

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **Twenty Sixth Annual General Meeting** of the Members of **M/s. Sanghi Industries Limited** will be held on Saturday, the 28th day of September, 2013 at 10.30 a.m. at its Registered Office at Sanghinagar, R. R. District, Andhra Pradesh, 501 511 to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the Audited Statement of Accounts together with the Directors' Report and also the Auditors' Report thereon for the year ended June 30, 2013.
2. To appoint a Director in place of Shri. Sadashiv Sawrikar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Tangutoori Malliah Jagan Mohan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Devidas Kashinath Kambale, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s Ankit & Co. Chartered Accountants, Hyderabad and M/s. Haribhakti & Co. Chartered Accountants, Ahmedabad as Joint Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Special Business :

6. 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 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (the “Act”) as amended from time to time, read with Articles of Association of the Company and subject to the approvals as are necessary, consent of the Company be and is hereby accorded to the re-appointment of Smt. Bina Engineer as Whole-time director with effect from 6th September, 2013, for a period of three years on the remuneration and the terms and conditions including remuneration to be paid in case of inadequacy of profits or absence of profits as set out in the Explanatory Statement.”
“**Resolved further that** 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 Sections 198, 309, 310 and Schedule XIII (as amended) of the Act without further approval of the 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 Board be and is hereby authorized severally to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to the above resolution.”

Registered Office :

Sanghinagar, R. R. District,
Andhra Pradesh, 501 511

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

Anil Agrawal
Company Secretary

Place: Mumbai

Date: 27th August, 2013

Notes :

1. **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.**
2. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto.
3. Tuesday, 10th September, 2013 to Friday, 13th September, 2013 (both days inclusive) shall be the Book Closure in connection with the ensuing Annual General Meeting of the Company.
4. Members holding shares in physical form are requested to notify immediately any change in their address to the Company/ RTA quoting their folio numbers. Members holding shares in electronic form shall address all communications to their respective Depository Participants only.
5. Members are requested to bring their copies of the Annual Report to the meeting for their reference.
6. Members desiring any information as regards the Accounts are requested to write to the Company at least before 7 working days so as to enable the Management to keep the information ready.
7. 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.
8. Members are requested to note that pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the shareholding of the Non-Executive Directors proposed to be reappointed/appointed is given below and forms part of the Notice.
9. **The Ministry of Corporate Affairs (MCA), New Delhi has taken “Green initiatives in Corporate Governance” by allowing paperless compliances by the Companies and issued a circular dated 21st April, 2011 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 RTA/Company mentioning their Folio number. Members holding shares in electronic form are requested to register their e-mail id and are advised to approach their Depository Participants in this regard.

Explanatory Statement

(Pursuant to the provisions of Section 173(2) of the Companies Act, 1956)

Item No. 6 :

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 a 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 6th September, 2013 and accordingly she has been re-appointed as a Whole-time Director. The remuneration has been fixed on the basis of recommendation of the Remuneration Committee. The terms and conditions of re-appointment are as under :

- (A) Salary : ₹ 1 Crore 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 recommended by Remuneration Committee.
- (B) In addition to above (A), commission @ 0.50% of net profits of each financial year as calculated under the provisions of section 349 and 350 of the Companies Act, 1956.

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

- (C) Perquisites

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

As per the provision of section 198, 269 and 309 read with schedule XIII to the Companies Act, 1956, the re-appointment of and payment of remuneration to whole-time Director requires the approval of the Shareholders in General Meeting by way of 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 to pass the said resolution.

Except Smt. Bina Engineer, none of the Directors of the Company are concerned or interested in the resolution.

Statement as required under the notification GSR36 (E), dated 16th January, 2002

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 :

(₹ in crores)

PARTICULARS	Year ended (Audited) 30-06-2013	Year ended (Audited) 30-06-2012
Net sales	1055.02	974.07
Other income	12.13	10.28
Net profit	45.88	81.87

- (5) There was export earnings amounting to ₹ 15.64 crores during the financial year 2012-13.
- (6) There are no foreign investments by 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, etc.
- (2) Past Remuneration : Smt. Bina Engineer was paid remuneration @ ₹ 5,58,333/- per month upto 31st August 2012 and ₹ 8,33,333/- per month w.e.f. 1st September, 2012 plus perquisites and benefits during the financial year 2012-13. She is also entitled for comission @ 0.50% of net profits of each Financial year w.e.f. F Y 2012-13.
- (3) Recognition and awards : NIL.

- (4) Job profile and her suitability: The Whole-time Director 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) The Whole-time Director has no pecuniary relationship directly or indirectly with the Company.

III. Other information:

The Company reported a net profit of ₹ 45.88 crores for the full year ended June 30, 2013 as against a profit of ₹ 81.87 crores in the previous fiscal. Net sales rose by 8 % to ₹ 1055.02 crores in current year as against ₹ 974.07 crores during last year. The earnings per share (EPS) for 2012-13 stood at ₹ 2.09 as against EPS of ₹ 3.72 in previous financial year.

