti Menghani Dr. Jyoti Menghani is Assistant Professor in Mechanical Engineering Department in Sardar Vallabhbhai National Institute of Technology (SVNIT), Surat. Dr. Menghani holds degree of B.E. (Metallurgical Engineering), M.E. (Materials Technology) and also Ph.D. (Metallurgical Engineering) she has over 16 years of experience in teaching field. Dr. Menghani is specialization in the field of Metallurgy and Materials Engineering.

Ms. Menghani has presented many National and International presentations on Principal Investigator in various years. She has also published various National and International Journal in technical fields.

Ms. Menghani does not held any shares in the Company, either by herself or for any other person on a beneficial basis. Dr. Menghani appointed by the Board of Directors as an Additional Director of the Company with effect from August 13, 2014 in accordance with Section 161 of the Companies Act, 2013 and the Articles of Association of the Company to hold office up to the date of this Annual General Meeting of the Company.

As required under Section 160 of the Companies Act, 2013, the Company has received notice from a member proposing Dr. Menghani as a candidate for the office of Director of the Company. Your Board is of the opinion that Dr. Menghani

fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of appointment of Dr. Menghani as an Independent Director setting out the terms and conditions would be available for inspection.

Except Dr. Menghani, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution. The Board of Directors recommends the resolution for approval of the members.

Item No. 9: Appointment of Cost Auditor The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors M/s. Diwanji & Co. Audit fees ₹ 1,50,000/- to conduct the audit of the cost records of the Company, if applicable, for the financial year ending March 31, 2015.

In accordance with the provisions of Section 148 of the Act 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 members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

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

Item No. 10: Related Party Transaction The Members are hereby informed that in terms of the New Companies Act, 2013, the Companies are required to obtain prior approval of its shareholders for the Related Party Transactions and to get ratification of Related Party Transaction.

Your company has formed a wholly owned subsidiary namely Sanghvi Europe B.V. in Netherlands in the month of July 2014 to develop its markets in Netherlands.

Section 188 of the Companies Act, 2013 and Rules 15 and 16 of Companies (Meeting of Board and its Powers) Rules, 2014 prescribed certain procedure for approval of a related party transaction. Clause 49 of the Listing Agreement also comes into operation for a related party transaction. In brief, a combined reading of all these provisions and other applicable provisions suggest that in certain conditions, approval of Audit Committee, Board approval and Shareholders approval by way of Special Resolution required for related party transactions.

The other related information as envisaged under Companies (Meeting of Board and its Powers) Rules, 2014 are furnished hereunder:

Sr. No.	Name of Related Party	Nature of Relationship	Sales or Purchases of Goods and Services	Period
1	Sanghvi Europe B.V.	Subsidiary	₹ 80 Crores	Up to AGM 2016

Pursuant to Section 102 of the Companies Act, 2013, it is hereby declared that no Directors, Manager or Key Managerial Personnel of the Company have any concern or interest, in respect of this resolution.

By Order of the Board of Directors
For Sanghvi Forging & Engineering Ltd.

Place: Vadodara

Date: August 13, 2014

Registered Office:

244/6 & 7, GIDC Industrial Estate, Waghodia,
Dist. Vadodara 391 760

Sagar Pandya
Company Secretary



Head Office: A-8, Parvati Chamber, Opp. Apsara Cinema, Pratapnagar Road, Vadodara 390004

Ph: 0265-2580644/2581658 Fax: 0265-2581126

Registered Office: 244/6-7, G.I.D.C. Industrial Estate, Waghodia-391760 Dist. Vadodara,

Ph:02668-263020/264100 Fax: 02668-263411

Email :contact@sanghiviforge.com Website : www.sanghiviforge.com CIN : L28910GJ1989PLC012015

ATTENDANCE SLIP

Annual General Meeting on Friday, September 26, 2014 at 5:00 p.m.

I /We hereby record my presence at the Annual General Meeting of the Company at Registered Office of the Company situated at 244/6-7, G.I.D.C. Industrial Estate, Waghodia-391760 Dist. Vadodara, Gujarat

Folio No./ DP ID & Client ID No. _____ No. of Shares Held _____

Name of Member _____ Signature _____

Name of Proxy holder _____ Signature _____

IMPORTANT NOTE

Members/Proxy holders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after affixing their signature on it.



