

## SANGHI INDUSTRIES LIMITED

CIN No. : LI8209TG1985PLC005581

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 **Twenty Eighth Annual General Meeting** of the Members of **M/s. Sanghi Industries Limited** will be held on Saturday, the 14<sup>th</sup> day of November, 2015 at 11.00 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 30<sup>th</sup> June, 2015 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 Shri. Nirubha B. Gohil (holding DIN: 05149953), who retires by rotation and being eligible, offers himself for re-appointment.
3. 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.
4. To appoint M/s. Ankit & Co., Chartered Accountants, Hyderabad and M/s. Haribhakti & Co. LLP, 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 and in this regard 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, M/s. Ankit & Co., Chartered Accountants, (Firm Reg. no. 000181S), Hyderabad and M/s. Haribhakti & Co. LLP, Chartered Accountants, (Firm Reg. no. 103523W), Ahmedabad, be and are hereby appointed as the Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at such remuneration as shall be fixed by Shri Ravi Sanghi, Chairman and Managing Director in consultation with the joint Statutory Auditors.

#### Special Business :

5. 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 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 ₹1,50,000/- (Rupees One Lac Fifty Thousand Only) plus out of pocket expenses and service tax, 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 2015-16.

**Resolved further that** the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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 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), 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 Shri Nirubha B. Gohil as Whole-time director of the Company with effect from 22<sup>nd</sup> December, 2014, 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** 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 Shri Nirubha B. Gohil, the remuneration payable to him subject to overall limits laid

down in Sections 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.”

7. 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-enactments 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 Shri Ravi Sanghi as Chairman and Managing director of the Company with effect from 01<sup>st</sup> September, 2015, for a period of five years on the terms and conditions including remuneration to be paid for the period of three years w.e.f. 01<sup>st</sup> September, 2015 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 Shri Ravi Sanghi, 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 Shri Ravi Sanghi, the remuneration payable to him subject to overall limits laid down in Sections 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** Company Secretary be and is hereby 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.”

8. 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-enactments 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 for affirming the existing remuneration payable to Shri Aditya Sanghi, Whole Time Director with effect from 06<sup>th</sup> September, 2015, for his remaining tenure as set out in the Explanatory Statement.

**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 Shri Aditya Sanghi, the remuneration payable to him subject to overall limits laid down in Sections 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.”

9. 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-enactments 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 for affirming the existing remuneration payable to Shri Alok Sanghi, Whole Time Director with effect from 06<sup>th</sup> September, 2015, for his remaining tenure as set out in the Explanatory Statement.

**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 Shri Alok Sanghi, the remuneration payable to him subject to overall limits laid down in Sections 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.”

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

**“Resolved that** pursuant to the provisions of Section 62(1)(c) read with Section 42 of the Companies Act, 2013, and the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013, Companies (Prospectus and Allotment of Securities) Rules, 2014 and such other rules as may be issued from time to time, The Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 and the rules framed there under including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations)” (including any statutory amendments, modifications or re-enactments thereof for the time being in force), Foreign Exchange Management Act, 1999 as amended including the Foreign Exchange Management (Transfer or Issue of Security by a Person resident Outside India) Regulation, 2000, and the rules framed there under, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, and subject to any required approvals, consents, permissions and/or sanction of the Ministry of Finance (Department of Economic Affairs), the Ministry of Commerce & Industry (Foreign Investment Promotion Board/Secretariat for Industrial Assistance), the Securities and Exchange Board of India (the “SEBI”) and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the “GOI”), the Reserve Bank of India (the “RBI”), SEBI and/or any other competent authorities and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the respective stock exchanges where the equity shares of the Company are listed and such other regulatory approvals/permissions as may be necessary including the approval, if any of any other competent authorities and subject to such conditions and modifications as may be prescribed or imposed by any of them, while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (the “Board”) including any committee which the Board has constituted to exercise its powers including the power conferred by this resolution, the consent, authority and approval of the Company be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), with or without a green shoe option either in India or in the course of international offering(s) in one or more foreign markets by way of a private placement (including but not limited to an issuance of Equity Shares through a Qualified Institutions Placement (“QIP”) to qualified institutional buyers (“QIB”) in terms of Chapter VIII of SEBI ICDR Regulations as may be amended, or any other mode/method or means as may be prescribed by the concerned authorities from time to time, such number of Equity Shares, Global Depository Receipts (“GDRs”), Foreign Currency Convertible Bonds (“FCCBs”) and /or any other financial instruments convertible into equity shares (including warrants or otherwise in registered or bearer form) or through as issuance of fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribed to the Equity Shares or otherwise, whether rupee denominated or denominated in Foreign currency (hereinafter collectively referred to as “Securities”) or any combination of securities to any person including but not limited to foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise) foreign institutional investors, foreign portfolio investors, Indian and/or multilateral financial institutions, mutual funds, Non-Resident Indians, (collectively referred to as “Investors”) whether or not such Investors are existing members of the company through one or more tranches, such number of equity shares of face value of Rs. 10 (Rupees Ten) each, as may be decided by the Board at the appropriate time at such price or prices, at a discount (including but not limited to any discount as may be permitted under chapter VIII of the SEBI ICDR Regulations) or premium to the market price or prices on each Equity Share and on such terms and conditions including securities, rate of interest etc., as well as the discretion to determine the categories of Investors including to the existing members by way of right issue and/or to the existing Optionally Convertible Cumulative Participating Preference Shares (OCCPPS) holders by way of conversion and/or other entities by way of preferential allotment to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such issue offer and allotment considering the prevailing market conditions and other relevant factors wherever necessary, as the Board may determine in its absolute discretion at the time of issue of the Securities in accordance with SEBI ICDR Regulations and wherever necessary in constitution with the book running lead manager appointed and/or to be appointed by the Company in relation to the QIP, for an aggregate amount not exceeding Rs 1000 Crores (Rupees One Thousand Crores Only) as may be permitted/permissible under applicable laws and regulations there under, and on such terms and conditions as may be finalized by the Board be and is hereby authorized to finalize all such terms and conditions and the matters incidental thereto as it may in its absolute discretion thinks fit in accordance with all applicable laws, rules and regulations for the time being in force in this regard (the “issue”).