The Company has emerged as a major cement player in western India over the last few years. Company's 3 million tonnes per annum capacity plant in the Abdasa taluka of Kutch district in Gujarat 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 now increasing its presence in Maharashtra, Rajasthan and Kerala.

During the current financial year 2012-13, the Company's profits are adequate.

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 :

₹ 1.00 crore 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 recommended by Remuneration Committee.

(B) Commission :

Commission @ 0.50% of net profits of each financial year as calculated under the provisions of Section 349 and 350 of the Companies Act, 1956.

(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 management 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.

(ANNEXURE TO NOTICE DATED 27.08.2013)**Details of Directors Seeking Appointment / Re-Appointment at the Forthcoming Annual General Meeting**

(In pursuance of Clause 49 of the Listing Agreement)

Details of Directors

1	Name of Director	:	Shri Sadashiv Sawrikar
	Age	:	59 Years
	Qualification	:	B Com, LLB, Chartered Accountant
	Date of Appointment	:	1 st November, 1988
	Expertise	:	Rich and varied experience in Finance, Corporate Restructuring and other various Finance related areas
	Directorships as on 30 th June, 2013	:	Sanghi Industries Limited Micro Bax (India) Limited
	Chairman/Member of the Audit Committees as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Shareholders'/ Investors' Grievance Committees as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Remuneration Committees as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Finance Committees as on 30 th June, 2013	:	Sanghi Industries Limited
Shareholding in the Company	:	Nil	
2	Name of Director	:	Shri T M Jagan Mohan
	Age	:	61 Years
	Qualification	:	B. Tech and MBA
	Date of Appointment	:	1 st November, 1988
	Expertise	:	Rich and varied experience in Production and Consultancy Services
	Directorships as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Audit Committees as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Shareholders'/ Investors' Grievance Committees as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Remuneration Committees as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Finance Committees as on 30 th June, 2013	:	Nil
Shareholding in the Company	:	Nil	

3	Name of Director	:	Shri Devidas Kashinath Kambale
	Age	:	62 Years
	Qualification	:	M.Com, CAIIB, MFM
	Date of Appointment	:	12th August, 2011
	Expertise	:	Rich and varied experience in Banking and Finance
	Directorships as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Audit Committees as on 30 th June, 2013	:	Nil
	Chairman/Member of the Shareholders'/ Investors' Grievance Committees as on 30 th June, 2013	:	Nil
	Chairman/Member of the Remuneration Committees as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Finance Committees as on 30 th June, 2013	:	Nil
Shareholding in the Company	:	Nil	
4	Name of Director	:	Smt. Bina Engineer
	Age	:	46 Years
	Qualification	:	B Com, Chartered Accountant
	Date of Appointment	:	27 th January, 2007
	Expertise	:	Rich and varied experience in Project and Corporate Finance
	Directorships as on 30 th June, 2013	:	Sanghi Industries Limited
	Chairman/Member of the Audit Committees as on 30 th June, 2013	:	Nil
	Chairman/Member of the Shareholders'/ Investors' Grievance Committees as on 30 th June, 2013	:	Nil
	Chairman/Member of the Remuneration Committees as on 30 th June, 2013	:	Nil
	Chairman/Member of the Finance Committees as on 30 th June, 2013	:	Sanghi Industries Limited
Shareholding in the Company	:	Nil	

Registered Office :

Sanghinagar, R. R. District,
Andhra Pradesh, 501 511

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

Anil Agrawal
Company Secretary

Place: Mumbai

Date: 27th August, 2013

SANGHI INDUSTRIES LIMITED

Registered Office : Sanghinagar P. O., Hayatnagar Mandal, R.R. District, A.P. 501 511

PROXY FORM

Regd. Folio No./Client ID	
D. P. ID	
No. of shares held	

I/We _____
of _____ in the District
of _____ being a member(s) of **M/s. Sanghi Industries Limited** hereby
appoint _____ of _____ in the
District of _____ or failing him/her _____
of _____ in the District of _____
as my / our Proxy to vote for me / us on my / our behalf at the **Twenty Sixth Annual General Meeting** of the Company to
be held at the **Registered Office of the Company on Saturday, the 28th day of September, 2013 at 10.30 a.m.** and at
any adjournment thereof.

Signed this _____ day of _____ 2013.

₹ 1
Revenue
Stamp

Signature _____

Note: The Proxy form duly completed should be deposited at the **Registered Office of the Company** not less than 48 hours before the time for holding the meeting. A Proxy need not be a member.

SANGHI INDUSTRIES LIMITED

Registered Office : Sanghinagar P. O., Hayatnagar Mandal, R.R. District, A.P. 501 511

ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **Twenty Sixth Annual General Meeting** of the Company to be held at the **Registered Office of the Company on Saturday, the 28th day of September, 2013 at 10.30 a.m.**

Full Name of the Shareholder _____
(in block letters)

Signature _____

Regd. Folio No./Client ID: _____ D. P. ID : _____

Full Name of the Proxy _____
(in block letters)

Signature _____