



# Notice To The Members

NOTICE IS HEREBY GIVEN THAT THE 29TH ANNUAL GENERAL MEETING OF THE MEMBERS OF "SANGAM (INDIA) LIMITED" WILL BE HELD ON WEDNESDAY, THE 30TH SEPTEMBER, 2015 AT 4.00 P.M., AT "SANGAM HOUSE", ATUN, CHITTORGARH ROAD, BHILWARA-311001 (RAJASTHAN) TO TRANSACT THE FOLLOWING BUSINESS:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2015 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend for the financial year 2014-15.
3. To appoint a Director in place of Shri S.N. Modani (Holding DIN 00401498), who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint M/s R.Kabra & Company, Chartered Accountants (Registration No. 104502W) and M/s B.L.Chordia & Company Chartered Accountants (Registration No. 000294C), the retiring Auditors of the Company, as Joint Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

## SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-  
RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the "Act") 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 to the Act and Clause 49 of the Listing Agreement, Ms. Seema Srivastava (Holding DIN: 07142986), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 30th March, 2015, in terms of Section 161(1) of the Act and Article 85 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 29th March, 2020.
6. 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 other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any modification(s) or re-enactment thereof), and subject to applicability of Cost Audit on

the Company in terms of the Companies (Cost Records and Audit) Rules, 2014, the following Firms of Cost Accountants appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the various units of the Company for the financial year ending 31st March, 2016, be paid the remuneration as set out in the statement annexed to the Notice convening this Meeting:

- a. M/s K.G.Goyal & Co., Cost Accountant (Firm Registration No.000017), Jaipur, to conduct the audit of the cost records of Company's units (i) SANGAM (INDIA), Bhilwara (ii) Sangam Spinners, Vill. Billiya Kalan, Dist. Bhilwara (unit of- Sangam (India) Ltd.) (iii) Sangam Spinners, Vill. Sareri, Dist. Bhilwara (unit of- Sangam (India) Ltd.) (iv) Sangam Suitings, Vill. Atun, Dist. Bhilwara (unit of- Sangam (India) Ltd.) (v) Sangam Denim, Vill. Billiya, Dist. Bhilwara (unit of- Sangam (India) Ltd.)
- b. M/s V.K.Goyal & Co., Cost Accountant (Firm Registration No. 100233), Bhilwara to conduct the audit of the cost records of Company's unit Sangam Process (Unit of Sangam (India) Ltd.), Outside Octroi Post, Atun, Bhilwara.

FURTHER RESOLVED that the Board of Directors and/or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving 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 pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the appointment of Shri R.P.Soni (Holding DIN No.00401439) as wholetime Director designated as Chairman of the Company for a period of 3 (Three) years with effect from 1st September, 2015 at the remuneration and on such other terms and conditions as are set out in the Explanatory Statement of this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Shri R.P.Soni which shall be in accordance with the provisions of the Companies Act, 2013 and the prescribed rules made thereunder (including any statutory modifications(s) or re-enactment



thereof), for the time being in force.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company shall pay Shri R.P.Soni remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto."

8. 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 Foreign Exchange Management Act, 1999, and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and all other applicable rules, & regulations, guidelines and laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include a duly authorized committee of Directors for the time being exercising the powers conferred by the Board of Directors), consent of the Company be and is hereby accorded to the Board of Directors of the Company to permit Foreign Institutional Investors (the "FII") registered with the SEBI to acquire and hold on their own account and on behalf of each of their SEBI approved sub-accounts or Foreign Portfolio Investors (FPIs) by whatever name called, to make investment in any manner in the equity shares of the Company upto an aggregate limit of 49% (Forty Nine Percent) of the paid-up equity share capital of the Company, provided, 2 however, that the shareholding of each FII/FPI in its own account and on behalf of each of their SEBI approved sub-accounts in the Company shall not exceed such limits as are applicable or may be prescribed, from time to time, under applicable Acts, Laws, Rules and Regulations (including any statutory modifications or re-enactment thereof for the time being in force);

FURTHER RESOLVED that the Board of Directors (which shall include any Committee which the Board may constitute, or any Director/Officer authorised by

the Board for this purpose) be and it is hereby authorised to settle all matters arising out of and incidental to the above mentioned increase in FII/FPI limits and further take all actions as it may, in its absolute discretion, deem necessary to give effect to this Resolution."

