

## SANGHI INDUSTRIES LIMITED

CIN No. : L18209TG1985PLC005581

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

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

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

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **Thirty First Annual General Meeting** of the Members of **M/s. Sanghi Industries Limited** will be held on Tuesday, the 3rd day of July, 2018 at 10.00 a.m. at its Registered Office at Sanghinagar P.O., Hayatnagar Mandal, R. R. District, Telangana - 501511 to transact the following business:

#### Ordinary Business:

1. To receive, consider and adopt financial statements of the Company including Audited Balance Sheet as at 31<sup>st</sup> March, 2018 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 Alok Sanghi (holding DIN: 00033506), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting 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, (including any re-enactment or modification thereto), and such other applicable provisions, if any, the Company hereby ratifies the appointment of M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration Number: 101720W), Mumbai and M/s. S. K. Mehta & Co., Chartered Accountants (Firm Registration Number: 000478N), Delhi, as the Joint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till 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:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**.  
**"Resolved that** pursuant to the provisions of Section 148 and all the applicable provisions of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force) the consent of members be and is hereby accorded to ratify the remuneration decided by the Board of Directors of the Company based on the recommendation of the Audit Committee of Rs. 2,25,000/- (Rupees Two Lac Twenty Five Thousand Only) plus out of pocket expenses and GST, if any to M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad appointed by the Board of Directors to conduct the audit of the Cost records of the Company for the financial year 2018-19.  
**Resolved further that** Shri Ravi Sanghi, Chairman & Managing Director, Smt. Bina Engineer, Whole-time Director and Shri Anil Agrawal, Company Secretary of the Company be and is hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**.  
**"Resolved that** pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Sundaram Balasubramanian (holding DIN: 02849971), aged 76 years, who was appointed as an Additional Director of the Company by the Board of Directors (and categorized as 'Independent Director') with effect from 9<sup>th</sup> November, 2017, and who holds office as an Additional Director upto the date of ensuing Annual General Meeting of the Company and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of the Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years with effect from 9<sup>th</sup> November, 2017.

Resolved further that pursuant to the provisions of Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations

And Disclosure Requirements) (Amendment) Regulations, 2018 approval be and is hereby granted for appointing / continuing the directorship of Shri Sundaram Balasubramanian who has exceeded the age of 75 years as an Independent Director.

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

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

**“Resolved that** pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval be and is hereby granted for continuing the directorship of Shri Radha Krishna Pandey (holding DIN: 00190017) who has exceeded the age of 75 years as an Independent Director of the Company.

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

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 for affirming the existing remuneration payable to Shri Ravi Sanghi, Chairman and Managing Director of the Company with effect from 1<sup>st</sup> September, 2018, 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 Ravi Sanghi, the remuneration payable to him subject to overall limits laid down in Section 197, Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) without further approval of the Board and members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

**Resolved further that** Smt. Bina Engineer, Whole-time Director and Shri Anil Agrawal, Company Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to the above resolution.”

**Registered Office:**

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

Place: Ahmedabad  
Date: 19<sup>th</sup> May, 2018

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

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 of the Companies Act, 2013 in respect of special business is annexed hereto.
4. Members holding shares in physical form are requested to notify immediately any change in their address to the Company quoting their folio numbers. Members holding shares in electronic form shall address all communications to their respective Depository Participants only.

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 7 working days before the meeting so as to enable the Management to keep the information ready at the time of meeting.
7. Corporate members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Act are requested to send the Company a certified copy of Board Resolution/Authorization together with specimen signatures authorizing their representative to attend and vote on their behalf at the meeting.
8. For the convenience of members and for proper conduct of the members, entry to the place of meeting will be regulated by attendance slips. Members are requested to affix their signatures at the place provided on the attendance slip and hand it over at the registration counters.
9. The Ministry of Corporate Affairs (MCA), New Delhi has taken "Green initiatives in Corporate Governance" by allowing paperless compliance by the Companies and issued a circular clarifying that the service of documents to be made by a Company can be made through electronic mode. To support the green initiative of the Ministry of Corporate Affairs, members who have not yet registered their e-mail id are requested to register the same immediately.

