

NOTICE

Notice is hereby given that an Extra Ordinary General Meeting of the Members of **SMS Limited** will be held at its Registered Office at IT Park, 20 S.T.P.I. Gayatri Nagar, Parsodi, Nagpur-440022 [M.S.] on Wednesday, the 28th day of August, 2019 at 12.30 P.M. to transact the following:

Special Business:-

1. To ratify the remuneration to the Cost Auditor for the FY 2019-20:

To consider and if thought fit, to pass with or without modification(s) if any, 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 & Auditors) Rules, 2014 (including any statutory modification(s) thereof for the time being in force), the Company hereby ratifies the remuneration of ` 5,25,000/- (Rupees Five Lac Twenty Five Thousand only) per annum plus GST and out-of-pocket expenses as may be incurred by M/ s. D. Rajarao & Co., Cost Accountants, Nagpur (Firms Registration No. 101112), if any, during the course of their assignment who have been re-appointed as Cost Auditors by the Board of Directors to conduct the audit of the Cost accounting records maintained by the Company for the product(s)/ services covered under MCA Cost Audit Order(s) for the financial year 2019-20.

RESOLVED FURTHER THAT the Managing Directors of the Company be and are hereby authorized to take all actions and do all such acts, deeds, matters and things as may be necessary or desirable in connection with or incidental to give effect to the above resolution."

2. To approve the enhancement in prescribed limit of remuneration payable to related party appointment to any office or place of profit in the company - 188(1) (f)

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 188(1)(f) and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modifications(s) or re-enactment thereof, for the time being in force) the approval of the shareholders be and is hereby accorded for revision in remuneration of Mr. Paramveer Sancheti, project coordinator and Mr. Akshay Sancheti project coordinator and alternate director to Mr. Abhay Sancheti, son(s) of Mr. Abhay Sancheti, Chairman and Whole Time Director from present Monthly CTC of ` 2,46,000/- to ` 7,40,375/- (Rupees Seven Lac Forty

Thousand Three Hundred Seventy Five Only) and Mr. Nirbhay Sancheti son of Mr. Ajay Sancheti, Vice Chairman & Non-Executive Director from present Monthly CTC of ` 11,75,400/ - to ` 19,54,467/ - (Rupees Nineteen Lac Fifty Four Thousand Four Hundred Sixty Seven Only) and all the three project coordinator holds office or place of profit pursuant to section 188(1) (f) of the companies Act, 2013, effective from 1st April, 2019 and other terms and conditions of appointment remains the same.

RESOLVED FURTHER THAT the Board of Directors and of the Company be and is hereby authorised to do, all such acts, matters, deeds and things, settle any queries/ difficulties/ doubts arise from it, as may be considered necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental there to in the best interest of the Company.”

**By Order of the Board
FOR SMS LIMITED**

Sd/-

**PLACE: NAGPUR
DATE: 25.07. 2019**

**ANAND SANCHETI
MANAGING DIRECTOR
DIN: 00953362
Add: 10, Hindustan Colony,
Amaravati Road, Bharat Nagar,
Nagpur- 440033 [M.S.]**

NOTES:

- 1) Members entitled to attend and vote at the meeting are entitled to appoint one or more proxies to attend and vote instead of themselves and the proxy need not be a member of the company.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent (10%) of the total share capital of the company carrying voting rights provided that a member holding more than ten per cent (10%) of the total share capital of the company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

The instrument appointing the proxy in order to be effective should be deposited, duly completed and signed, at the registered office of the company not less than forty-eight (48) hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies,



societies etc., must be supported by an appropriate resolution/ authority, as applicable.

- 2) Explanatory Statement Pursuant To Section 102 of The Companies Act, 2013, In Respect of The Business Under Item Nos. 1, 2 and 3 Above, Are Annexed Hereto.
- 3) Pursuant to Section 101 of the Companies Act, 2013 consent of members to hold the Extra-Ordinary General meeting at shorter period notice is obtained by the company.

Explanatory Statement annexed to the notice pursuant to section 102 of the Companies Act, 2013:

As required under Section 102 of the Companies Act, 2013 (hereinafter referred to as 'the Act') the following Explanatory Statement sets out all material facts relating to the Special Business set out from Item No. 1, 2 and 3 of the accompanying Notice dated 28.08.2019.

