

SANCO INDUSTRIES LIMITED

Registered Office - D-161, Surajmal Vihar, Delhi 110092

CIN - L74899DL1989PLC035549, Website - sancopipes.com, Contact – 011-47315500

Ref. No.: NSE/2020-21/17

27.10.2020

Department of Corporate Services
National Stock Exchange of India
Exchange Plaza, Plot No. C/1, G Block
Bandra- Kurla Complex, Bandra (E)
Mumbai- 400 051

Company Symbol: SANCO

Sub: Intimation of Extra Ordinary General Meeting of the Members of Sanco Industries Limited.

Dear Sir,

In pursuance of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Extra Ordinary General Meeting of the Company will be held on Thursday 19th November 2020 at 12:30 P.M. through Video Conferencing ("VC")/ Other Audio Visual Means.

Notice of the Extra Ordinary General Meeting is attached herewith.

We request you to please take the above on record. Thanking you

For Sanco Industries Limited



Sanjay Gupta
Managing Director
DIN - 00726005
R/o C-56, Block-C, Surajmal Vihar,
Delhi - 110092

NOTICE

NOTICE is hereby given that the Extra Ordinary General Meeting of the Members of Sanco Industries Limited will be held on Thursday 19th November 2020 through Video Conferencing (“VC”)/ Other Audio Visual Means (“Thursday”) at 12:30 P.M. to transact the following business:

SPECIAL BUSINESS:

1. FUND RAISING BY ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS

“RESOLVED THAT pursuant to: (i) the provisions of Sections 42 and 62, and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 (collectively, the “CA 2013”); and in accordance with the provisions of the Memorandum and Articles of Association of the Company (ii) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018(ICDR Regulations), as amended (“ICDR Regulations”); iii) and the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulation 2015(SEBI LODR Regulations), (iv) any other rules / regulations/ guidelines, if any, prescribed by the Securities and Exchange Board of India, stock exchange and/or any other statutory / regulatory authority; (v) the Listing Agreement entered into by the Company with the stock exchange, and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the, appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the members of the Company be and hereby accord their consent to create, offer, issue and allot 12,28,000 (Twelve Lac Twenty Eight Thousand) Warrants(“Warrants”)of Rs.14.50/- each (including a premium of Rs. 4.50) as on Relevant Date(23.10.2020) in accordance with the SEBI (ICDR) Regulations, 2018 per share each aggregating to Rs. 1,78,06,000 (Rupees One Crore Seventy Eight Lacs and Six Thousand Only) on preferential basis under private placement in one or more tranches and on such further terms and conditions as may be approved or finalized by the Board to the proposed allottees as mentioned in the explanatory statement convertible at an option of warrant holders in one or more tranches, within 18 (eighteen) months from its allotment date into equal number of Equity Shares of face value of Rs.10/- each of the Company on a preferential basis to persons as mentioned in the Explanatory Statement, for cash and in such form and manner and upon such terms and conditions as the Board may in its absolute discretion deem appropriate, in accordance with the ICDR Regulations and other applicable laws and regulations provided however, that the price arrived as stated above is not less than the price arrived at as per the provisions of ICDR Regulations

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

1. An amount equivalent to 25 percent of the Warrant Issue Price shall be payable at the time of subscription and allotment of each warrant and the balance 75 percent of the Warrant Issue Price shall be payable by the warrant holder(s) on or before the exercise of the entitlement attached to Warrant(s) to subscribe for Equity Share(s).
2. In accordance with the provisions of Regulation 164 of Chapter V of (ICDR) Regulations, the “Relevant Date” for the purpose of calculating the price of the Equity Shares to be issued

upon exercise of Warrants in terms hereof shall be 23.10.2020, being the date 30 days prior to this Extra Ordinary General Meeting.