**Resolved further that** if any issue of Securities is made by way of qualified institutions placement in terms of Chapter VIII of the SEBI ICDR Regulations ( hereinafter referred to as “Eligible Securities” within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI

ICDR Regulations as may be amended from time to time and the Eligible Securities shall not be eligible to be sold for a period of twelve months from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% of such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations as may be amended from time to time.

**Resolved further that** the issue to the holders of the Securities shall, inter-alia, be subject to the following terms and conditions -

- (a) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;
- and
- (b) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any other corporate action, the number of shares, the price and the time period as aforesaid shall be suitably adjusted.

**Resolved further that** in the event that Equity Shares are issued to qualified institutional buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares in the Issue shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares or such other date as may be amended under relevant Regulation and [in the event that convertible securities and/or warrants which are convertible into Equity Shares of the Company are issued to qualified institutional buyers under Chapter VIII of the ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and/or warrants.] or such other date as may be amended under relevant Regulation.

**Resolved further that** the relevant date for the determination of applicable price for the issue of any other Securities, in terms of the preceding regulation shall be as per the regulations/guidelines prescribed by SEBI, Ministry of Finance, RBI, GOI through its various departments, or any other regulator and the pricing of any Equity Shares issued on the conversion of the securities shall be made subject to and in compliance with the applicable rules and regulations; and such price shall be subject to appropriate adjustments in the applicable rules/guidelines/statutory provisions.

**Resolved further that** the Equity Shares so issued by the Company pursuant to the QIP shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the then equity shares of the Company, in all respects as may be provided under the terms of issue and in the offering documents.

**Resolved further that** the equity shares shall be listed on the stock exchange, where the existing equity shares of the Company are listed.

**Resolved further that** for the purpose of giving effect of the issue, the Board or its appointed delegates/committees, are hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary or desirable for such purpose, including without limitation, entering into of the underwriting, escrow collection, marketing, and institution/trustees/agents and similar agreements, and to remunerate the managers, advisors, underwriters and such other authorities and agencies as may be required for the completion of the issue, to finalize, settle execute, issue and deliver or arrange the delivery of the relevant offer documents, agreements and any other deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and to settle all questions, difficulties or doubts that may arise in regard to such QIP, as they may, in their absolute discretion, deem fit in the best interest of the Company to give effect to the above resolutions.

**Resolved further that** for the purpose aforesaid, the Board be and is hereby authorized to settle all questions, difficulties, or doubts, that may arise in regard to the issue, offer and allotment of the Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members and otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by way of resolution.

**Resolved further that** the Board be and is hereby authorized to delegate (to the extent permitted by law) all or any of the powers herein conferred to any committee of directors, or Managing Director or any whole-time director or directors or any other officer or officers of the Company to give effect to the aforesaid resolution.”

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

“**Resolved that** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and other applicable SEBI regulations and guidelines, Foreign Exchange

Management Act & RBI Guidelines, and subject to the provisions of the Memorandum and Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution) of the Company, to raise funds through Private Placement of Unsecured / Secured Redeemable Non-Convertible Debentures / Bonds ("NCDs") for an amount not exceeding Rs 1000 Crores (Rupees One Thousand Crores Only) to eligible investors (whether residents, nonresidents, institutions, banks, incorporated bodies, mutual funds, venture capital funds, financial institutions, individuals, trustees or otherwise and whether or not such investors are members of the Company), either in Indian Rupees or an equivalent amount in any foreign currency, in one or more series / tranches on such terms and conditions as the Board may from time to time determine proper and beneficial.