Item No.1

In pursuance of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/ s. D. Rajarao & Co., Cost Accountants, Nagpur (Firms Registration No. 101112) as the Cost Auditors of the Company to conduct the audit of the Cost accounting records maintained by the Company for the product(s)/ services covered under MCA Cost Audit Order(s) for the financial year 2019-20 at a fee of ` 5,25,000/ - (Rupees Five Lac Twenty Five Thousand only) plus GST and out-of-pocket expenses as may be incurred by M/ s. D. Rajarao & Co., Cost Accountants, Nagpur (Firms Registration No. 101112), as remuneration for the Financial year 2019-20. 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 needs to be ratified by the Shareholders of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 1 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ended 31st March, 2020.

None of the Directors or any Key Managerial Personnel or any relative of any of the Directors of the Company or of the Key Managerial Personnel is, in anyway, concerned or interested in the above resolution.

The Board commends the resolution for the approval of the members of the Company.

Item No. 2:

For approval of enhancement in prescribed limit of salary payable to related party's appointment to any office or place of profit in the company. The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with related parties of the Company. The provisions of Section 188(1)(f) of the Companies Act, 2013 that govern the related party's appointment to any office or place of profit in the company. Mr. Paramveer Sancheti and Mr. Akshay Sancheti, Project Coordinator, sons of Mr. Abhay Sancheti and Mr. Nirbhay Sancheti, Project Coordinator, son of Mr. Ajay Sancheti (Vice Chairman and Director) was appointed to hold an Office or Place of Profit as Management Trainee u/ s 188 of Companies Act, 2013. Mr. Paramveer Sancheti, Mr. Akshay Sancheti and Mr. Nirbhay Sancheti were appointed w.e.f. 1st April, 2012, 1st November, 2012 and 1st April, 2015 respectively and w.e.f 20th March, 2015 Mr. Paramveer Sancheti and Mr. Akshay

Sancheti and w.e.f 7th November, 2015 Mr. Nirbhay Sancheti were further designated as project co-ordinator furthermore with the revision in remuneration to Monthly CTC of ` 2,46,000/- w.e.f 1st July, 2016 to all the three project co-ordinator. The said Appointment and remuneration falls within the permissible limit specified under Rule 15 of Companies(Meeting of Board and its Powers) Rules, 2014. W.e.f 1st February, 2018 remuneration of Mr. Nirbhay Sancheti increased to Monthly CTC of ` 11,75,400/-.

Further it's propose for revision in remuneration of Mr. Paramveer Sancheti and Mr. Akshay Sancheti from present Monthly CTC of ` 2,46,000/- to ` 7,40,375/- (Rupees Seven Lac Forty Thousand Three Hundred Seventy Five Only) and Mr. Nirbhay Sancheti from present Monthly CTC of ` 11,75,400/- to ` 19,54,467/- (Rupees Nineteen Lac Fifty Four Thousand Four Hundred Sixty Seven Only) and all the three project coordinator holds office or place of profit pursuant to section 188(1) (f) of the companies Act, 2013, effective from 1st April, 2019 and other terms and conditions of appointment remains the same as approved by Audit Committee and recommended by the Nomination and Remuneration Committee and further approved by the Board of Directors required to be made with approval of the Company by a Special Resolution..

This resolution supersedes all the earlier resolution passed by the member relating to the subject.

None of the Directors except Mr. Abhay Sancheti, Mr. Ajay Sancheti, and Mr. Akshay Sancheti of the Company and relatives of directors namely Mr. Paramveer Sancheti and Mr. Nirbhay Sancheti, project coordinator are concerned or interested financial or otherwise, in respect of passing of the Resolution set out at Item No. 2

The Board recommends the resolution for approval of the members.

**By Order of the Board
FOR SMS LIMITED**

Sd/-

**PLACE: NAGPUR
DATE: 25.07 2019**

**ANAND SANCHETI
MANAGING DIRECTOR**

DIN : 00953362

Add: 10, Hindustan Colony,
Amaravati Road, Bharat Nagar,
Nagpur- 440033 [M.S.]

Route Map of EGM Venue

