

Notice to the 25TH Annual General Meeting

NOTICE is hereby given that the **Twenty Fifth** Annual General Meeting (25th AGM) of the Members of SMS Limited will be held at Shorter Notice on **Friday** the **30th day of September 2022** at 12.00 P.M. at IT Park, 20, S.T.P.I., Gayatri Nagar, Parsodi, Nagpur-440022, to transact the following business:-

Item no. 1

To receive, consider and adopt:

The Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2022 along with the reports of the Board of Directors and Auditors thereon.

Item no. 2

To receive, consider and adopt:

The Audited Consolidated Financial Statements of the Company for the Financial year ended 31st March 2022 together with the Report of the Auditors thereon.

Item no. 3

To appoint a Director in place of Mr Akshay Sancheti, Director (DIN: 07564977) who retires by rotation and being eligible, offers himself for re-appointment.

Item no. 4

To appoint a Director in place of Mr Hemant Lodha, Director (DIN: 01654145) who retires by rotation and being eligible, offers himself for re-appointment.

Item no. 5

Re-Appointment of Auditors and fix their remuneration-U/S 139:

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution

“RESOLVED THAT in accordance with the provision of section 139 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment therefore for the time being in force), M/S. V.K. Surana & Co., Chartered Accountants, Nagpur (ICAI Firms Registration No. 110634W), be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting of the Company i.e. for a period of 5 (Five) years at such remuneration and on such terms and conditions, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT Mr Anand Sancheti, Managing Director of the Company be and is hereby authorized to intimate the auditor of their re-appointment within fifteen days from the conclusion of this meeting.”

SPECIAL BUSINESS:-

Item no. 6

To ratify the remuneration of the Cost Auditor for the financial year ended 31.03.2023:

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 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) plus taxes and reimbursement of out-of-pocket expenses if any on actual basis, payable to M/s. D. Rajarao & Co., Cost Accountants, Nagpur (Firms Registration No. 101112) during the course of their assignment who has re-appointed as Cost Auditors by the Board of Directors to conduct the audit of

the cost records of the Company to the extent applicable under the Companies (Cost Records and Audit) Rules, 2015 for the financial year ended 31st March 2022.

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.”

Item no. 7

Re-Appointment and Remuneration of Mr Paramveer Sancheti (DIN: 05326947), as Whole Time Director of the Company w.e.f. 1st March 2023.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to section 2(78), 2(94), 196, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 and chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 and the Articles of Association of the Company, and as recommended by Nomination and remuneration Committee vide its 17th meeting and the approval of Audit Committee vide its 61st meeting and approval of the Board of Directors of the Company vide its 434 meeting each dated 15.09.2022 the consent of the members of the Company be and is hereby accorded for re-appointment of **Mr Paramveer Sancheti (DIN: 05326947) as Whole Time Director** of the Company for the further period of **five years** commencing from **1st March 2023 to 29th February 2028** on terms and conditions including remuneration to be paid in the event of no profit or inadequacy of profits in any financial year during the period of 3(three) years from the date of his re-appointment, with the liberty to the Board of Directors (herein after referred to as Board which term shall be deemed to include the Nomination and remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said re-appointment and/or the remuneration in such manner as may be agreed to between the Board of Directors and Mr Paramveer Abhay Sancheti.

The salary structure of Mr Paramveer Abhay Sancheti w.e.f. 01.03.2023 as follows:-

Sr.no	Particulars	Composition
i	Annual Gross Salary	₹ 1,50,83,700/-
ii	Annual CTC (inclusive of Employers Provident Fund + Annual Bonus)	₹ 1,56,35,700/-
iii.	Perquisites	
	a) Leave Travel Allowance	NIL
	b) Club Fees	(Excluding initial joining fees) subject to a maximum of two clubs.
	c) Car/Telephone	Two chauffeur-driven Cars with driver and landline telephone facilities at a residence along with two mobile connections in the name of the appointee through a Corporate plan will be provided to the appointee.
	d) Electricity & Water bill	Payment for electricity bill for one meter and water bill at appointee's residence.
	e) Security Guard	The expenditure incurred on Security Guard at the residence shall be borne by the Company.
II	Other Conditions	For all other terms and conditions not specifically mentioned above, the Rules and Orders of the Company shall apply.