**Resolved further that** for the purpose of giving effect to any offer, invitation, issue or allotment through private placement of NCDs, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalizing the form / placement documents / offer letter, timing of the issue(s), including the class of investors to whom the NCDs are to be allotted, number of NCDs to be allotted in each tranche, issue price, redemption, rate of interest, redemption period, allotment of NCDs, appointment of lead managers, arrangers, debenture trustees and other agencies, entering into arrangements for managing the issue, issue placement documents and to sign all deeds, documents and writings and to pay any fees, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

**Resolved further that** the Board of Directors of the Company be and is hereby authorised to finalise with the Investors and the trustees the documents for creating the mortgages, charges, pledges and/or hypothecations and to negotiate, modify, finalise and sign the documents, including without limitation the offer letter, debenture trust deed, pledge agreement and any other security documents, in connection with the NCD Issue by the Company of such Secured, Rated, Listed, Non-Convertible, Cumulative/ Non Cumulative, Redeemable, Taxable Debentures and to do all such acts, deeds, matters and things as may be necessary or ancillary or incidental thereto and to execute all such documents as may be necessary for giving effect to the above resolutions.

**Resolved further that** the Board be and is hereby authorised to further delegate all or any of the powers in aforesaid matters to the officials of the Company, in such manners as the Board may in its absolute discretion deem fit."

**Registered Office :**

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

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

Place: Mumbai  
Date: 28<sup>th</sup> August, 2015

Anil Agrawal  
**Company Secretary**

**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. **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.**
3. Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of special business is annexed hereto.
4. Thursday, 29<sup>th</sup> October, 2015 to Saturday, 31<sup>st</sup> October, 2015 (both days inclusive) shall be the Book Closure in connection with the ensuing Annual General Meeting of the Company.
5. 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.



6. Members are requested to bring their copies of the Annual Report to the meeting for their reference.
7. 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.
8. 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.
9. 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.
10. **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 dated 21<sup>st</sup> 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 are advised to approach their Depository Participants in this regard.**
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
12. Information required to be furnished under the Listing Agreement, as required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be re-appointed, are given below:

Name of Director	Date of Birth	Date of Appointment	Qualification and Expertise	Shareholding in the Company
Shri. Nirubha B. Gohil	16 <sup>th</sup> June, 1950	22 <sup>nd</sup> December, 2011	Diploma in Mechanical Engineering. Rich industrial experience in the field of Erection & Commissioning, Operations and Maintenance activities of Thermal Power Plants.	Nil
Smt. Bina Engineer	13 <sup>th</sup> April, 1967	27 <sup>th</sup> January, 2007	B.Com, Chartered Accountant. Rich and varied experience in Project and Corporate Finance.	Nil
Shri Ravi Sanghi *	01 <sup>st</sup> July, 1952	14 <sup>th</sup> June, 1985	Graduate in Commerce. He has conceptualized the project. Under his dynamic leadership, the Company could successfully implement the project against many odds and run it successfully. Under his leadership, the Company has been able to enhance Book value of its shares substantially.	3,60,62,150 Equity Shares (16.39% of Equity Share Capital)
Shri Aditya Sanghi *	18 <sup>th</sup> September, 1982	27 <sup>th</sup> January, 2007	Master Degree in Industrial Engineering from Rochester University, USA. He has rich hands on experience on management of operations of the clinker and cement operations, implementation and operation of thermal power plant. He is responsible for Production, Project and Corporate Strategy.	28,89,500 Equity Shares (1.31% of Equity Share Capital)

Name of Director	Date of Birth	Date of Appointment	Qualification and Expertise	Shareholding in the Company
Shri Alok Sanghi *	13 <sup>th</sup> January, 1984	27 <sup>th</sup> January, 2007	MBA in Finance and Management from Indiana University. Successfully launched the Company's product in domestic and international market, has acumen in the field of corporate strategy, commercial and shipping and heads the marketing strategies and corporate affairs of the Company.	28,89,500 Equity Shares (1.31% of Equity Share Capital)

\* Shri Ravi Sanghi, Chairman and Managing Director, is the father of Shri Aditya Sanghi and Shri Alok Sanghi, Whole Time Directors, and brother of Shri Gireesh Sanghi, Director.