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

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
11. Information required to be furnished as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and secretarial standards on the General Meeting issued by the Institute of Company Secretaries of India, the particulars of Directors who are proposed to be re-appointed, are given below:

<b>Name of Director &amp; DIN</b>	<b>Date of Birth</b>	<b>Date of First Appointment</b>	<b>Brief resume, Qualification Expertise and Experience</b>	<b>Shareholding in the Company</b>	<b>Details of Directorship held in other Listed companies</b>	<b>Details of membership / chairmanship of other Board committees</b>
Shri Alok Sanghi DIN: 00033506	13 <sup>th</sup> January, 1984	27 <sup>th</sup> January, 2007	Armed with a degree in Finance and Management from Kelley School of Business, Indiana University, Bloomington, USA, Alok Sanghi, brings immense knowledge and experience of the global Financial Services sector. Under his direction the company has successfully launched products in Domestic and International Markets. His business acumen lends crucial competence to the commercial, shipping, marketing strategies and corporate affairs of the company.	28,89,500 Equity Shares (1.15% of Equity Share Capital)	----	----

Name of Director & DIN	Date of Birth	Date of First Appointment	Brief resume, Qualification Expertise and Experience	Shareholding in the Company	Details of Directorship held in other Listed companies	Details of membership / chairmanship of other Board committees
Shri Sundaram Balasubramanian DIN: 02849971	3 <sup>rd</sup> November, 1942	9 <sup>th</sup> November, 2017	<p>He is a Commerce and Law Graduate and also an Associate Member of the Institutes of Chartered Accountants of India, Company Secretaries of India and Management Accountants of India. He is also a member of Delhi Bar Council.</p> <p>He has vast experience in Corporate Laws. He was the Chairman of the Company Law Board for 12 years and had dealt with more than 3000 cases.</p>	Nil	<ol style="list-style-type: none"> <li>1. Emami Paper Mills Ltd.</li> <li>2. TTK Healthcare Ltd.</li> <li>3. Machino Plastics Ltd.</li> <li>4. GVK Power &amp; Infrastructure Ltd.</li> <li>5. Jaypee Infratech Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Emami Paper Mills Limited - Member-Audit Committee</li> <li>2. Machino Plastics Limited – Member-Audit Committee, Nomination &amp; Remuneration Committee and Stakeholders Relationship Committee</li> <li>3. TTK Healthcare Limited – Member-Audit Committee</li> <li>4. GVK Airport Developers Ltd. - Member-Audit Committee, Nomination &amp; Remuneration Committee and Stakeholders Relationship Committee</li> <li>5. Peerless Hotels Ltd. - Member-Audit Committee</li> <li>6. GVK Power &amp; Infrastructure Ltd. - Member-Audit Committee</li> </ol>

Name of Director & DIN	Date of Birth	Date of First Appointment	Brief resume, Qualification Expertise and Experience	Shareholding in the Company	Details of Directorship held in other Listed companies	Details of membership / chairmanship of other Board committees
Shri Radha Krishna Pandey DIN: 00190017	20 <sup>th</sup> January, 1940	30 <sup>th</sup> April, 2010	<p>M. Com, LLB, Company Secretary, Post Graduate Diploma in Business Administration. He is aged 78 years and is having a rich and varied experience in Finance and Capital Market.</p> <p>Previously, he has held positions with Delhi Stock Exchange Association Limited as their Executive Director, with Hicks Thermometers (India) Limited as their Company Secretary, with the Bihar State Text Book Publishing Corporation Limited as its Secretary.</p>	Nil	1. Jindal Poly Films Ltd. 2. Andhra Cements Ltd. 3. Kamdhenu Ltd.	1. Jindal Poly Films Ltd. - Member-Audit Committee and CSR Committee Chairman-Stakeholder Relationship Committee 2. Kamdhenu Ltd. - Member-Audit Committee and CSR Committee 3. Kanpur Fertilizers & Cement Ltd. - Member-Audit Committee 4. Andhra Cements Ltd. - Member-Audit Committee, and CSR Committee 5. Northern Aromatics Ltd. - Member-Audit Committee, Nomination & Remuneration Committee and CSR Committee
Shri Ravi Sanghi DIN: 00033594	1 <sup>st</sup> July 1952	14 <sup>th</sup> June 1985	<p>Graduate in Commerce, Shri Ravi Sanghi is a first generation entrepreneur, he leads the company with his inspiring vision and commitment. The establishment of one of the India's largest integrated single-stream cement plant in Kutch, by the Sanghi team is the result of his untiring dedication. He carries immense experience in conceptualizing and directing projects across diverse industries and magnitudes.</p>	49878750 Equity Shares (19.87% of Equity Share Capital)	----	----

Mr. Ravi Sanghi is father of Mr. Aditya Sanghi and Mr, Alok Sanghi, Whole Time Directors of the Company. Except him no other director is in any way inter-se related, related with the Managerial personnel and other KMPs.