I - Terms and Conditions:

1. **CONSOLIDATED SALARY INCLUDING ALLOWANCES-** ₹ 1,56,35,700/-
(Rupees One Crore Fifty Six Lac Thirty Five Thousand (Annual CTC).

2. SPECIFIC TERMS & CONDITIONS:

1. Subject to the supervision and control of the Board of Directors carry out such duties as may be entrusted to him by the Board and shall exercise such powers as are delegated to him by the Board of Directors from time to time.

2. He shall be responsible for the operations of the company which, interalia, involve:

- i. To sign on behalf of the company forms, documents and papers, execute and file all applications, documents, returns, objections and other papers that may be required from or in relation to the business of the Company.
 - ii. Ensuring that the main objectives of the company are effectively implemented keeping in view the profitability and other corporate objectives.
 - iii. He will do all acts always in the best interest of the company.
 - iv. To make optimum utilization of funds of the company.
3. He shall throughout the said term devote his entire time, attention and abilities to the business of the company and shall carry out the orders, from time to time, of the Board and in all respect conform to and comply with the directions and regulations made by the Board, and shall faithfully serve the company and use utmost endeavors to promote the interests of the company.
4. He shall not, during the period of his employment and without the previous consent in writing of the Board, engage or involve himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or in any undertaking or business of a nature similar to or competing with the company's business and further, shall not, in any manner, whether directly or indirectly use, apply or utilize his knowledge or experience for or in the interest of any such person, firm, company or body corporate as aforesaid or any such competing undertaking or business as aforesaid.

Tenure: Five years commencing from 1st March 2023 to 29th February 2028.

3. OTHER TERMS AND CONDITIONS:

For all other terms and conditions of re-appointment not specifically spelt out above, the Rules and Orders of the Company shall apply.

Maximum Remuneration: The Remuneration shall not exceed the limit specified in Part II Section II of Schedule V of the Companies Act, 2013 as the profits of the Company are inadequate, but wherein any financial year the Company has adequate profits, such remuneration may be paid to the Whole-time Director which the Board as it may, in its discretion deem fit, within the limits as specified in the provisions of Section 197 read Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any amendment made

thereafter in such manner as may be agreed between the Board and the Whole-time Director, subject to such approvals as may be required.

RESOLVED FURTHER THAT the above terms and conditions of the said re-appointment may be altered/varied including enhancement in remuneration from time to time by the Board of Directors as it may in its discretion deem fit within the limits as specified in the provisions of Section 197 read Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any amendment made thereafter.

RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee of the Company be and is hereby severally authorised to settle any queries/difficulties or doubts that may arise in giving effect to this resolution and to do all such acts deeds and things that may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

Item no. 8

Re-Appointment and Remuneration of Mr Nirbhay Sancheti (DIN: 08338308), as Whole Time Director of the Company w.e.f. 1st March 2023.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to section 2(78), 2(94), 196, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 and chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 and the Articles of Association of the Company, and as recommended by Nomination and Remuneration Committee vide its 17th meeting and the approval of Audit Committee vide its 61st meeting and approval of the Board of Directors of the Company vide its 434 meetings each dated 15.09.2022 the consent of the members of the Company be and is hereby accorded for re-appointment of **Mr Nirbhay Sancheti (DIN: 08338308) as Whole Time Director** of the Company for the further period of **five years** commencing from **1st March 2023 to 29th February 2028** on terms and conditions including remuneration to be paid in the event of no profit or inadequacy of profits in any financial year during the period of 3(three) years from the date of his re-appointment, with the liberty to the Board of Directors (hereinafter referred to as Board which term shall be deemed to include the Nomination and Remuneration

Committee constituted by the Board) to alter and vary the terms and conditions of the said re-appointment and/or the remuneration in such manner as may be agreed to between the Board of Directors and Mr Nirbhay Sancheti.