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and such proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of proxy, in order to be effective, should be duly stamped, completed and signed and must be deposited at the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at this Meeting.
3. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item No. 5 to 8 of the Notice set out above, is annexed hereto.
4. The company's Register of members and share transfer books shall remain closed from Thursday the 24th September, 2015 to Wednesday the 30th September, 2015 (both days inclusive) to decide the entitlement of shareholders for the payment of dividend in accordance with the recommendation of the Board of Directors.
5. All documents referred to in the accompanying notice are open for inspection at the registered office of the company in all working days except Saturday and holidays, between 11.00 A.M. to 1.00 P.M. up to the date of Annual General Meeting.
6. Dividend of Rs. 2.00/- per share has been recommended by the Board of Directors for the year ended 31st March, 2015 and subject to approval of members at this Annual General Meeting, is proposed to be paid within seven days of Annual General Meeting.
7. Investors holding the shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to the Company and investors holding the shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid postal delays and loss in transit.

Investors must update their new bank account numbers allotted after implementation of Core Banking Solution (CBS) to the Company in case of shares held in physical form and to the DP in case of shares held in demat form.



## Notice (Contd.)

8. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the "Investor Education and Protection Fund" (IEPF) constituted by the Central Government. The Company had, accordingly, transferred 6,95,353/- being the unpaid and unclaimed dividend amount pertaining to the financial year 2006-07, on 2nd December, 2014 to the IEPF of the Central Government.

The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the members ascertain status of the unclaimed amount and overcome the problems due to misplacement of intimation thereof by post, etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the unclaimed dividends on the website of the IEPF, viz. [www.iepf.gov.in](http://www.iepf.gov.in).

9. Members desirous of making nomination as permitted under Section 109A of the Companies Act, 1956 in respect of the shares held by them in the company, can make the nomination in Form 2B.
10. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/reappointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company.
12. Electronic copy of the Annual Report for the financial year 2014-15 is being sent to all the members, whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2014-15 is being sent in the permitted mode.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc., from the company electronically.
14. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2015 will also be available on the Company's website [www.sangamgroup.com](http://www.sangamgroup.com) for their download.

15. Re-appointment of Director:

Shri S.N.Modani, Managing Director of the Company

(Holding DIN 00401498), retires by rotation at the ensuing 29th Annual General Meeting and being eligible, offers himself for re-appointment.

Shri S.N. Modani (born 1963) is a B.Sc. (Chem.) MBA and Post-graduate Diploma in Cement Technology. Shri Modani joined the Company in the year 1989 and gathered rich experience of the Company's business for last 26 Years both in India and overseas.

Shri Modani is also the Director of M/s Vriti Infrastructure Pvt Ltd as on 31st March, 2015. He is presently member of CSR Committee the Board of the Company. Shri Modani held 99779 shares in the Company as on date.

## 16. Voting Options

### (1) Voting through Electronic Means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / Depository Participant(s)]:

(i) Open email and open PDF file viz; "Sangam (India) Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>

(iii) Click on Shareholder - Login

(iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.

(vii) Select "EVEN" of Sangam (India) Limited.

(viii) Now you are ready for e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than



individuals, HUF, NRI etc.) are required to send scanned copy (PDF /JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sangamscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM and Attendance Slip [for members whose email IDs are not registered with the Company / Depository Participant(s)] or requesting physical copy:

(i) Initial password is provided at the bottom of the Attendance Slip for the AGM:

EVEN (E-voting Event Number) USER ID  
PASSWORD/PIN.