12. A Route Map showing the Directions to reach the venue of the 31<sup>st</sup> Annual General Meeting is attached along with the notice as per the requirement of Secretarial Standards – 2 on “General Meeting”.
13. The Board of Directors has appointed Shri A.A.N. Murthy, Practising Company Secretary, (COP No. 15438 and 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 name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date i.e. 26<sup>th</sup> June 2018 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility of ‘remote e-voting’ to exercise their right to vote at the 31<sup>st</sup> Annual General Meeting. The Company is providing remote e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited [CDSL] to facilitate remote e-voting. The detailed process, instructions and manner for availing e-voting facility is as below:

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

- (i) The remote E- voting period commences at 10.00 a.m. on 30<sup>th</sup> June, 2018 and ends at 5.00 p.m. on 2<sup>nd</sup> July 2018 (both days inclusive). During this period the shareholders of the Company holds shares either in physical form or dematerialized form as on the cut off date (record date) of 26<sup>th</sup> June 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user, please enter your PAN Number / PAN Value and Dividend Bank Details (Sequence Number) as printed and despatched separately.
- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of Sanghi Industries Limited for which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non-Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

#### CONTACT DETAILS:

Company	Sanghi Industries Ltd. E-mail ID: <a href="mailto:companysecretary@sanghiment.com">companysecretary@sanghiment.com</a>
E-voting Agency	Central Depository Services (India) Limited E-mail ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>
Scrutinizer	Shri 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 businesses contained in the accompanying Notice.

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

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 2018-19.

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

Accordingly, consent of the shareholders is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2018-19.

Your Directors recommend the passing of the proposed Ordinary Resolution.

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

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

Shri Sundaram Balasubramanian, aged 76 years, has been appointed as an Additional Director (Categorized as Independent Director) of the Company by the Board of Directors w.e.f. 9<sup>th</sup> November, 2017 who holds office upto the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company. The Company has received from him requisite consent, intimation and a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act, in connection with his appointment as an independent Director. Copy of the draft letter for his appointment as an Independent Director would be available for inspection without any fees by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Shri Sundaram Balasubramanian is a Commerce and Law Graduate and also an Associate Member of the Institutes of Chartered Accountants of India, Company Secretaries of India and Management Accountants of India. He is also a member of Delhi Bar Council. He was the Chairman of the Company Law Board for 12 years and had dealt with more than 3000 cases. He is the General Editor of Ramaiya's Guide to Companies Act 2013. At present, he is practicing as a consultant in Corporate Laws and he has also been functioning as an Arbitrator. Considering the qualification, positive attributes, expertise and independence, the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, considers that his association would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director.

As per the Regulation 17 (IA) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 the approval of the shareholders is also required by way of special resolution for continuing the Directorship of any non-executive Director who have attained the age of 75 years.

Looking to his experience and expertise, Your Board of Directors recommend the passing of the proposed Special Resolution.

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

#### **Item No. 6**

Shri Radha Krishna Pandey, aged 78 years, has been re-appointed as a Non-Executive Independent Director of the Company by a Special Resolution passed by the members of the Company in the Annual General Meeting held on 24<sup>th</sup> June, 2017. The Company had received from him requisite consent, intimation and a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act, in connection with his re-appointment as an independent Director.

Shri Radha Krishna Pandey is a Commerce and Law Graduate and holding Master degree in Commerce. He is also an Associate Member of the Institute of Company Secretaries of India. He has done Post Graduation Diploma in Business Administration. He is having a rich and varied experience in Finance and Capital Market. Considering the qualification, positive attributes, expertise and independence, the Board of Directors considers to continue his association for the immense benefit of the Company.

As per the Regulation 17 (IA) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 the approval of the shareholders is required by way of special resolution for continuing the Directorship of any non-executive Director who have attained the age of 75 years.



