

## 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  
Website: www.sanghiment.com

### NOTICE OF EXTRA-ORDINARY GENERAL MEETING

**NOTICE** is hereby given to the Shareholders (the "Shareholders" or the "Members") of **Sanghi Industries Limited** ("Company") that the Extra-Ordinary General Meeting of the Company will be held on Thursday, December 29, 2022 at 11.00 a.m. through Video Conferencing/ Other Audio Visual Means to transact the following **special business**:

**1. To Offer, Issue and Allot Equity Shares on Preferential Basis**

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 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended (the "Act"), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), and rules, circulars, notifications, regulations and guidelines issued under FEMA, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), each as amended from time to time, the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (together, the "Stock Exchanges") on which the equity shares of the Company having face value of Rs. 10/- each ("Equity Shares") are listed, and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Reserve Bank of India, the Securities and Exchange Board of India ("SEBI") and/or any other statutory / regulatory authorities (hereinafter referred to as "Applicable Regulatory Authorities") from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents and permissions as may be necessary or required from applicable Regulatory Authorities (including the Stock Exchanges) and subject to such conditions and modifications as may be imposed or prescribed while granting such approvals, consents and permissions, which the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted by the Board to exercise its powers including the powers conferred by this Resolution), is hereby authorised to accept, the consent and approval of the Members be and is hereby accorded to create, issue, offer and allot upto 73,26,000 Equity Shares at a price of Rs. 68.25 per Equity Share (including premium of Rs. 58.25 per Equity Share), aggregating upto Rs. 49,99,99,500 (Rupees Forty Nine Crore Ninety Nine Lacs Ninety Nine Thousand Five Hundred Only) to M/s Thinkfar Tradelink Private Limited (Promoter Group Entity), a company incorporated under the Companies Act, 2013, with corporate identification number U51909GJ2022PTC135522 ("Investor") for cash consideration by way of a preferential issue on a private placement basis ("Preferential Issue"), and on such terms and conditions as may be determined by the Board in accordance with the Act, SEBI ICDR Regulations and other applicable laws.

**RESOLVED FURTHER THAT** in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the relevant date for determining the floor price for the Preferential Issue of the Equity Shares is 29<sup>th</sup> November, 2022, being the date 30 days prior to the date of this Extra-Ordinary General Meeting ("Relevant Date") on which this special resolution is proposed to be passed.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above Resolution, the issue of the Equity Shares to the Investor under the Preferential Issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- a) The Equity Shares to be issued and allotted pursuant to the Preferential Issue shall be listed and traded on the Stock Exchanges subject to receipt of necessary regulatory permissions and approvals.
- b) The Equity Shares to be issued and allotted shall be fully paid up and rank pari-passu with the existing Equity Shares of the Company in all respects including dividend.
- c) The Equity Shares to be allotted shall be locked in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations.
- d) The Investor shall be required to bring in the entire consideration for the Equity Shares to be allotted to such Investor, on or before the date of allotment thereof.
- e) The consideration for allotment of Equity Shares shall be paid to the Company from the bank accounts of the Investor.
- f) The Equity Shares shall be allotted in dematerialized form only within a maximum period of fifteen (15) days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval or permission from Applicable Regulatory Authorities, the allotment shall be completed within a period of fifteen (15) days from the date of receipt of last of such approvals or permissions.
- g) The price determined above shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time.

**RESOLVED FURTHER** that for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Preferential Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilization of proceeds of the Preferential Issue, open one or more bank accounts in the name of the Company or otherwise, as may be necessary or expedient in connection with the Preferential Issue, apply to Stock Exchanges for obtaining of in-principle and listing approval of the Equity Shares and other activities as may be necessary for obtaining listing and trading approvals, file necessary forms with the appropriate authority or expedient in this regard and undertake all such actions and compliances as may be necessary, desirable or expedient for the purpose of giving effect to this resolution in accordance with applicable law including the SEBI ICDR Regulations and the SEBI Listing Regulations take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

**RESOLVED FURTHER** that the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any committee of the Board or any one or more Director(s)/ Company Secretary/any Officer(s) of the Company to give effect to the aforesaid resolution.