The salary structure of Mr Nirbhay Ajay Sancheti w.e.f. 01.03.2023 as follows:-

Sr.no	Particulars	Composition
i	Annual Gross Salary	₹ 2,17,06,658/-
ii	Annual CTC (inclusive of Employers Provident Fund + Annual Bonus)	₹ 2,34,53,592 /-
iii.	Perquisites	
	a) Leave Travel Allowance	NIL
	b) Club Fees	Fees (excluding initial joining fees) are subject to a maximum of two clubs.
	c) Car/Telephone	Two chauffeurs driven Car with a driver and landline telephone facilities at the residence along with two mobile connections in the name of the appointee through the Corporate plan. will be provided to the appointee.
	d) Electricity & Water bill	Payment for electricity bill for one meter and water bill at appointee's residence
	e)Security Guard	The expenditure incurred on Security Guard at the residence shall be borne by the Company.
II	Other Conditions	For all other terms and conditions not specifically mentioned above, the Rules and Orders of the Company shall apply.

I - Terms and Conditions:

1. CONSOLIDATED SALARY INCLUDING ALLOWANCES -₹ 2,34,53,592/- (Rupees Two Crore Thirty Four Lac Fifty Three Thousand Five Hundred Ninety Two only) (Annual CTC).

2. SPECIFIC TERMS & CONDITIONS:

1. Subject to the supervision and control of the Board of Directors carry out such duties as may be entrusted to him by the Board and shall exercise such powers as are delegated to him by the Board of Directors from time to time.
2. He shall be responsible for the operations of the company which, interalia, involve:
 - i. To Sign on behalf of the company forms, documents and papers, execute and file all applications, documents, returns, objections and other papers that may be required from or in relation to the business of the Company.
 - ii. Ensuring that the main objectives of the company are effectively implemented keeping in view the profitability and other corporate objectives.
 - iii. He will do all acts always in the best interest of the company.
 - iv. To make optimum utilization of funds of the company.
3. He shall throughout the said term devote his entire time, attention and abilities to the business of the company and shall carry out the orders, from time to time, of the Board and in all respect conform to and comply with the directions and regulations made by the Board, and shall faithfully serve the company and use your utmost endeavors to promote the interests of the company.
4. He shall not, during the period of his employment and without the previous consent in writing of the Board, engage or involve himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or in any undertaking or business of a nature similar to or competing with the company's business and further, shall not, in any manner, whether directly or indirectly use, apply or utilize his knowledge or experience for or in the interest of any such person, firm, company or body corporate as aforesaid or any such competing undertaking or business as aforesaid.

Tenure: Five years commencing from 1st March 2023 to 29th February 2028.

3. OTHER TERMS AND CONDITIONS:

For all other terms and conditions of re-appointment not specifically spelt out above, the Rules and Orders of the Company shall apply.

Maximum Remuneration: The Remuneration shall not exceed the limit specified in Part II Section II of Schedule V of the Companies Act, 2013 as the profits of the Company are inadequate, but wherein any financial year the Company has adequate profits, such remuneration may be paid to the Whole-time Director which the Board as it may, in its discretion deem fit, within the limits as specified in the provisions of Section 197 read Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any amendment made thereafter in such manner as may be agreed between the Board and the Whole-time Director, subject to such approvals as may be required.

RESOLVED FURTHER THAT the above terms and conditions of the said re-appointment may be altered/ varied including enhancement in remuneration from time to time by the Board of Directors as it may in its discretion deem fit within the limits as specified in the provisions of Section 197 read Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any amendment made thereafter.

RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee of the Company be and is hereby severally authorised to settle any queries/difficulties or doubts that may arise in giving effect to this resolution and to do all such acts deeds and things that may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

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

**PLACE: NAGPUR
DATE: 15.09.2022**

**Anand Sancheti,
Managing Director
DIN: 00953362
Add: 10, Hindustan Colony,
Amaravati Road, Bharat Nagar,
Nagpur- 440033 [M.S.]**

NOTE:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY PERSON OR MEMBER.

IN ORDER THAT THE APPOINTMENT OF A PROXY IS EFFECTIVE, THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORISED REPRESENTATIVES TO ATTEND THE ANNUAL GENERAL MEETING, PURSUANT TO SECTION 113 OF THE COMPANIES ACT, 2013, ARE REQUESTED TO SEND A DULY CERTIFIED COPY OF THE BOARD RESOLUTION, AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE AT THE AGM.
3. MEMBERS, PROXIES AND AUTHORISED REPRESENTATIVES ARE REQUESTED TO BRING TO THE MEETING, THE ATTENDANCE SLIP ENCLOSED HERewith DULY COMPLETED AND SIGNED FOR ATTENDING THE MEETING.
4. A ROUTE MAP SHOWING THE DIRECTIONS TO REACH THE VENUE OF THE ANNUAL GENERAL MEETING IS GIVEN AT THE END OF THIS NOTICE AS PER THE REQUIREMENT OF THE SECRETARIAL STANDARDS-2 ON 'GENERAL MEETING'.
5. THE REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND THEIR SHAREHOLDING, MAINTAINED UNDER SECTION 170 OF THE COMPANIES ACT, 2013 WILL BE AVAILABLE FOR INSPECTION BY THE MEMBERS AT THE ANNUAL GENERAL MEETING OF THE COMPANY.
6. THE REGISTER OF CONTRACTS OR ARRANGEMENTS IN WHICH THE DIRECTORS ARE INTERESTED, MAINTAINED UNDER SECTION 189 OF THE COMPANIES ACT, 2013 WILL BE AVAILABLE FOR INSPECTION BY THE MEMBERS AT THE ANNUAL GENERAL MEETING OF THE COMPANY.
7. IN COMPLIANCE WITH THE PROVISIONS OF SECTION 129(3) OF THE COMPANIES ACT, 2013, (THE ACT) THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY INCLUDE THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ALL ITS SUBSIDIARIES AS DEFINED IN THE ACT FOR CONSIDERATION AND ADOPTION BY THE MEMBERS OF THE COMPANY.
8. THE EXPLANATORY STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT') RELATING TO THE SPECIAL BUSINESS (IF ANY) TO BE TRANSACTED AT THE ENSUING ANNUAL GENERAL MEETING IS ANNEXED HERETO AND FORMS PART OF THIS NOTICE.

9. MEMBERS MAY ALSO NOTE THAT THE NOTICE OF ANNUAL GENERAL MEETING AND THE ANNUAL REPORT 2021-22 WILL ALSO BE AVAILABLE ON THE COMPANY'S WEBSITE: WWW.SMSL.CO.IN FOR DOWNLOAD.
10. ELECTRONIC COPY OF THE ANNUAL REPORT FOR 2021-22 IS BEING SENT TO ALL MEMBERS WHOSE EMAIL IDS ARE REGISTERED WITH THE COMPANY FOR COMMUNICATION PURPOSES UNLESS ANY MEMBER HAS REQUESTED FOR A HARD COPY OF THE SAME. FOR MEMBERS WHO HAVE NOT REGISTERED THEIR EMAIL ADDRESSES (IF ANY), PHYSICAL COPIES OF THE ANNUAL REPORT FOR 2021-22 ARE BEING SENT TO THEM IN THE PERMITTED MODE.
11. ALL DOCUMENTS REFERRED TO IN THE ACCOMPANYING NOTICE SHALL BE OPEN FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY BETWEEN 11.00 AM AND 1 PM ON ALL WORKING DAYS EXCEPT SATURDAYS, UP TO AND INCLUDING THE DATE OF THE ANNUAL GENERAL MEETING OF THE COMPANY.