13. The Board of Directors has appointed Shri A.A.N. Murthy, Company Secretary, (Membership No. ACS - 4796 ) 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.
14. 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.
15. 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.
16. 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 names 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> November, 2015 only shall be entitled to avail facility of remote e-voting and poll process at the venue of the meeting.
17. 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.
18. 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.
19. 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.
20. In compliance with provisions of section 108 of the Act and Rule 20 of The Companies [Management and Administration] Rules, 2014 and Listing Agreement, the Company is pleased to provide its members the facility of 'remote e-voting' to exercise their right to vote at the 28th 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 voting period commences at 10.00 a.m. on 11<sup>th</sup> November, 2015 and ends at 5.00 p.m. on 13<sup>th</sup> November, 2015 (both days inclusive). 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
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](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) 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 A. A. N. Murthy, Company Secretary. Email id: <a href="mailto:aanmurthy@rediffmail.com">aanmurthy@rediffmail.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 business contained in the accompanying Notice.

#### **Item No. 5**

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 2015-16.

In accordance with the provisions of Section 148 of the Companies Act, 2013 along 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 passing an ordinary resolution for ratification of the remuneration payable to the Cost Auditors for the financial year 2015-16.

None of the 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**

Shri Nirubha B. Gohil holds a Diploma in Mechanical Engineering and has more than 40 years rich industrial experience in the field of Erection & Commissioning, Operations and Maintenance activities of Thermal Power Plants. He has expertise in Pollution Control Norms, Factory Regulations and other administrative matters also. He was earlier associated with the Company in Senior Management Position and was looking after the various activities pertaining to operations.

During the tenure of Shri Nirubha B. Gohil as Whole Time Director, he has continuously contributed to a great extent in the growth of the Company. Considering several aspects, the Board of Directors has considered it appropriate and advisable to re-appoint him for a period of 3 years with effect from 22<sup>nd</sup> December, 2014 as the Whole-time Director and accordingly he has been re-appointed as the Whole-time Director. 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 : ₹50 lacs per annum with suitable break up as per the rules of the Company.

He will be entitled for Annual Increment upto 25% of last salary drawn as may be finalized by Nomination and Remuneration Committee.

(B) Perquisites :

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

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

(C) He shall be liable to Retire by Rotation.

He will 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 resolution and hence necessary resolution has been proposed for your approval.

The Board of Directors is of the view that the services of Shri Nirubha B. Gohil will be of immense value to the Company. Your Directors, therefore, recommend his re-appointment as Whole Time Director of the Company. Your Directors recommend to pass the said resolution.

Except Shri Nirubha B. Gohil being an appointee, none of the 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 :

(₹ in crore)

Particulars	Year ended (Audited) 30-06-2015	Year ended (Audited) 30-06-2014
Net sales	932.25	1048.26
Other income	7.10	8.25
Net profit after tax	30.59	49.58

- (5) There was export earnings amounting to ₹65.42 crores during the financial year 2014-15.
- (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: Shri Nirubha B. Gohil holds a Diploma in Mechanical Engineering and has more than 40 years rich industrial experience in the field of Erection & Commissioning, Operations and Maintenance activities of Thermal Power Plants. He has expertise in Pollution Control Norms, Factory Regulations and other administrative matters also. He was earlier associated with the Company in Senior Management Position and was looking after the various activities pertaining to operations.
- (2) Past Remuneration: Shri Nirubha B. Gohil was paid remuneration @ ₹3,50,000/- per month upto 31<sup>st</sup> August 2014 and ₹4,16,667/- Per Month w.e.f. 1<sup>st</sup> September, 2014 plus perquisites and benefits during the financial year 2014-15.
- (3) Recognition and awards : NIL.
- (4) Job profile and his suitability: The Whole-time Director is responsible for managing the company subject to the superintendence, control and direction of the Board of Directors. He has wide experience and expertise in the field of Erection & Commissioning, Operations and Maintenance activities of Thermal Power Plants. He has expertise in Pollution Control Norms, Factory Regulations and other administrative matters also. His experience and knowledge 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, the Whole-time Director has no pecuniary relationship directly or indirectly with the Company.

**III. Other information:**

The Company reported a net profit of ₹30.59 crores for the full year ended June 30, 2015 as against a profit of ₹49.58 crores in the previous fiscal. Net sales reduced by 11.07% to ₹932.25 crores in current year as against ₹1048.26 crores during last year. The earnings per share (EPS) for 2014-15 stood at ₹1.39 as against EPS of ₹2.25 in previous financial year.

The Company has emerged as a major cement player in western India over the last few years. Company's 4.1 million metric tonne 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 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, higher depreciation, increase in cost of inputs and other overheads has affected Company's profitability and hence profits are lower compared to previous year.

Now, Company is putting more thrust on expansion so as to take advantage of latest technology. The Company has also taken steps for curtailing expenditure, aggressive marketing, etc. This would help the Company to further improve its results and profitability.

The Company has taken a series of steps under the guidance of Shri Nirubha B. Gohil for improvement and development of the Company.

#### IV. Disclosures :

##### (A) Salary :

₹50 lacs 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. He will be entitled for annual increment upto 25% of last salary drawn as may be finalized by Nomination and Remuneration Committee.