**RESOLVED FURTHER** that all actions taken by the Board or committee(s) duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

**Registered Office:**  
Sanghinagar P.O.,  
Hayatnagar Mandal, R. R. District,  
Telangana – 501 511

Place: Ahmedabad  
Date : 3<sup>rd</sup> December, 2022

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

Anil Agrawal  
**Company Secretary**

**Notes:**

- (1) By virtue of circular dated 5<sup>th</sup> May, 2022 issued by Ministry of Corporate Affairs (MCA) the Companies are allowed to hold its Extra-Ordinary General Meeting ('EGM') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') without personal presence of the members at the meeting till 31<sup>st</sup> December, 2022. In view of the same and in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and various MCA Circular issued from time to time, this EGM of the Company is being held through VC / OAVM.
- (2) Explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
- (3) Since this EGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Corporate members intending to authorise their representatives to join and vote at the EGM through VC / OAVM facility on its behalf are requested to send the duly certified copy of Board resolution for the same.
- (4) Members attending the meeting through VC / OAVM shall be counted for the purpose of quorum under Section 103 of the Companies Act, 2013.
- (5) The notice for Extra-Ordinary General Meeting is being sent to the members through electronic mode whose e-mail ID is registered with the Company. Members whose e-mail ID is not registered are requested to get the same registered with the Company by sending an E mail to: companysecretary@sanghiment.com. The Notice of Extra-Ordinary General Meeting is available on website of the Company [www.sanghiment.com](http://www.sanghiment.com) and also available on website of National Stock Exchange of India Limited and BSE Limited. The notice of Extra-Ordinary General Meeting is being also disseminated on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
- (6) Members holding shares in electronic form shall address all communications to their respective Depository Participants only.
- (7) The members can join this meeting through VC / OAVM means 15 minutes before and 15 minutes after the scheduled time of commencement of meeting by following the procedure mentioned in the Notice. The members are requested to participate on first come first serve basis as participation through VC / OAVM is limited upto 1000 members and will be closed on expiry of 15 minutes from the schedule time of the meeting. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first cum first served basis.
- (8) **Process and manner for members opting for voting through Electronic means:**
  - i. 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 and various Circulars issued by MCA from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' to exercise their right to vote at the Extra-Ordinary General Meeting. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited [CDSL] to facilitate remote e-voting as well as e-voting system during EGM.
  - ii. 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. 22<sup>nd</sup> December, 2022 only shall be entitled to avail facility of remote e-voting as well as e-voting system on the date of EGM.
  - ii. 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 cast vote after following the instructions for remote e-voting or e-voting system on the date of the EGM. 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.

- iv. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- v. The Company has appointed Shri Srikant Sangai, Practising Company Secretary, (COP No. 11113) to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system during EGM, in a fair and transparent manner.

**(9) The instructions for shareholders for remote e-voting and e-voting during EGM and joining meeting through VC/OAVM are as under:**

1. The remote E- voting period commences at 10.00 a.m. on 26<sup>th</sup> December, 2022 and ends at 5.00 p.m. on 28<sup>th</sup> December, 2022 (both days inclusive). During this period the shareholders of the Company holds shares as on the cut-off date (record date) of 22<sup>nd</sup> December, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
3. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on e-Voting facility provided by Listed Companies Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

**a) Individual Shareholders holding securities in Demat mode with CDSL**

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or visit [www.cdslindia.com](http://www.cdslindia.com) and click on Login icon and select New System Myeasi.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from an e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

**b) Individual Shareholders holding securities in Demat mode with NSDL**

1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com>. Select "Register Online for IDeAS" Portal or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**c) Individual Shareholders (holding securities in Demat mode) login through their Depository Participants.**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Note: Members who are unable to retrieve their User ID / Password are advised to use Forget User ID and Forget Password option available at the above mentioned website.

**d) Shareholders other than individual shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)**

1. Click on Shareholders.
2. 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,
3. Next enter the Image Verification as displayed and Click on Login.
4. 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.
5. If you are a first time user, please enter your PAN Number and Dividend Bank Details or Date of Birth.
6. After entering these details appropriately, click on "SUBMIT" tab.
7. 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.
8. Click on the EVSN of Sanghi Industries Limited for which you choose to vote.
9. 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.
10. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



11. 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.
12. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
13. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
14. 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.
15. Facility for Non-Individual Shareholders and Custodians – Remote Voting:
  - 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 in the “Corporate” module.
  - 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.
  - Alternatively Non individual shareholders are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc. authorizing its representative to attend the EGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer / Company by email through its registered email address to [sangaisri@yahoo.com](mailto:sangaisri@yahoo.com) with a copy marked to [companysecretary@sanghiment.com](mailto:companysecretary@sanghiment.com).