Head Office: A-8, Parvati Chamber, Opp. Apsara Cinema, Pratapnagar Road, Vadodara 390004

Ph: 0265-2580644/2581658 Fax: 0265-2581126

Registered Office: 244/6-7, G.I.D.C. Industrial Estate, Waghodia-391760 Dist. Vadodara,

Ph:02668-263020/264100 Fax: 02668-263411

Email :contact@sanghiviforge.com Website : www.sanghiviforge.com CIN : L28910GJ1989PLC012015

MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies

(Management and Administration) Rules, 2014]

Name of the member(s)	
Registered address:	
E-mail Id	
Folio No/Client Id & DP ID	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

1. Name : _____ Address : _____

E-mail Id : _____ Signature: _____, or failing him

2. Name : _____ Address : _____

E-mail Id : _____ Signature: _____, or failing him

3. Name : _____ Address : _____

E-mail Id : _____ Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Friday, September 26, 2014 at 5:00 p.m. at the Registered Office of the Company situated at 244/6-7, G.I.D.C. Industrial Estate, Waghodia-391760 Dist. Vadodara, Gujarat and any adjournment thereof in respect of such resolutions as are indicated below:

Attention Members

Arrangements have been made for transport to and from the registered office of the Company so as to make it convenient for the Members to attend the 26th Annual General Meeting schedule to be held on Friday, September 26, 2014 at 5:00 p.m.

- ▲ Pick-up time will be 4:00 p.m. on Friday, September 26, 2014 and Route for Pick-up Location will be starts from Pandya Bridge (Near Vadodara Railways station) to Fatehgunj Circle to Sangam Crossing to Sardar Estate to Vrundavan Crossing to Waghodia Crossing to Registered office of the Company.
- ▲ In case Member wish to avail this facility, they are requested to register their availability and above mentioned pick-up locations by calling on ph no. 02668-264226 and email at cs@sanghiviforge.com during 10:00 a.m. to 5:00 p.m. before September 25, 2014.
- ▲ Your Cooperation in this regard is highly solicited as this will help to ensure that the Company is able to effectively service from pick-up locations.
- ▲ Members are requested to arrive at the pick-up location well in advance so that they can reach at the Registered office of the Company prior to the meeting.
- ▲ Company Pick-up Vehicle in the name of the Company **"SANGHVI FORGING AND ENGINEERING LIMITED"** to enable the Members to easily identify them.
- ▲ The return transport from the registered office of the Company shall follow the same route.
- ▲ Please be informed that no reimbursement shall be made for any expenses incurred to attending the meeting.

Resolution No.	Description
1	To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2014 as at that date together with the Reports of Directors and the Auditors Report thereon.
2	To appoint a Director in place of Shri Jayantilal Babulal Sanghvi (DIN: 00291657), who retires by rotation and being eligible, offers himself for reappointment.
3	To appoint M/s Shah & Bhandari, Chartered Accountants, (Registration No. 118852W), Vadodara be Auditors of the Company for a term of three years and to fix their remuneration to hold office from the conclusion of this Annual General Meeting until the conclusion of the Twenty-Ninth Annual General Meeting of the Company (i.e. for a term of three years).
4	To appoint Shri Shantaram Surya Prakasarao Yarlagadda (DIN: 03050982), as Independent Director of the Company
5	To appoint Dr. Ram Chandra Prasad (DIN:03144923), as Independent Director of the Company.
6	To appoint Dr. Baba Karnire Pai (DIN: 03160657), as Independent Director of the Company.
7	To appoint Shri Ram Swaroop Kaushal (DIN: 03182544), as Independent Director of the Company.
8	To appoint Dr. Jyoti V. Menghani (holding DIN: 06946687), as Independent Director of the Company.
9	To approve the remuneration of the Cost Auditor for the financial year ending March 31, 2015.
10	To approve Related Party Transaction with the Company.

Signed this _____ day of _____ 2014

Affix a
Revenue
Stamp
of ₹ 1/-

Signature of shareholder _____ Signature of Proxy holder(s) _____

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes please refer notice of the Annual General Meeting.