3. The Warrant holders shall, subject to ICDR Regulations, the Takeover Regulations and other applicable rules, regulations and laws, be entitled to exercise the Warrants in one or more tranches within a period of eighteen months from the date of the allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly, issue and allot the corresponding number of Equity Shares of Rs.10/- each to the Warrant holders. The Equity Shares to be allotted on exercise of the warrants shall be in dematerialized form only and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company. The issue of the warrants as well as Equity Shares arising from the conversion of the warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
4. The Warrants shall be exercised in a manner that is in compliance with the minimum public shareholding norms prescribed for the Company under the SEBI LODR Regulations and the ICDR Regulations.
5. In the event, the Warrant holders do not exercise the Warrants within a period of eighteen months from the date of allotment, the Warrants shall lapse and the amount paid by the Warrant holder(s) on such Warrants shall stand forfeited by the Company.
6. Warrants by itself until converted into Equity Shares, does not give any voting rights in the Company to the warrant holder(s).
7. That the Warrants offered and issued shall be allotted within a period of Fifteen (15) days from the date of passing of this resolution, provided that if any requisite approvals from the appropriate authorities for allotment of Equity Shares is pending, the period of Fifteen (15) days shall be counted from the date of such requisite approvals.
8. The Company shall ensure that the listing and trading approvals for Equity Shares to be issued and allotted to the Warrant holder(s) upon exercise of Warrants are received from the relevant stock exchanges in accordance with the ICDR Regulations and SEBI LODR Regulations.
9. The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of 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.
10. The Warrants and the Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under Chapter V of the ICDR Regulations from time to time.
11. In the event that the Company completes any form of capital restructuring prior to the exercising of the Warrants, then, the number of Equity Shares that are issued against the exercise of each Warrant and the price payable for such Equity Shares, shall be appropriately adjusted.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the Warrants including reduction of the size of the issue(s), as it may deem expedient, in its discretion.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, to issue and allot Equity Shares upon exercise of the entitlement attached to Warrants, issuing certificates/ clarifications, effecting any modifications or changes to the foregoing (including modifications to the terms of the Issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and utilisation of proceeds of the Warrants, accept modifications and amendments if any as may be prescribed by the Authorities and, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decisions of the

Board shall be final, binding and conclusive in all respects and further that all acts, deeds and things as would have been done or may be done pursuant to and in terms of Board authorization, including inviting advance subscription/ exercise money towards issue of Warrants.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors, any other Director(s) or officer(s) of the Company or any other person(s) as may be necessary to give effect to the aforesaid resolution.

By Order of the Board of Directors

For Sanco Industries Limited

Sd/-

Sanjay Gupta

Managing Director

DIN - 00726005

R/o C-56, Block-C, Surajmal Vihar,

Delhi - 110092

Date: 23.10.2020

Place: New Delhi

Notes:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out material facts concerning the business under Item No. 1 of the Notice, is annexed hereto.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Bank. However, in terms of the MCA Circulars, since the physical attendance of members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for this EGM. Institutional/ Corporate Shareholders (i.e. other than individuals HUF, NRI, etc.) 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.
3. Corporate Members intending to send their authorized representatives to attend the EGM are requested to send a certified copy of the Board Resolution to the Company, authorizing them to attend and vote on their behalf at the EGM.
4. Members, Proxies and Authorised Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the EGM.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. The Register of Members and Share Transfer Books of the Company remained closed from Friday, 13th November, 2020 to Thursday, 19th November, 2020 (both days inclusive), if applicable.
7. M/s Beetal Financial Computer Services Pvt. Ltd., 99, Beetal House, Madangir, New Delhi - 110062, is Registrar and Share Transfer Agent of the Company for electronic mode and transfer of shares held in physical form.
8. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.sancopipes.com (under 'Investors' section). Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to M/s Beetal Financial Computer Services Pvt. Ltd.(Beetal) in case the shares are held by them in physical form.

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9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with M/s Beetal in case the shares are held by them in physical form.
 10. 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., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, M/s Beetal in case the shares are held by them in physical form.
 11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Beetal for assistance in this regard.
 12. In case of joint holders attending the EGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
 13. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number on the Attendance Slip for attending the Meeting.
 14. Members desiring information / clarification on the accounts are requested to write to the Company at its Registered Office at least seven days before the date of the Extra Ordinary General Meeting so that the same may be responded well in advance.
 15. Members are requested to intimate their email address in order to reduce the consumption of paper for copies of Balance Sheet and Auditors Report, to the members of the company. As required under Companies Act, 2013, Balance Sheet and Auditors report have now been allowed to be served through electronic mode as per the new initiatives of Ministry of corporate affairs for corporate governance.
 16. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company during the office hours on all the working days except Saturdays and holidays, up to the date of Extra Ordinary General Meeting

The instructions for shareholders voting electronically are as under:

- A. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- B. The Board of Directors has appointed Ms. Shazan Ali (Membership No. FCS 8748) and failing her Mr. Astik Tripathi (Membership No. FCS 8670) of SAS & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting at the EGM and remote e-voting process in a fair and transparent manner

- C. The facility for voting, either through electronic voting system or poll paper, shall also be made available at the EGM and the Members attending the EGM, who have not already cast their vote by remote e-voting, may exercise their right to vote at the EGM.
- D. The Members who have cast their vote by remote e-voting prior to the EGM may also attend the EGM but shall not be entitled to cast their vote again.
- E. A Member can vote either by remote e-voting or at the EGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the EGM shall be considered invalid.
- F. The voting period begins on 16.11.2020 at 9:00 AM and ends on 18.11.2020 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the date (record date) of <12.11.2020> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- G. The details of the process and manner for remote e-voting are explained herein below:
1. The shareholders should log on to the e-voting website www.evotingindia.com.
 2. Click on Shareholders.
 3. 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.
 4. Next enter the Image Verification as displayed and Click on Login.
 5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 6. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

7. After entering these details appropriately, click on "SUBMIT" tab.
8. 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.

9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
11. 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.
12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
13. 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.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
16. If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. **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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
18. **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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 linked in the login should be mailed to 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.

19. 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the EGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the EGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE EGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting.

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2. Only those shareholders, who are present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
 3. If any Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
 4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.
 5. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM shall be the same person mentioned for Remote e-voting.

By Order of the Board of Directors

For Sanco Industries Limited

Sd/-

Sanjay Gupta

Managing Director

DIN - 00726005

R/o C-56, Block-C, Surajmal Vihar,

Delhi - 110092

Date: 23.10.2020

Place: New Delhi

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 1

FUND RAISING BY ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS

The Company proposes to make a preferential allotment of 12,28,000 convertible warrants on private placement basis to allottees as per Point No.1.

In respect of the same the following disclosures for the issue of equity shares on preferential basis are made in accordance with the provisions of Section 42 read with Section 62 of the Companies Act, 2013 and and Regulation 163(1) of ICDR Regulations:

1. Date of passing the Board Resolution
23.10.2020
2. The objects of the issue
To fulfill the requirement of working capital of the Company.
3. The total number of shares or other securities to be issued
12,28,000 Warrants convertible into equal number of equity shares
4. The price or price band at/within which the allotment is proposed
At a price of Rs. 14.50 each (including a premium of Rs. 4.5 each). The price of Rs. 14.50 is not lower than the price determined in accordance with the Chapter V of the ICDR Regulations.
5. Basis on which the price(including premium, if any) has been arrived at along with report of the registered valuer
The price has been calculated as per Regulation 164 of ICDR Regulations by M/SAM & Associates, Chartered Accountants, having office at 307, Laxmideep Building, Plot No-9, District Centre, Laxmi Nagar, Delhi-110092.
6. Relevant date with reference to which the price has been arrived at
23.10.2020
7. The class or classes of persons to whom the allotment is proposed to be made
Promoters and Non-Promoters
8. Intention of promoters, directors or key managerial personnel to subscribe to the offer
Promoters group members will be subscribing the offer.

9. The proposed time within which the allotment shall be completed

As required under the ICDR Regulations, the preferential issue of Warrants shall be completed within a period of 15 days from the date of passing of the special resolution by the Shareholders. Provided that where the allotment is pending on account of any approval from any Regulatory Authority/ Body the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

10. The 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

NIL

11. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer

Not Applicable

12. The proposal of the promoters, directors or key management personnel of the issuer to subscribe to the offer

The same offer has been made to the promoters, directors and key managerial personnel, as it has been made to non promoter.

13. The Identity of the natural persons who are the ultimate beneficial owners of the shares/Warrants proposed to be allotted and/ or who ultimately control the proposed allottees, the percentage of pre and post preferential issue capital that may be held by them.

S. No	Name/Identity of Proposed allottees	Category of the Proposed Allottee	Natural Persons who are the ultimate beneficial owners	Pre Issue share holding	No of Warrants to be allotted	Post Issue shareholding on exercise of Warrants*
1	Ms. Mansi Gupta	Promoter Group	N.A	233980 (2.28%)	514000	747980 (6.50%)
2	Ms. Rita Gupta	Promoter Group	N.A	185385 (1.80%)	514000	699385 (6.08%)
3	Mr. Deepak Gupta	Non Promoter	N.A	-	200000	2,00,000 (1.74%)
	TOTAL				1228000	1647365 (14.31%)

*Assuming full conversion of warrants.