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)

**(10) The instructions for shareholders attending the EGM through VC/OAVM & E-voting during EGM are as under:**

1. The procedure for attending meeting and e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC / OAVM to attend the meeting will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Members who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the EGM.
4. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Members who would like to ask questions may send their questions in advance at least (10) working days before EGM mentioning their name, demat account number / folio number, email id, mobile number at [companysecretary@sanghiment.com](mailto:companysecretary@sanghiment.com) and register themselves as a speaker. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the EGM.
8. Only those Members who will be present in the EGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting and otherwise not barred from doing so shall be eligible to vote through e- voting system available in the EGM.
9. If any Votes are cast by the members through the e-voting available during the EGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
- (11) 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.  
As the meeting is to be convened through VC / OAVM, the route map is not annexed in this Notice.
- (12) Shri Anil Agrawal, Company Secretary of the Company, shall be responsible for addressing all the grievances in relation to this Extra-Ordinary General Meeting including e-voting. His contact details are - Email: [companysecretary@sanghiment.com](mailto:companysecretary@sanghiment.com); Phone / Mobile No.: 08415- 242240.
- (13) 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 electronic form are requested to register their e-mail id for which they are advised to approach their Depository Participants in this regard.
- (14) 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 are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., with their DPs in case the shares are held in electronic form.
- (15) SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018-49 dated 30th November, 2018, requests for effecting transfer of securities (except in case of transmission, transposition and relodgement of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialized form with the depositories.

**CONTACT DETAILS:**

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

## ANNEXURE TO THE NOTICE

### Explanatory Statement

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

As required by Section 102 of the Companies Act, 2013 (the "Act"), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 1 of the accompanying Notice dated 3<sup>rd</sup> December 2022:

#### ITEM NO. 1:

In accordance with Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, approval of shareholders of the Company by way of special resolution is required to issue securities by way of private placement on a preferential basis to M/s Thinkfar Tradelink Private Limited (Promoter Group Entity), a company incorporated under the Companies Act, 2013, with corporate identification number U51909GJ2022PTC135522

The Board, pursuant to its resolution passed on 3<sup>rd</sup> December, 2022, has approved the Preferential Issue of 73,26,000 equity shares at a price of Rs. 68.25 per Equity Share (including premium of Rs. 58.25 per Equity Share) ("Issue Price"), and consequently, recommends the resolution as set out above to be passed by the Members through a special resolution. The floor price for the issue of the shares on a preferential basis under the applicable provisions of the SEBI ICDR Regulations is Rs. 68.25 per Equity Share.

The relevant disclosures in relation to the Preferential Issue as required under the SEBI ICDR Regulations and the Act read with the rules issued thereunder, are set forth below:

#### i) Particulars of the Preferential Issue including date of passing of Board resolution

The Board of Directors at its meeting held on 3<sup>rd</sup> December, 2022 has, subject to the approval of the Members and such other approvals as may be required, approved the issuance of 73,26,000 Equity Shares of the face value of Rs. 10 only per Equity Share, at a price of Rs. 68.25 per Equity Share (including premium of Rs. 58.25 per Equity Share), aggregating up to Rs. 49,99,99,500 (Rupees Forty Nine Crore Ninety Nine Lacs Ninety Nine Thousand Five Hundred Only) to the Investor, for cash consideration, by way of a preferential issue on a private placement basis.

#### ii) Kinds of securities offered and the price at which security is being offered, and the total/ maximum number of securities to be issued

Up to 73,26,000 Equity Shares of the face value of Rs. 10 only per Equity Share of the Company, at a price of Rs. 68.25 (including a premium of Rs. 58.25) per Equity Share aggregating up to Rs. 49,99,99,500 (Rupees Forty Nine Crore Ninety Nine Lacs Ninety Nine Thousand Five Hundred Only), such price being not less than the minimum price as on the Relevant Date (as set out below) determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

#### iii) Basis on which the price has been arrived at and justification for the price (including premium, if any)

The Equity Shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together referred to as the "Stock Exchanges"). The Equity Shares are frequently traded in terms of the SEBI ICDR Regulations and NSE, being the Stock Exchange with higher trading volumes for the preceding ninety trading days prior to the Relevant Date, has been considered for determining the floor price in accordance with the SEBI ICDR Regulations.

The Floor Price of Rs. 68.25/- is determined as per the pricing formula prescribed under SEBI ICDR Regulations for the Preferential Issue of Equity Shares being higher of the following:



90 Trading Days volume weighted average price (VWAP) of the Equity Shares of the Company quoted on the National Stock Exchange of India Limited ('NSE') preceding the Relevant Date: i.e. Rs. 56.13/- per Equity Shares;

10 Trading Days volume weighted average price (VWAP) of the Equity Shares of the Company quoted on the National Stock Exchange of India Limited ('NSE') preceding the Relevant Date: i.e. Rs. 68.25/- per Equity Shares.