##### (B) Commission :

Nil

##### (C) Perquisites :

###### 1. Gratuity:

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

###### 2. Leave:

He shall be entitled to leave benefits as per the Company's rules.

- 3 He 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.

#### Item No. 7

Shri Ravi Sanghi is a Graduate in Commerce and has conceptualized the project. Under his dynamic leadership, the Company could successfully implement the project against many odds and run it successfully. Under his leadership, the Company has been able to enhance its Book value of shares substantially.

During the tenure of Shri Ravi Sanghi as Chairman and Managing Director, he has continuously contributed to a great extent in the growth of the Company. Considering several aspects, the Board of Directors has considered it appropriate and advisable to re-appoint him for a period of 5 years with effect from 01<sup>st</sup> September, 2015 as the Chairman and Managing Director and accordingly he has been re-appointed as the Chairman and Managing 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. One of the conditions being that "a special resolution is required to be passed at the general meeting of the company for payment of remuneration for a period not exceeding three years". In view of the above the remuneration has been fixed on the basis of recommendation of the Nomination and Remuneration Committee for a period of 3 years with effect from 01<sup>st</sup> September, 2015. The terms and conditions of re-appointment are as under :

(A) Salary : ₹1.50 Crore per annum with suitable break up as per the rules of the Company.

He will be entitled for annual increment upto 25% of last salary drawn as may be finalized by Nomination and Remuneration Committee. The first annual increment shall fall due on 01<sup>st</sup> September, 2016.

(B) In addition to above (A), commission @ 1% 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 : He shall be entitled to leave benefits as per the Company's rules.

## (D) He shall not be liable to Retire by Rotation.

He will 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 Managing 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 Shri Ravi Sanghi will be of immense value to the Company. Your Directors, therefore, recommend his re-appointment as Chairman and Managing Director of the Company. Your Directors recommend to pass the said resolution as Special Resolution.

Except Shri Ravi Sanghi being an appointee, Shri Aditya Sanghi, Shri Alok Sanghi and Shri Gireesh Sanghi, none of the other Directors, Key Managerial personnel and their relatives are concerned or interested financially or otherwise in the said 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 :

(₹ in crores)

Particulars	Year ended(Audited) 30-06-2015	Year ended(Audited) 30-06-2014
Net sales	932.25	1048.26
Other income	7.10	8.25
Net profit after tax	30.59	49.58

- (5) There was export earnings amounting to ₹65.42 crores during the financial year 2014-15.
- (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: Shri Ravi Sanghi is a Graduate in Commerce and has conceptualized the project. Under his dynamic leadership, the Company could successfully implement the project against many odds and run it successfully. Under his leadership, the Company has been able to enhance its book value of shares substantially.
- (2) Past Remuneration: Shri Ravi Sanghi was paid remuneration of ₹12.50 Lac per month plus perquisites and benefits during the financial year 2014-15.
- (3) Recognition and awards : NIL.
- (4) Job profile and his suitability: The Chairman and Managing Director has conceptualized the project and under his dynamic leadership the Company is running the cement plant successfully and reaching new heights every day. His experience and knowledge 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, the Chairman and Managing Director has no pecuniary relationship directly or indirectly with the Company except to the extent of his shareholding in the Company.

### III. Other information:

The Company reported a net profit of ₹30.59 crores for the full year ended June 30, 2015 as against a profit of ₹49.58 crores in the previous fiscal. Net sales reduced by 1.07% to ₹932.25 crores in current year as against ₹1048.26 crores during last year. The earnings per share (EPS) for 2014-15 stood at ₹1.39 as against EPS of ₹2.25 in previous financial year.

The Company has emerged as a major cement player in western India over the last few years. Company's 4.1 million metric tonne 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 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, higher depreciation, increase in cost of inputs and other overheads has affected company's profitability and hence profits are lower compared to previous year.

Now, Company is putting more thrust on expansion so as to take advantage of latest technology. The Company has also taken steps for curtailing expenditure, aggressive marketing, etc. This would help the Company to further improve its results and profitability.

The Company has taken a series of steps under the guidance of Shri Ravi Sanghi for improvement and development of the Company.

### IV. Disclosures :

#### (A) Salary :

₹1.50 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. He will be entitled for annual increment upto 25% of last salary drawn as may be finalized by Nomination and Remuneration Committee.

#### (B) Commission :

Commission @ 1% 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:

He shall be entitled to leave benefits as per the Company's rules.

3 He 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. 8

Shri Aditya Sanghi holds a Masters Degree in Industrial Engineering from Rochester University, USA and has work experience with leading American Companies. He has rich hands on experience on management of the operations of the clinker and cement, implementation and operation of thermal power plant. He implemented many best practices of the manufacturing and project implementation in our company. He is responsible for production, project and corporate strategy.