- 14.** The change in control, if any, in the company that would occur consequent to the preferential offer

As a result of the proposed preferential issue of Warrants and Equity Share, and upon conversion of the Warrants, there will be no change in the control or management of the Company. However, voting rights will change in tandem with the shareholding pattern.

- 15.** Auditor's Certificate

The Statutory Auditors' certificate certifying that the above issue of Warrants is being made in accordance with the ICDR Regulations, shall be placed before the Shareholders of the Company at the Extra Ordinary General Meeting of the Company and shall also be available for inspection by the members. The Auditor's Certificate will also be displayed on the website of the Company.

- 16.** Lock in period

The Warrants and Equity Shares to be allotted on exercise thereof shall be subject to lock-in as per the ICDR Regulations.

- 17.** Amount which the company intends to raise by way of such securities

Rs. 1,78,06,000 (Rupees One Crore Seventy Eight Lacs and Six Thousand Only)

- 18.** Undertaking

As required under the ICDR Regulations the Company hereby undertakes that,

(a) It shall re-compute the price of the Warrants or Equity Shares to be issued on conversion of Warrants in terms of the ICDR Regulations, where it is required to do so.

(b) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the underlying Warrants/ Equity Shares shall continue to be locked-in till the time such amount is paid by the proposed allottees.

Further, the Company shall at all times comply with the minimum public shareholding requirements prescribed as per SEBI Regulations

19. Shareholding pattern of the issuer before and after the preferential issue:

S. No	Category	Pre Issue Shareholding		Post Issue Shareholding*	
		No. of Equity Shares	Percentage of Shareholdings	No. of Equity Shares	Percentage of Shareholdings
A.	Shareholding of Promoter & Promoter Group				
1	Indian				
a	Individual/HUF	4029321	39.18	5057321	43.93
b	Bodies Corporate	32040	0.31	32040	0.28
	Sub-Total (A1)	4061361	39.49	5089361	44.20
2	Foreign				
a	Individuals (Non-Resident Individuals)	-	-	-	-
b	Foreign Portfolio Investors	-	-	-	-
c	Sub-Total (A2)	-	-	-	-
	Shareholding of Promoters Promoter Group (A)=(A1+A2)	4061361	39.49	5089361	44.20
B	Public Shareholding				
1	Institutions:	-	-	-	-
i	Mutual Funds	-	-	-	-
ii	Foreign Portfolio Investors	-	-	-	-
iii	Financial Institutions/Banks	-	-	-	-
iv	Insurance	-	-	-	-
v	Companies	-	-	-	-
	Sub-Total (B1)	-	-	-	-
2	Non-Institutions				
a	Individuals	4964240	48.27	5164240	44.86
	NBFCs registered with RBI	-	-	-	-
b	Any Other:				
i	Corporate Body	294801	2.87	294801	2.56
ii	Foreign Venture Capital Fund	-	-	-	-
iii	Foreign Nationals	-	-	-	-
iv	NRI	24149	0.23	24149	0.21
v	Trust	-	-	-	-
vi	Clearing Member	52530	0.51	52530	0.46
vii	Individuals HUF	886919	8.63	886919	7.71

	Sub-Total (B2)	6222639	60.51	6422639	55.80
	Total Public Shareholding (B)=(B1+B2)				
C	Shares Held by custodians and Against which Depository Receipts have been issued	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	10284000	100	11512000	100

** The above post-issue shareholding is prepared assuming the conversion of fully convertible warrants issued*

The members' consent is sought to authorize the Board to make preferential allotment of warrants on private placement basis to the persons in the manner set out in the resolution.

Your Directors commend the resolution for approval as a Special Resolution.

Except Ms. Rita Gupta, Director and Ms. Mansi Gupta, Chief Financial Officer, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**By Order of the Board of Directors
For Sanco Industries Limited
Sd/-
Sanjay Gupta
Managing Director
DIN - 00726005
R/o C-56, Block-C,
Surajmal Vihar, Delhi - 110092**

**Date: 23.10.2020
Place: New Delhi**