The price per Equity Share to be issued pursuant to the Preferential Issue is fixed at Rs. 68.25, being not less than the floor price computed in accordance with Chapter V of the SEBI ICDR Regulations.

We also confirm that the Articles of Association do not contain any restrictive provision for Preferential Allotment and doesn't contain any article which provides for particular method for determination of price in case of preferential issue.

**iv) NAME AND ADDRESS OF THE VALUER WHO PERFORMED VALUATION OF THE SECURITY OFFERED:**

Pricing shall be as per Regulation 164 of SEBI (ICDR) Regulations and therefore, no separate valuation is required pursuant to Companies (Share Capital and Debentures) Rules, 2014 as amended.

**v) Amount which the company intends to raise by way of such securities;**

Aggregating up to Rs. 49,99,99,500 (Rupees Forty Nine Crore Ninety Nine Lacs Ninety Nine Thousand Five Hundred Only)

**vi) Purpose/Objects of the Preferential Issue and aggregate amount proposed to be raised**

The Company proposes to raise an amount aggregating up to Rs. 49,99,99,500 (Rupees Forty Nine Crore Ninety Nine Lacs Ninety Nine Thousand Five Hundred Only) through the Preferential Issue. The proceeds of the Preferential Issue shall be utilized for prepayment of borrowings of the Company, working capital requirement, capital expenditure and/or other general corporate purposes of the Company.

**vii) Relevant Date**

In terms of the provisions of Chapter V of the SEBI ICDR Regulations and in accordance with the explanation to Regulation 161 of the SEBI ICDR Regulations, the relevant date for determining the floor price for the Preferential Issue is Tuesday, 29<sup>th</sup> November, 2022, being the 30 days prior to the date of this Extra-Ordinary General Meeting (EGM).

**viii) The class or classes of persons to whom the allotment is proposed to be made**

The Preferential Issue of Equity Shares is proposed to be made to one investor, M/s Thinkfar Tradelink Private Limited, Promoter Group Entity.

**ix) Intent of the Promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Issue**

None of the Promoters, Directors or Key Managerial Personnel or their relatives other than M/s Thinkfar Tradelink Private Limited (Promoter Group Entity), a company incorporated under the Companies Act, 2013, with corporate identification number U51909GJ2022PTC135522 intend to subscribe to any Equity Shares pursuant to the Preferential Issue.

**x) Proposed time frame within which the Preferential Issue shall be completed**

As required under the SEBI ICDR Regulations, the Equity Shares shall be allotted by the Company within a maximum period of 15 days from the date of passing of this special Resolution, provided that where the allotment of the proposed Equity Shares is pending on account of receipt of any approval or permission from any regulatory or statutory authority, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

**xi) Principal terms of assets charged as securities**

Not applicable.

**xii) Shareholding pattern of the Company before and after the Preferential Issue**

Please refer Annexure - A to this Notice for details.

**xiii) Material terms of raising such securities**

The equity shares to be issued and allotted by the Company in the manner aforesaid shall be in dematerialised form and subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing equity shares of the Company and be listed on stock exchanges where the equity shares of the Company are listed.

**xiv) Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price**

The company has issued 5000 (Five Thousand) Secured, Unrated, Unlisted, Redeemable, Non-Convertible Debentures (NCDs) totally aggregating to Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) having face value of Rs. 10,00,000/- (Rupees Ten Lakh Only) each on Private Placement basis to Kotak Special Situation Fund.

**xv) Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottees**

Identity of the allottee and the percentage of post preferential issue capital that may be held by them:

Name of the proposed allottee	Category	Present pre-issue shareholding		Post issue shareholding		*Ultimate beneficial owners
		Pre-issue holding	% of total equity capital	Post issue holding	% of total equity capital	
M/s Thinkfar Tradelink Private Limited (Promoter Group Entity), a company incorporated under the Companies Act, 2013, with corporate identification number U51909GJ2022PTC135522 (PAN: AAJCT6786A )	Promoter Group	NIL	NIL	73,26,000	2.84%	Alok Sanghi (holding 50% share capital of proposed allottee)  Aditya Sanghi (holding 50% share capital of proposed allottee)

\* Accordingly, in terms of proviso to Regulation 163(1)(f) of SEBI ICDR Regulations, no further disclosure of ultimate beneficial owners is required.