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

**PLACE: NAGPUR
DATE: 15.09.2022**

**Anand Sancheti,
Managing Director
DIN: 00953362
Add: 10, Hindustan Colony,
Amaravati Road, Bharat Nagar,
Nagpur- 440033 [M.S.]**

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Form No. MGT-11

SMS Limited

CIN: U80100MH1997PLC107906

Registered Office: IT Park, 20 S.T.P.I., Gayatri Nagar, Parsodi, Nagpur-440022

Name of the member (s):

Registered address

:

E-mail Id

:

Folio No

:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name.....E-mail

Id:.....

Address:..... Signature:..... or failing
him

2. Name..... E-mail

Id:.....

Address:..... Signature:.....

as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 30th day of September 2022 At 12.15 p.m. at "IT Park, 20 S.T.P.I., Gayatri Nagar, Parsodi, Nagpur-440022, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote optional see note 2 (Please mention no. of shares)		
		For	Against	Abstain
1.	To receive, consider and adopt: The Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2022 along with the reports of the Board of Directors and Auditors thereon.			
2.	To receive, consider and adopt: The Audited Consolidated Financial Statements of the Company for the Financial year ended 31st March 2022 together with the Report of the Auditors thereon.			
3.	To appoint a Director in place of Mr Akshay Sancheti, Director (DIN: 07564977) who retires by rotation and being eligible offers themselves for re-appointment.			
4.	To appoint a Director in place of Mr Hemant Lodha, Director (DIN: 01654145) who retires by rotation and being eligible offers themselves for re-appointment.			
5.	Re-Appointment of Auditors and fix their remuneration-U/S 139:			
6.	To ratify the remuneration of the Cost Auditor for the financial year ended 31.03.2023:			

7.	Re-Appointment of Mr Paramveer Sancheti (DIN: 05326947), as Whole Time Director of the Company and to approve the remuneration payable to him w.e.f. 01.03.2023.			
8.	Re-Appointment of Mr Nirbhay Sancheti (DIN: 08338308), as Whole Time Director of the Company and to approve the remuneration payable to him w.e.f. 01.03.2023.			

Signed thisday of.....2022

Affix Revenue Stamp of not less than ₹ 1

Signature of shareholder(s):

Signature of Proxy holder(s):

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the 'For, Against or Abstain' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he may deem appropriate.

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. 5 to 8 of the accompanying Notice dated September 30, 2022.

For Item No. 5:

M/s V. K. Surana & Co., Chartered Accountants, Nagpur, (ICAI Firms Registration No. 110634W) were appointed by the Members of the Company as the Statutory Auditors of the Company at the Annual General Meeting ('AGM') held on were appointed by the Members of the Company as the Statutory Auditors of the Company at the Annual General Meeting ('AGM') held on 29th day of September 2017 for a period of 5 years, up to the conclusion of the 25th AGM. M/s. V. K. Surana & Co., are eligible for re-appointment for one more term of 5 years. M/s. V. K. Surana & Co., have given their consent for their re-appointment as the Statutory Auditors of the Company and has furnished a certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the Rules made thereunder. M/s. V. K. Surana & Co., have confirmed that they are eligible for the proposed re-appointment under the Act, the Chartered Accountants Act, 1949 and the Rules and Regulations made thereunder. As confirmed to the Audit Committee and stated in their report on financial statements, the Auditors have reported their independence from the Company and its subsidiaries according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to the audit. Based on the recommendations of the Audit Committee and the Board of Directors and subject to your approval, it is hereby proposed to re-appoint M/s. V. K. Surana & Co., Chartered Accountants, Nagpur (Firm Registration No. 110634W), as the Statutory Auditors of the Company for the second term of five consecutive years, shall hold office from the conclusion of this 25th AGM till the conclusion of the 30th AGM of the Company. The remuneration proposed to be paid to the Statutory Auditors during their second term shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors. M/s. V. K. Surana & Co is a member registered with the ICAI. The firm holds the 'Peer Review' certificate as issued by 'ICAI'.