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) Above, to cast vote.

## (2) Voting at AGM:

The members who have not cast their vote by remote e-voting can exercise their voting rights at the AGM. The Company will make arrangements of ballot papers in this regards at the AGM Venue.

## OTHER INSTRUCTIONS

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password /PIN for casting your vote.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Wednesday, 23rd September, 2015, are entitled to vote on the Resolutions set forth in this Notice.
- V. The remote e-voting period will commence at 9.00 a.m. on Saturday, 26th September, 2015 and will end at 5.00 p.m. on Tuesday, 29th September, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2015.
- VII. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd

September, 2015 may obtain the login ID and password by sending an email to [secretarial@sangamgroup.com](mailto:secretarial@sangamgroup.com) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

- VIII. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
- IX. 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 only shall be entitled to avail the facility of remote e-voting or voting at the meeting through ballot papers.
- X. Mr. S.P.Jethlia, Practicing Company Secretary of M/s S.P.Jethlia & Company has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- XI. The Scrutiniser shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within 3 days of conclusion of the meeting submit a consolidated scrutiniser report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing.
- XII. The results along with the Scrutinisers Report shall be placed on the website of the Company and on the website of NSDL and shall be communicated to BSE Limited and National Stock Exchange of India Limited.

By Order of the Board of Directors

(ANIL JAIN)

CFO & Company Secretary

M. No. : F-3147

Date: August 04, 2015

Place: Bhilwara

## EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

### Item No. 5

The Board of Directors on 30th March, 2015, on the recommendation of Nomination and Remuneration Committee, appointed Ms. Seema Srivastava as an Additional Director under Section 161(1) of the Companies Act, 2013 and Article 85 of the Articles of Association of the Company and as an Independent Non-executive Director of the Company for five consecutive years under Section 149 of the Companies Act, 2013 with effect from 30th March, 2015. The Company has received a notice from a member proposing Ms. Seema Srivastava as a candidate for the office of Director of the



## Notice (Contd.)

Company, copy of which is available on the website of the Company [www.sangamgroup.com](http://www.sangamgroup.com).

Ms. Seema Srivastava, aged 48 years, is a Non-Executive Independent Director of the Company, she joined the Board of Directors of the Company in March, 2015. She is Executive Director on the Board of India ITME Society from Sept, 2009.

Ms. Srivastava is Masters in Economics and international trade, Post Graduate in Global Strategic Management and having Certificate Course- CBI Seminar Intfair XVII Training program in Rotteram for promoting exports to overseas countries sponsored by Ministry of Economic affairs, Netherlands.

Ms. Srivastava has occupied various offices and Associations including World Trade Center, Mumbai as an Asst. Director, Taipei World Trade Center as Senior Trade Promotion Specialist, Institute of Aquatics training YMCA, "Kentucky" USA (Collaborative Project for Youth Development) as Aquatics Coordinator and also lead the NIIT and was looking after the Marketing and Administration. She was also the Executive Global Alliance of Wellingkar Management Institute, Global Alliance division, for educational programs with Temple University, USA and Northumbria, U.K. & Student Exchange Program Sweden.

Ms. Srivastava also the Graduate Member of All India Management Association (Delhi), Visiting faculty at the Institute of Business Studies and Research for "International Trade and Economics". (2005 - 2007), Visiting faculty at Dr. D.Y. Patil Business Management College for " Global Sourcing ". (2007 – 2010), member of steering committee, Western India Section of Textile Institute , Manchester, UK and Member, Advisory Board, (Center For Textile Functions ) CTF, NMIMS, Shirpur.