**xvi) The change in control, if any, in the Company that would occur consequent to the Preferential Issue, and the percentage of post preferential issue capital that may be held by the allottee**

There will be no change in control in the Company consequent to the completion of the Preferential Issue to the Investor. The percentage of post preferential issue capital that will be held by the Investor shall be 2.84%.

**xvii) Contribution being made by the promoters or directors either as part of the Preferential Issue or separately in furtherance of objects**

Other than M/s Thinkfar Tradelink Private Limited (Promoter Group Entity), a company incorporated under the Companies Act, 2013, with corporate identification number U51909GJ2022PTC135522, no contribution is being made by Promoter or Directors of the Company, as part of the Preferential Issue or separately in furtherance of objects.

**xviii) Valuation and Justification for the allotment proposed to be made for consideration other than cash**

Not applicable

**xix) Lock-in Period**

The Equity Shares to be allotted on a preferential basis shall be locked-in for such period as specified under Regulations 167 of the SEBI ICDR Regulations.

**xx) The current and proposed status of the allottee(s) post Preferential Issue namely, promoter or non-promoter**

Name of the Proposed allottee	Current status of the proposed allottee	Proposed status of the Proposed allottee post the preferential issue
M/s Thinkfar Tradelink Private Limited	Promoter Group	Promoter Group

Currently, not holding any Equity Shares of the Company as on date of this Notice

**xxi) Undertakings**

- a) Neither the Company nor its promoters nor its Directors have been identified as willful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India and/or SEBI ICDR Regulations. None of the promoters and directors of the Company have been identified as fugitive economic offenders as per the Fugitive Economic Offenders Act, 2018.
- b) The Company is eligible to make the Preferential Issue to its Investor under Chapter V of the SEBI ICDR Regulations.
- c) As the Equity Shares have been listed for a period of more than ninety days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.
- d) The Company shall re-compute the price of the Equity Shares to be allotted under the Preferential Allotment in terms of the provisions of SEBI ICDR Regulations where it is required to do so.
- e) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the Equity Shares to be allotted under the Preferential Allotment shall continue to be locked-in till the time such amount is paid by the allottees.
- f) The Company is in compliance with the conditions for continuous listing of Equity Shares as specified in the listing agreement with the Stock Exchanges and the Listing Regulations, as amended and circulars and notifications issued by the SEBI thereunder.
- g) 100 percent Preferential Allotment Price shall be payable at the time of application to the Equity Shares.

**xxii) Company Secretary's Certificate**

The certificate from Parikh Dave & Associates, Practicing Company Secretary, certifying that the Preferential Issue is being made in accordance with the requirements contained in the SEBI ICDR Regulations shall be made available for inspection by the Members during the meeting and will also be made available on the Company's website and can be accessed at [https://www.sanghiment.com/wp-content/uploads/Certificate\\_PCS\\_Preferential\\_Issue.pdf](https://www.sanghiment.com/wp-content/uploads/Certificate_PCS_Preferential_Issue.pdf)

**xxiii) Other disclosures**

- a) During the period from April 01, 2022 until the date of Notice of this EGM, the Company has not made any preferential issue of Equity Shares.
- b) Since the Equity Shares of the Company are listed on the stock exchanges and the Preferential Issue is not more than 5%, report of the registered valuer is not required under the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the proposed Preferential Issue and under applicable provisions of SEBI ICDR Regulations.
- c) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer is not applicable as the allotment of Equity Shares under the Preferential Issue is for a cash consideration.

- d) Principle Terms Of Assets Charged As Securities: Not Applicable.
- e) Thinkfar Tradelink Private Limited has confirmed that it has not sold any Equity Shares of the Company during the 90 trading days preceding the Relevant Date. Thinkfar Tradelink Private Limited has further confirmed that the Investor shall be an entity eligible under SEBI ICDR Regulations to undertake the preferential issue.
- f) This preferential issue is not resulting into allotment of more than five percent of the post issue fully diluted share capital of the company, to an allottee or to allottees acting in concert.

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the said Equity Shares to Investor is being sought by way of a special resolution as set out in the said item no. 1 of the Notice. Issue of the Equity Shares pursuant to the Preferential Issue would be within the Authorized Share Capital of the Company.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members and, therefore, recommends the resolution at Item No.1 of the accompanying Notice for approval by the Members of the Company as a Special Resolution.