Shri Aditya Sanghi was reappointed for a period of five years w.e.f. 06<sup>th</sup> September, 2012. In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, 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. One of the conditions being that "a special resolution is required to be passed at the general meeting of the company for payment of remuneration for a period not exceeding three years".



Looking to the above requirement of payment of remuneration for a period not exceeding three years, the Board of Directors has considered it appropriate and advisable to affirm his existing remuneration with effect from 06<sup>th</sup> September, 2015 for his remaining tenure. The remuneration has been affirmed on the basis of recommendation of the Nomination and Remuneration Committee. The terms and conditions of his remuneration are as under:

(A) Salary : ₹1.00 Crore per annum with suitable break up as per the rules of the Company.

He 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), 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 : He shall be entitled to leave benefits as per the Company's rules.

(D) He shall be liable to retire by rotation.

He will 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 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. Your Directors recommend to pass the said resolution as Special Resolution.

Except Shri Aditya Sanghi being an appointee, Shri Ravi Sanghi and Shri Alok Sanghi, 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 :

(₹ in crores)

Particulars	Year ended (Audited) 30-06-2015	Year ended (Audited) 30-06-2014
Net sales	932.25	1048.26
Other income	7.10	8.25
Net profit after tax	30.59	49.58

- (5) There was export earnings amounting to ₹65.42 crores during the financial year 2014-15.
- (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: Shri Aditya Sanghi holds a Masters Degree in Industrial Engineering from Rochester University, USA and has work experience with leading American Companies. He has rich hands on experience on management of the operations of the clinker and cement and implementation and operation of thermal power plant. He implemented many best practices of the manufacturing and project implementation in our company.
- (2) Past Remuneration: Shri Aditya Sanghi was paid remuneration of ₹8,33,333/- per month plus perquisites and benefits during the financial year 2014-15.
- (3) Recognition and awards : NIL.

- (4) Job profile and his suitability: The Whole-time Director is responsible for production, project and corporate strategy subject to the superintendence, control and direction of the Board of Directors. He has rich hands on experience in the management of clinker operations and cement and implementation and operation of thermal power plant. His experience and knowledge 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, the Whole-time Director has no pecuniary relationship directly or indirectly with the Company except to the extent of his shareholding in the Company.

### III. Other information:

The Company reported a net profit of ₹30.59 crores for the full year ended June 30, 2015 as against a profit of ₹49.58 crores in the previous fiscal. Net sales reduced by 11.07% to ₹932.25 crores in current year as against ₹1048.26 crores during last year. The earnings per share (EPS) for 2014-15 stood at ₹1.39 as against EPS of ₹2.25 in previous financial year.

The Company has emerged as a major cement player in western India over the last few years. Company's 4.1 million metric tonne 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 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, higher depreciation, increase in cost of inputs and other overheads has affected company's profitability and hence profits are lower compared to previous year.

Now, Company is putting more thrust on expansion so as to take advantage of latest technology. The Company has also taken steps for curtailing expenditure, aggressive marketing, etc. This would help the Company to further improve its results and profitability.

The Company has taken a series of steps under the guidance of Shri Aditya Sanghi 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. He 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:

He shall be entitled to leave benefits as per the Company's rules.

3 He 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. 9**

Shri Alok Sanghi has done MBA in Finance and Management from Indiana University, Kelley School of Business, Bloomington, USA and has worked with leading financial services companies in India. He has successfully launched the Company's product in domestic and international market, has acumen in the field of corporate strategy, commercial and shipping and heads the marketing strategies and corporate affairs of the Company.

Shri Alok Sanghi was reappointed for a period of five years w.e.f 06<sup>th</sup> September, 2012. In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, 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. One of the conditions being that "a special resolution is required to be passed at the general meeting of the company for payment of remuneration for a period not exceeding three years".

Looking to the above requirement of payment of remuneration for a period not exceeding three years, the Board of Directors has considered it appropriate and advisable to affirm his existing remuneration with effect from 06<sup>th</sup> September, 2015 for his remaining tenure. The remuneration has been affirmed on the basis of recommendation of the Nomination and Remuneration Committee. The terms and conditions of his remuneration are as under:

(A) Salary : ₹1.00 Crore per annum with suitable break up as per the rules of the Company.

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

He 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.

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

(D) He shall be liable to Retire by Rotation.

He will 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 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. Your Directors recommend to pass the said resolution as Special Resolution.