Ms. Srivastava got the many awards like Merit award for outstanding performance in marketing and brand promotion while working with NIIT (National Institute for Information Technology), Top evaluation and grades during staff training at SEED (SEED is an in-house training division of NIIT), Felicitated by American YMCA, Louisville Kentucky, for outstanding contribution towards their International project for youth development in Asian Country and Won the Sr. Edberga rolling trophy for Best Student Award in extra curricular activities, Providence Convent College, Kerala.

Presently Ms. Seema Srivastava is not a Director in any other Company. Ms. Srivastava does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

Ms. Srivastava has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Ms. Srivastava fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors Rules, 2014 and Clause 49 of the Listing Agreement for his appointment as an Independent Director of the Company and is independent of the management. Copy of the letter for appointment of Ms. Srivastava as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. The same is also available on the website of the Company [www.sangamgroup.com](http://www.sangamgroup.com).

The Board considers that her association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Srivastava as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Srivastava as an Independent Director for five consecutive years for a term upto 30th September, 2020, for the approval by the shareholders of the Company.

Except Ms. Srivastava, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

### Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s K.G. Goyal & Co, Cost Accountants, Jaipur (Firm Registration No. 000017) and M/s V.K. Goyal & Co., Cost Accountants, Bhilwara (Firm Registration No. 100233), as Cost Auditors of the Company to conduct the audit of cost records of the Company's various units respectively as mentioned in the resolution set out at Item No. 12 of the Notice, for the financial year 2014-15, at a fee of Rs. 80,000/- to M/s K.G. Goyal & Co and Rs. 30,000/- to M/s V.K. Goyal & Co. subject to TDS, Service Tax etc., as applicable, apart from out of pocket expenses, as remuneration for cost audit services for the financial year 2014-15, subject to the applicability of Cost Audit on the Company in terms of rules framed in this regard by the Ministry of Corporate Affairs.

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 have to be ratified by the shareholders of the Company.

Hence, the Members' approval is being sought by way of Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the resolution set out at Item No. 6.

### Item No. 7

Shri R.P.Soni was appointed as a Director of the Company on 31st December, 1984. From the date of his appointment, Shri R.P. Soni rendered multifarious services and guidance to the Company on a continuous basis, to the tangible advantage of the Company. The Company has attributes its business performance and growth to the leadership, efforts and contribution provided by the Non-Executive Chairman, on a sustained and continuous basis.

The Board of Directors of the company has resolved in its meeting held on 4th August, 2015 to appoint Shri R.P.Soni as wholtime director designated as Chairman of the company for a period of three years effective from 1st September, 2015 on the terms and conditions which are set out in the draft agreement. By the proposed resolution, approval of the shareholders is sought to the appointment/ remuneration of Shri R.P. Soni as a wholtime director designated as Chairman of the company.



Brief resume of Shri Soni, nature of his expertise in specific functional areas and names of companies in which he hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, which is forming part of the Notice, as under:

Shri Soni born on 26th January 1946, is a B.Sc., Diploma in Civil Engineering and has extensive working experience of about 31 years in Textile Industry. He was Junior Engineer in Irrigation Department in 1964 for 13 years.

He is also Managing Trustee of Smt. Kesar Bai Soni Charitable Trust, which runs a 100 bedded facility Hospital namely Smt. Kesarbai Soni Hospital. Shri Badri Lal Soni Charitable Trust, established with a view to provide Technical and Management education to the youths of the Region and is running an University, namely, Sangam University.

Shri Soni also associated with Engineers Association, Bhilwara, Shree Aditya Vikram Birla Memorial Vyapaar Sahyog Kendra, Chennai, P.H.D. Chamber of Commerce and Industries, Confederation of Indian Textile Industry, New Delhi, Synthetic Weaving Mills Association, Mewar Chamber of Commerce & Industries, Rajasthan Chamber of Commerce and Industries, Indian Agro Industries Foundation, Pune and FICCI, New Delhi.