Looking to his experience and expertise, Your Board of Directors recommend the passing of the proposed Special Resolution.

Except Shri Radha Krishna Pandey, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

#### **Item No. 7**

Shri Ravi Sanghi is a first generation entrepreneur, he leads the company with his inspiring vision and commitment. The establishment of one of the India's largest integrated single-stream cement plant in Kutch, by the Sanghi team is the result of his untiring dedication. He carries immense experience in conceptualizing and directing projects across diverse industries and magnitudes.

Shri Ravi Sanghi was re-appointed for a period of five years w.e.f. 1<sup>st</sup> September, 2015. 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 1<sup>st</sup> September, 2018 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: Rs. 1.875 Crore (Rupees One Crore Eighty Seven Lac Fifty Thousand Only) 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 @ 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 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. Your Directors recommend to pass the said resolution as Special Resolution.

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

(Rs. In Crores)

Particulars	Year ended (Audited) (31-03-2018)	Year ended (Audited) (31-03-2017)
Total Income	1074.03	1104.26
Operating Profit	165.69	136.20

Particulars	Year ended (Audited) (31-03-2018)	Year ended (Audited) (31-03-2017)
Profit Before Tax	93.31	63.14
Profit After Tax	93.31	63.14
Total Comprehensive Income	93.36	62.97

- (5) There was export earnings amounting to Rs. 49.68 Crores and outgo was Rs. 16.30 Crores during the financial year 2017-18.
- (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 Rs. 15.625 Lakh per month plus perquisites and benefits during the financial year 2017-18.
- (3) Recognition and awards: The Company has received several recognition and awards under his leadership.
- (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:

During the year ended 31<sup>st</sup> March 2018, the total revenue was Rs. 1074.03 Crores against Rs. 1104.26 Crores in the previous year. Company reported a net profit before and after tax of Rs. 93.31 crores for the year ended 31<sup>st</sup> March, 2018 as against a profit of Rs.63.14 crores in the previous fiscal. The Total Comprehensive Income for the year is Rs. 93.36 Crores against Rs. 62.97 Crores in previous year. The earnings per share (EPS) for 2017-18 stood at Rs. 4.14 as against EPS of Rs.2.87 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:

Rs. 1.875 crore (Rupees One Crore Eighty Seven Lac Fifty Thousand Only) per annum. Since five years there has been no increase in the remuneration of Chairman & Managing Director. He voluntarily waived his increment in the interest of the company. Looking to his expertise and contribution in the growth of the Company, Nomination & Remuneration Committee has increased the remuneration of Mr. Ravi Sanghi during the financial year 2017-18.

### (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) Commission:**

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.

**Registered Office :**

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

Place: Ahmedabad  
Date: 19<sup>th</sup> May, 2018

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

Anil Agrawal  
**Company Secretary**

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**SANGHI INDUSTRIES LIMITED**

CIN : L18209TG1985PLC005581

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) Rules 2014)

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

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

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

Folio No./DP ID-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 31<sup>st</sup> Annual General Meeting of the Company to be held on Tuesday , the 3<sup>rd</sup> July 2018 at 10.00 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 on 31st March, 2018 and the Directors' and Auditors' Report.
2. Re-Appointment of Shri Alok Sanghi as a Director of the Company.
3. Ratification of appointment of Joint Statutory Auditors.

**Special Business:**

4. Ratification of Remuneration of M/s. N. D. Birla & Co., Cost Accountants.
5. Appointment of Shri Sundaram Balasubramanian as Non-Executive Independent Director
6. Approval for continuing the Directorship of Shri Radha Krishna Pandey as an Independent Director
7. Affirmation for payment of Existing Remuneration to Shri Ravi Sanghi, Chairman and Managing Director for remaining tenure of his appointment.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ of 2018

Signature of Shareholder

Signature of Proxy holder(s)

Affix Re. I  
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 : L18209TG1985PLC005581

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

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

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

**ATTENDANCE SLIP**

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

I/We hereby record my/our presence at the Thirty First Annual General Meeting of the Company held on Tuesday, the 3rd July 2018 at 10.00 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: Please bring this attendance slip duly filled in to the meeting and hand it over at the Entrance Hall of the Meeting.



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**Route Map of the venue of Annual General Meeting of Sanghi Industries Limited**