The Board recommends the resolution set out at Item No. 5 of the Notice for the approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is interested or concerned, financially or otherwise, in the resolution.

For Item No. 6:

The Board pursuant to the provisions of Section 148 and 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) plus taxes and reimbursement of out-of-pocket expenses if any on actual basis, payable to M/s. D. Rajarao & Co., Cost Accountants, Nagpur (Firms Registration No. 101112) during the course of their assignment who has re-appointed as Cost Auditors by the Board of Directors to conduct the audit of the cost records of the Company to the extent applicable under the Companies (Cost Records and Audit) Rules, 2015 for the financial year ended 31st March 2022, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company. Accordingly, ratification by the members of the Company is sought for the remuneration payable to the Cost Auditor for conducting the audit of the cost records of the Company, for the financial year ended 31st March 2023.

The Board recommends the said resolution, as an Ordinary Resolution for the approval of the members of the Company.

For Item No. 7:

The Board of Directors of the Company at its meeting held on 15th September 2022 on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Members of the Company have accorded its approval for the re-appointment of Mr Paramveer Sancheti (DIN-05326947) as the Whole-Time Director of the Company for a period of 5 (five) years with effect from March 1, 2023, and the payment of remuneration to him.

The broad particulars of terms and conditions of appointment and remuneration to be paid to Mr Paramveer Sancheti (DIN-05326947) during his tenure of office are as under:

Designation: Mr Paramveer Sancheti shall hold the office of Whole-Time Director of the Company.

Term: Mr Paramveer Sancheti shall hold the office of Whole-Time Director of the Company for a period of 5 (Five) years with effect from 1st March 2023. Mr Paramveer Sancheti as Whole-Time Director shall be liable to determination by retirement by rotation in terms of the Act and the Articles of Association of the Company.

Remuneration / Perquisites / Allowances: Mr Paramveer Sancheti shall be entitled to Annual CTC (inclusive of Employers Provident Fund + Annual Bonus) of ₹ 1,56,35,700/-.

Club Fees - Fees (excluding initial joining fees) are subject to a maximum of two clubs.

Car/Telephone - Two chauffeur-driven Cars and a landline telephone facility at the residence along with two mobile connections in the name of the appointee through a Corporate plan will be provided to the appointee.

Electricity & Water bill - Payment for electricity bill for one meter and water bill at appointee's residence.

Security Guard - The expenditure incurred on Security Guard at the residence shall be borne by the Company.

Members are requested to note that the Company has received consent in writing from Mr Paramveer Sancheti to act as a Whole-time Director of the Company and declaration(s) and confirmation stating that he satisfies all the conditions of appointment as a whole time Director as set out in section 196 read with Schedule V of the Act and that he is not disqualified from being appointed as a Director of the Company in terms section 164 and other provisions of the Act. Therefore, the Board of Directors on the recommendation of the Nomination remuneration committee vide its meeting held on 15th September 2022 proposes to place before the meeting, the resolution set out in Item No. 7 for approval by Members, pursuant to the provisions of section 2(78), 2(94), 196, 197 and 198 of the Companies Act, 2013 as "Special resolution"

As the Companies profit are inadequate, the payment of existing remuneration to Whole Time director shall be as required under Schedule V to the Companies Act, 2013. A Special Resolution has to be passed at a General Meeting of the Company for payment of such remuneration for a period not exceeding 3 years. The Board of Directors at its meeting held on 15th September 2022 approved the re-appointment and the payment of remuneration of ₹ 1,56,35,700/- (Annual CTC) including allowances and other perquisites with the terms and conditions of his re-appointment mentioned in the resolution.

Disclosure, as required under Schedule V to the Companies Act, 2013, is given hereunder.