Shri Soni was also the President, Rajasthan Pradeshik Maheshwari Sabha, President, Harni Mahadev Vikas Samiti, Bhilwara, Vice President, Patron, Manav Seva Sansthan, Bhilwara, Member (WC) Akhil Bhartiya Maheshwari Seva Sadan, Pushkar, Trustee, Shri Krishna Das Jajoo Smarak Trust, Kolkata, Founder Member & Trustee, Shri Aditya Vikram Birla Memorial Vyapar Sahayog Kendra, Chennai, Trustee, Giriraj Dharan Maheshwari Seva Trust, Vrindavan, President, Akhil Bharat Varshiya Maheshwari Maha Sabha, Senior Vice President (National), All India Vaish Federation, New Delhi, Director, Advisory Board Pacific College, Udaipur, Affiliated to MLS University, Udaipur, Director, Advisory Board Pacific Institute of Management, Udaipur Affiliated to MLS University, Udaipur & Approved by AICTE, New Delhi, Member, Governing Body, MLV Textile & Engineering College, Bhilwara (Nominated by Government of Rajasthan) and many more.

During 31 years of tenure of Shri Soni at Sangam India, he has served as Project Head, Plant Head and Business Head, under his leadership the company has grown leaps and bounds. Shri Soni would be responsible for the overall business operations and affairs of the Company.

Shri Soni is the Chairman of CSR Committee and Stakeholders' Relationship Committee and the Members of Nomination & Remuneration Committee and Audit Committee of the Board of Directors of the Company.

Shri Soni holds 453950 equity shares in the Company. The Details of the Directorship and/or Membership/Chairmanship of Committees of the Board of Shri R.P.Soni (except Private Companies) as on 31st March, 2015 are as follows:

| Sr. No. | Name of the Company                     | Name of Committee (excluding Company) | Position Held |
|---------|-----------------------------------------|---------------------------------------|---------------|
| 1       | Sangam Capital Services Ltd.            | Nil                                   | NA            |
| 2       | Sangam Infotech.com Ltd.                | Nil                                   | NA            |
| 3       | Sangam E-Com Ltd.                       | Nil                                   | NA            |
| 4       | Sangam Infratech Ltd.                   | Nil                                   | NA            |
| 5       | Keti Sangam Infrastructure (India) Ltd. | Nil                                   | NA            |
| 6       | Kalyan Sangam Infratech Ltd             | Nil                                   | NA            |
| 7       | Sapatrishi Commercial Company Ltd.      | Nil                                   | NA            |

In view of the substantial time and effort required to be spent by the Chairman in the affairs relating to the Company, the Board of Directors upon recommendation of Nomination and Remuneration Committee of the Board and vetted by the audit committee of the Board at their meeting held on 04th August, 2015 have appointed Shri R.P. Soni as "wholetime director designated as Chairman" of the Company. The said appointment shall be valid for a period of 3 (Three) years with effect from 1st September, 2015, subject to the approval of the shareholders.

The remuneration and terms and conditions of appointment of Shri R.P. Soni, as approved and recommended by the Nomination & Remuneration Committee of the Directors of the Company in pursuance to the Schedule V of the Companies Act, 2013 is as under:

#### Basic Salary

₹10,00,000/- per month w.e.f. 01.09.2015 which shall be increased every year on 1st October by ₹1,00,000/- per month. The first increase in the above salary will be on 01.09.2016.

#### Commission

1% commission on the net profit of the company, computed in the manner laid down in the Companies Act, 2013.

#### Perquisite

- Suitable residential accommodation, free of cost with all facilities, amenities and services (including gas, electricity, water and furnishing). In case he does not opt for company provided accommodation at any time, he shall be paid house rent allowance of a sum not exceeding 30% of his basic salary. The expenditure incurred by the company on gas, electricity, water and furnishings provided to him shall be evaluated as per the Income-tax Rules, 1962.
- Reimbursement of all medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization.
- Personal accident insurance premium not to exceed ₹ 10,000/- per annum.
- Servant allowance not exceeding ₹60,000/- per annum.
- Club fees payable subject to a maximum of two clubs except entrance and life membership fees.