Except Shri Alok Sanghi being an appointee, Shri Ravi Sanghi and Shri Aditya Sanghi, 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 :

(₹ in crores)

Particulars	Year ended (Audited) 30-06-2015	Year ended (Audited) 30-06-2014
Net sales	932.25	1048.26
Other income	7.10	8.25
Net profit after tax	30.59	49.58

- (5) There was export earnings amounting to ₹65.42 crores during the financial year 2014-15.
- (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: Shri Alok Sanghi has done MBA in Finance and Management from Indiana University, Kelley School of Business, Bloomington, USA and has worked with leading financial services companies in India. He has successfully launched the Company's product in domestic and international market, has acumen in the field of corporate strategy, commercial and shipping and heads the marketing strategies and corporate affairs of the Company.
- (2) Past Remuneration: Shri Alok Sanghi was paid remuneration of ₹8,33,333/- per month plus perquisites and benefits during the financial year 2014-15.
- (3) Recognition and awards : NIL.
- (4) Job profile and his suitability: The Whole-time Director is responsible for marketing and corporate strategies subject to the superintendence, control and direction of the Board of Directors. His experience and knowledge 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, the Whole-time Director has no pecuniary relationship directly or indirectly with the Company except to the extent of his shareholding in the Company.

## III. Other information:

The Company reported a net profit of ₹30.59 crores for the full year ended June 30, 2015 as against a profit of ₹49.58 crores in the previous fiscal. Net sales reduced by 1.07% to ₹932.25 crores in current year as against ₹1048.26 crores during last year. The earnings per share (EPS) for 2014-15 stood at ₹1.39 as against EPS of ₹2.25 in previous financial year.

The Company has emerged as a major cement player in western India over the last few years. Company's 4.1 million metric tonne 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 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, higher depreciation, increase in cost of inputs and other overheads has affected company's profitability and hence profits are lower compared to previous year.

Now, Company is putting more thrust on expansion so as to take advantage of latest technology. The Company has also taken steps for curtailing expenditure, aggressive marketing, etc. This would help the Company to further improve its results and profitability.

The Company has taken a series of steps under the guidance of Shri Alok Sanghi 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. He 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:**

He shall be entitled to leave benefits as per the Company's rules.

3 He 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. 10**

The Company, in order to enhance its global competitiveness and its ability to compete with the peer group in the domestic and international market, needs to strengthen its financial position and net worth by augmenting its long term resources.

The company to meet the requirements of above purposes and for general corporate purposes as may be decided by Board from time to time , it is proposed to create, offer, issue and allot equity shares, debentures, convertible or other securities in one or more tranches( referred to as "Securities").

The approval of members is sought hereby to increase the public shareholding in the Company and to raise additional funds by offering securities to qualified institutional buyers and others as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations").

The members may please note that the appended resolution is only an enabling resolution and the detailed terms and conditions for the offer will be determined in consultation with lead managers, advisors, underwriters and such other authorities and agencies as may be required to be consulted by the Company in due consideration of prevailing market conditions and other relevant factors. As the price of the Securities shall be determined at a later stage, exact number of securities to be issued shall also be crystallized later. However, an enabling resolution is being proposed to give adequate flexibility and discretion to the Board to finalize the terms of the offer.

Section 62(1)(c) of the Companies Act, 2013 and Listing Agreement entered into with the Stock Exchanges, provide, inter alia, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to the persons, who on the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid-up on those shares as on that date unless the Members decide otherwise. The Special Resolution seeks the consent and authorization of the Members to the Board of Directors to offer, issue and allot the QIP Securities, in consultation with the Lead Managers, Legal Advisors and other intermediaries to any persons, whether or not they are members of the Company.

The special resolution seeks to empower the Board of directors of the company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) to undertake a Qualified Institutional Placement as defined by SEBI ICDR Regulations. The Board may in their discretion adopt this mechanism, as prescribed under Chapter VIII of the SEBI ICDR Regulations. The pricing of the Equity Shares to be issued to Qualified Institutional Buyers pursuant to Chapter VIII of the SEBI ICDR Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the SEBI ICDR Regulations.

The special resolution also seeks to give the Board the powers to issue Equity Shares to the existing members by way of right issue and/or to the existing Optionally Convertible Cumulative Participating Preference Shares (OCCPPS) holders by way of conversion and/or other entities by way of preferential allotment or such other convertible securities as the Board may decide, in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board, in its absolute discretion, deems fit. The detailed terms and conditions for the offer will be determined by the Board in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market condition and in accordance with the applicable provisions of law and other relevant factors.

Hence, your Board of directors recommends these resolutions to be passed as special resolutions .



None of the Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the proposed resolution except to the extent of issue of securities to them, if any.