The payment of remuneration was approved by the resolution passed by the Board of Directors. However, due to inadequacy of profit, the Company requires to comply with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid exceeding the limits arrived at in accordance with the requirements of the said section II subject to the following.

- (i) Payment of remuneration is approved by a resolution passed by the Board of Directors.
- (ii) The Company has not committed any default in payment of its dues and is not required to obtain prior approval from any bank or public financial institution or any other secured creditor, before the date of appointment.

The Information as required under Section II, Part II of Schedule V of the Companies Act, 2013 is given below:

I. General Information	
(1) Nature of industry	SMS Limited has the distinction of being one of the largest Infrastructure Companies in Central India with its presence across the country. SMS has gone on to diversify into all the major sectors of infrastructure that contribute to nation-building. SMS is a force to reckon with in the field of Mining, Railways, Irrigation, Highway Construction, Power, Environment, and Urban & Rural Development.
(2) Date or expected date of commencement of commercial production	Commercial Operation Started on 8 th May 1997.
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions.	NA

(4) Financial performance based on given indicators	As per audited financial results for the year			
	(₹ in Lac)			
	Particulars	FY 19-20	FY 20-21	FY 21-22
	Paid up Capital	1026.14	1026.14	1026.14
	Reserves & Surplus	63,333.60	61,333.47	64,949.86
	Statement of Profit and Loss	4830.98	-2184.13	3646.12
	Total Revenue	90,769.45	71,195.88	92,931.04
	Profit/(loss) before tax	3458.41	-2,213.26	3,090.47
	Managerial Remuneration	588.04	857.75	956.69
(5) Export Performance and net foreign exchange collaborations	NA			
(6) Foreign investments or collaborators, if any.	NA			

II. Information about the appointee :	
(1) Background details	MR. Paramveer Abhay Sancheti pursued Diploma in Business and Academic English (International Business Foundation), was appointed as a Management Trainee in the Company w.e.f 1 st April 2012 and was re-designated as Project Coordinator w.e.f 20 th March 2015. He was also appointed as a Whole Time Director on the Board of the Company from 1 st July 2016 till 21 st September 2016 and subsequently, provided his services as a Project Co-ordinator. He was actively involved in various projects as delegated to him from time to time and also appointed as Director in other Group Companies.
(2) Past remuneration	₹ 1,56,35,700/- Annual CTC
(3) Recognition or awards	NA
(4) Job profile and his suitability	Name: Paramveer Abhay Sancheti DOB : 17/11/1987 Qualification : Diploma in Business and Academic English (International Business Foundation) From The University of Nottingham
(5) Remuneration proposed	₹ 1,56,35,700/- Annual CTC
(6) Comparative remuneration profile with	As per industry Norms

respect to industry, size of the company, profile of the position and person	
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr Akshay Sancheti, Whole Time Director [w.e.f 1 st March 2020 subject to Approval of Shareholder.]
III. Other information :	
(1) Reasons of loss or inadequate profits	Due to external factors such as recession, general economic slowdown, high-interest rates, etc. The Company has a severe downfall in earnings and has no adequate profits.
(2) Steps taken or proposed to be taken for improvement.	NA
(3) Expected increase in productivity and profits in measurable terms.	NA

Details as required under the Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India are given hereunder.

Age	34 years
Qualification	Diploma in Business and Academic English (International Business Foundation) From the University of Nottingham.
Experience	Management Trainee- 2 Years 11 Months Project Coordinator- 20 th March 2015 till date Whole Time Director -1 st July 2016 till 21 st September 2016 Whole Time Director in WOS namely Ayodhya Gorakhpur SMS Tolls Private Limited w.e.f 1 st July 2019 to 29 th February 2020.
Terms and Conditions of Appointment	As per Explanatory Statement
Remuneration (Proposed)	₹ 1,56,35,700/- including allowances per annum
Remuneration (Last Drawn)	₹ 1,56,35,700/- Annual CTC
Date of First Appointment on the Board	1 st July 2016
Shareholding in the Company	NIL
Relationship with other Director	Mr. Akshay Sancheti (Brother)
Number of Board Meetings Attended during the Year	NONE