## Notice (Contd.)

- f. Encashment of leave at the end of his tenure as per policy of the Company.
- g. Contribution to provided fund, superannuation fund or annuity fund and any other retirement benefits as per policy of the Company.
- h. Gratuity payable should not exceed half month's salary of each completed year of the service.
- i. Leave travel concession for self and family once in a year any where. The total cost to the company shall not exceed one month's salary per year or three month's salary in a period of three years.
- j. Free use of the Company's car alongwith the driver, personal use of car shall be billed by the Company
- k. Apart from the remuneration as aforesaid, Shri R.P.Soni, Chairman shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.
- l. Such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Shri R.P.Soni.

### NOTES

- For the purpose of perquisites stated herein above, family means the spouse and dependents children.
- No sitting fees shall be paid to Shri R.P.Soni, Chairman for attending the Meetings of Board of Directors or any committee thereof. He shall be liable to retire by rotation.
- Shri R.P.Soni shall be liable to retire by rotation as a Director, subject to the provisions of Section 152 of the Companies Act, 2013.
- Subject to provisions of Section 197 of the Companies Act, 2013, (including any statutory modification or re-enactment thereof, for the time being in force) the Board of Directors of the Company may alter/vary the terms and conditions of the said appointment from time to time, at its discretion. Such alteration or variation, in terms however, shall not exceed the limits specified in Schedule V of the Companies Act, 2013.
- The term of appointment will be effective for a period of three years from the date of his appointment.
- Where in any financial year, the company has no profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to Shri R.P.Soni, Chairman, subject to the applicable provisions of Schedule V of the said Act.
- Shri R.P.Soni will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.
- Either party giving the other party three-months prior notice in writing to that effect may terminate the agreement.

### Minimum Remuneration

In the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall remunerate the Chairman by way of salary, perquisites or allowances as specified above, subject to the applicable limit as stipulated in Schedule V of the Companies Act, 2013.

Shri R.P.Soni, satisfies all the conditions as set out in Part I of Schedule V referred to in Section 196 of the Companies Act, 2013 for being eligible to be appointed as a wholetime director (designated as "Chairman") of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges is set out in the Annexure to the Explanatory Statement.

In the opinion of the Board of Directors, the appointment of Shri R.P. Soni as wholetime director designated as Chairman is in the best interest of the Company and accordingly, your Directors recommend the Resolution set out in Item No. 7 for approval of the Members.

The foregoing may be treated as an abstract of the draft agreement for the appointment of Shri R.P. Soni as a wholetime director designated as Chairman as required under Section 190 of the Companies Act, 2013.

Save and except Shri R.P.Soni and his relatives, none of the other Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed Resolution set out at Item no. 7 of this Notice.

### Item No. 8

As on 30th June, 2015, holding of FIIs in the Company is approximately 0.76% of paid up capital. To make adequate space for the Foreign Institutional Investors (FIIs) to invest in the equity of the Company, it is proposed to permit enhancement of the FII shareholding in the Company from 24% to 49% of the paid-up equity share capital of the Company.

In terms of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, the FIIs / SEBI approved sub-accounts of FIIs or Foreign Portfolio Investors (FPIs) can, in aggregate, hold upto 24% of paid-up capital of the Company. As per the Regulations, the limit of 24% may be increased upto the sectoral cap/ statutory ceiling, as applicable, by the Company concerned, by passing a Resolution by its Board of Directors, followed by passing of a Special Resolution to that effect by the Members.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item no. 10 of the Notice for increase in the limit of shareholding by registered Foreign Institutional Investors (FIIs) from 24% to 49% of the paid up capital of the Company.

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

By Order of the Board of Directors  
(ANIL JAIN)

CFO & Company Secretary  
M. No. : F-3147

Date: August 04, 2015

Place: Bhilwara