Except Mr. Alok Sanghi, Mr. Aditya Sanghi, Wholetime Directors, to the extent of their shareholding as well as their directorship in the allottee Company and Mr. Ravi Sanghi, Managing Director being relative of aforementioned Wholetime Directors no other Directors and Key Managerial Personnel or their relatives are in any way financially or otherwise concerned or interested in the passing of this Special Resolution as set out at Item No.1 of this notice

Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company at the registered office of the company during the business hours on any working day between 10.00 AM to 6.00 PM upto the date of EGM.

**Registered Office:**  
Sanghinagar P.O.,  
Hayatnagar Mandal, R. R. District,  
Telangana – 501 511

Place: Ahmedabad  
Date : 3<sup>rd</sup> December, 2022

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

Anil Agrawal  
**Company Secretary**

## ANNEXURE A

Sl .	No. Category of Shareholder(s)	Pre – Issue (as on September 30, 2022)		Post – Issue	
		No. of shares held	% of share holding	No. of shares held	% of share holding
<b>A</b>	<b>Promoters &amp; Promoter Group Holding</b>				
<b>1</b>	<b>Indian</b>				
	a) Individuals	8,52,59,338	33.97	8,52,59,338	33.00
	b) Bodies Corporate*	9,52,79,291	37.96	10,26,05,291	39.72
	<b>Sub-Total (A)(1)</b>	<b>18,05,38,629</b>	<b>71.93</b>	<b>18,78,64,629</b>	<b>72.72</b>
<b>2</b>	<b>Foreign</b>				
	a) Individual	0	0	0	0
	b) Bodies Corporate	0	0	0	0
	<b>Sub- Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Promoters &amp; Promoter Group Holding (A)</b>	<b>18,05,38,629</b>	<b>71.93</b>	<b>18,78,64,629</b>	<b>72.72</b>
<b>B</b>	<b>Non-Promoters Holding</b>				
<b>1</b>	<b>Institutional Investors</b>				
	a) Mutual Funds	0	0	0	0
	b) Alternate Investment Funds	0	0	0	0
	c) Foreign Portfolio Investors (Category-1)	11,51,231	0.46	11,51,231	0.45
	c) Foreign Portfolio Investors (Category-2)	5,00,000	0.20	5,00,000	0.19
	d) Financial Institutions/ Banks	0	0	0	0
	e) Insurance Companies	0	0	0	0
	<b>Sub-Total (B)(1)</b>	<b>16,51,231</b>	<b>0.66</b>	<b>16,51,231</b>	<b>0.64</b>
<b>2</b>	<b>Central Government/State Government</b>	-	-	-	-
	<b>Sub-Total (B)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Non-Institutions</b>				
	a) Individuals				
	Directors and their relatives (excluding Independent and Nominee Directors)	25000	0.01	25,000	0.01
	Key Managerial Personnel	100	0.00	100	0.00
	i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	2,96,34,026	11.81	2,96,34,026	11.47
	ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	2,85,63,768	11.38	2,85,63,768	11.06



Sl. No.	Category of Shareholder(s)	Pre – Issue (as on September 30, 2022)		Post – Issue	
		No. of shares held	% of share holding	No. of shares held	% of share holding
	b) NBFCs registered with RBI				
	c) Any other, specify				
	IEPF				
	Trusts	100	0.00	100	0.00
	Foreign National				
	Hindu Undivided Family				
	Non-Resident Indians	14,22,816	0.57	14,22,816	0.55
	Clearing Member	7,37,508	0.29	7,37,508	0.29
	Body Corporate	84,26,822	3.36	84,26,822	3.26
	Overseas Corporate Bodies				
	Body Corporate: Limited Liability Partnership				
	<b>Sub-Total (B)(3)</b>	<b>6,88,10,140</b>	<b>27.41</b>	<b>6,88,10,140</b>	<b>26.64</b>
	<b>Total Public Shareholding (B)</b>	<b>7,04,61,371</b>	<b>28.07</b>	<b>7,04,61,371</b>	<b>27.28</b>
	<b>Total (A)+(B)</b>	<b>25,10,00,000</b>	<b>100.00</b>	<b>25,83,26,000</b>	<b>100.00</b>
<b>C</b>	<b>Shares held by custodians for ADR and GDR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (A)+(B)+(C)</b>	<b>25,10,00,000</b>	<b>100.00</b>	<b>25,83,26,000</b>	<b>100.00</b>

\* Includes 73,26,000 Equity Shares proposed to be allotted pursuant to Preferential Issue.  
In order to keep total % of shareholding as 100%, the % of each category has been rounded off in the best possible manner.