**Item No. 11**

The Company has been pursuing opportunities for its growth. This would require sufficient resources including funds to be available and to be allocated, from time to time. The generation of internal funds may not always be adequate to meet all the requirements of the Company's growth plans. It would be therefore, prudent for the Company to have the requisite enabling approvals in place for meeting the fund requirements of growth, capital expenditure, long term working capital, refinancing the existing borrowings and also such other corporate purposes as may be permitted under the applicable laws and as may be specified in the appropriate approvals. This would also help the Company to take quick and effective action to capitalize on the opportunities, primarily those relating to growth, as and when available. In order to provide the necessary flexibility of structuring the borrowings of the Company in the optimal manner depending on the prevailing market conditions, it is proposed to borrow and raise by issue of Secured Redeemable Non-Convertible Debentures /Bonds ("NCDs") on private placement basis, as may be appropriate and as specified in the approvals, from both Indian and International markets. The Board has at their meeting held on 28<sup>th</sup> August, 2015 recommended to the shareholders to give their consent to the Board of Directors or any Committee of the Board to borrow and raise funds by issue of NCDs on private placement basis, up to an amount of Rs 1000 Crores (Rupees One Thousand Crores Only) under sections 42 and 71 read with section 179 of the Companies Act, 2013. Such issue shall be subject to overall borrowing limits of ` Rs. 5000 Crores (Rupees Five Thousand Crores Only) approved by shareholders and will be issued in terms of the provisions of the Companies Act, 2013, Articles of Association of the Company and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and other applicable laws.

Pursuant to Sections 42 and 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, a company offering or making an invitation to subscribe to NCDs on a private placement basis is required to obtain prior approval of the shareholders by way of the special resolution. For NCDs, it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitation for such NCDs during the year.

Thus such approval by way of special resolution shall be valid for a year for all offers and invitations for such NCDs to be made during the year. Accordingly, it is proposed to raise funds through Private Placement of NCDs in one or more tranches during a year starting from the date of approval of special resolution by the shareholders of the company. Such NCDs shall be issued to such person or persons, who may or may not be the members of the Company, as the Board or any duly constituted Committee of the Board or such other authority as may be approved by the shareholders / Board, may think fit and proper.

The resolutions contained in the accompanying Notice, accordingly, seek members' approval for raising funds through Private Placement of NCDs in one or more tranches during a year starting from the date of approval of special resolution by the members of the Company and authorizing the Board of Directors (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) of the Company to complete all the formalities in connection with the issue of NCDs.

The Board commends these resolutions as set out in the Notice for your approval as Special Resolutions.

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

**Registered Office :**

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

Place: Mumbai  
Date: 28<sup>th</sup> August, 2015

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

Anil Agrawal  
**Company Secretary**

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**SANGHI INDUSTRIES LIMITED**

CIN : LI8209TGI985PLC005581

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

Tel. 08415-242240, Email : companysecretary@sanghiment.com

Website: www.sanghiment.com

**PROXY FORM**

**Form MGT II**

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rule 2014)

Name of the member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_  
\_\_\_\_\_

E-mail ID : \_\_\_\_\_

Folio No./DPID-Client 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/her

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company to be held on Saturday the 14th November, 2015 at 11.00 a.m. at the Registered Office of the Company at Sanghinagar P.O., Hayatnagar Mandal, R. R. District, Telangana – 501 511 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business:**

1. Adoption of Audited Financial Statements for the year ended 30th June, 2015 and the Directors' and Auditors' Report.
2. Re-Appointment of Shri Nirubha B. Gohil as a Director of the Company.
3. Re-appointment of Smt. Bina Engineer as a Director of the Company.
4. Re-appointment of M/s. Ankit & Co., Chartered Accountants, Hyderabad and M/s Haribhakti & Co. LLP, Chartered Accountants, Ahmedabad, as Statutory Auditors of the Company and to fix their remuneration.

**Special Business:**

5. Ratification of Remuneration of M/s. N. D. Birla & Co., Cost Accountants.
6. Re-appointment of Shri Nirubha B. Gohil, as a Whole Time Director.
7. Re-appointment of Shri Ravi Sanghi, as a Chairman and Managing Director.
8. Affirmation for payment of Existing Remuneration to Shri Aditya Sanghi, Whole Time Director.
9. Affirmation for payment of Existing Remuneration to Shri Alok Sanghi, Whole Time Director.
10. Approval for further raising of capital.
11. Approval for issue of Non Convertible Debentures.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ of 2015

Signature of Shareholder

Signature of Proxy holder(s)

Affix the  
revenue  
Stamp

Note : 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.

**SANGHI INDUSTRIES LIMITED**

CIN : LI8209TGI985PLC00558I

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

Tel. 08415-242240, Email : companysecretary@sanghiment.com

Website: www.sanghiment.com

**ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting Hall)

I/We hereby record my/our presence at the Twenty Eighth Annual General Meeting of the Company on Saturday the 14th November, 2015 at 11.00 a.m at the Registered Office of the Company.

Name and Registered Address of the Sole / First Named Member	:	
Folio No./DP ID-Client ID	:	
No. of shares held	:	
Full name of the Member/Proxy	:	
Member's/Proxy's Signature	:	

Note:

1. Please bring this attendance slip duly filled in to the meeting and hand it over at the Entrance Hall of the Meeting.