Manager / Other Directorship/ Chairmanship of Committees of the Board	San Commercials Pvt. Ltd. Veetrag Hospitality Pvt. Ltd. SMS Mine Developers Pvt. Ltd. Veet Rag Exploration & Minerals Pvt. Ltd. Valencia Constructions Pvt. Ltd. SMS Tolls And Developers Ltd. SMS Multi Objective Organisation SMS Hazardous Waste Management Private Limited SMS Waste Management Pvt. Ltd.
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The Explanatory Statement together with the accompanying Notice should be treated as an abstract of the terms of the Agreement of concern or interest under Section 190 of the Companies Act, 2013. The Resolution at Item No. 7 is recommended for approval of the Members in the best interest of the Company.

Memorandum of Interest

None of the Director or Key Managerial Personnel of the Company and/or their relatives other than Mr Paramveer Abhay Sancheti and Mr Akshay Sancheti (Brother), in their personal capacity is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out in Item No. 7 of the Notice for approval by the members.

Item No.8

The Board of Directors of the Company at its meeting held on 15th September 2022 on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Members of the Company have accorded its approval for the re-appointment of Mr Nirbhay Sancheti (DIN: 08338308), as the Whole-Time Director of the Company for a period of 5 (five) years with effect from March 1, 2023, and the payment of remuneration to him.

The broad particulars of terms and conditions of appointment and remuneration to be paid to Mr Nirbhay Sancheti (DIN: 08338308), during his tenure of office are as under:

Designation: Mr Nirbhay Sancheti shall hold the office of Whole-Time Director of the Company.

Term: Mr Nirbhay Sancheti shall hold the office of Whole-Time Director of the Company for a period of 5 (Five) years with effect from 1st March 2023. Mr Nirbhay Sancheti as Whole-Time Director shall be liable to determination by retirement by rotation in terms of the Act and the Articles of Association of the Company.

Remuneration / Perquisites / Allowances: Mr Nirbhay Sancheti shall be entitled to Annual CTC (inclusive of Employers Provident Fund + Annual Bonus) of ₹ 2,34,53,592 /-.

Club Fees - Fees (excluding initial joining fees) are subject to a maximum of two clubs.

Car/Telephone - Two chauffeur driven Cars and a landline telephone facility at the residence along with two mobile connections in the name of the appointee through a Corporate plan will be provided to the appointee.

Electricity & Water bill - Payment for electricity bill for one meter and water bill at appointee's residence.

Security Guard - The expenditure incurred on Security Guard at the residence shall be borne by the Company.

Members are requested to note that the Company has received consent in writing from Mr Nirbhay Ajay Sancheti to act as a Whole-time Director of the Company and declaration(s) and confirmation stating that he satisfies all the conditions of appointment as a whole time Director as set out in section 196 read with Schedule V of the Act and that he is not disqualified from being appointed as a Director of the Company in terms section 164 and other provisions of the Act. Therefore, the Board of Directors on the recommendation of the Nomination remuneration committee vide its meeting held on 15th September 2022 propose to place before the meeting, the resolution set out in Item No. 8 for approval by the Members, pursuant to the provisions of section 2(78), 2(94), 196, 197 and 198 of the Companies Act, 2013 as "Special resolution"

As the Companies profit are inadequate, the payment of existing remuneration to Whole Time director shall be as required under Schedule V to the Companies Act, 2013. A Special Resolution has to be passed at a General Meeting of the Company for payment of such remuneration for a period not exceeding 3 years. The Board of Directors at its meeting held on 15th September 2022 approved the re-appointment and the payment of remuneration of

₹ 2,34,53,592 /- (Annual CTC) including allowances and other perquisites with the terms and conditions of his appointment mentioned in the resolution.

Disclosure, as required under Schedule V to the Companies Act, 2013, is given hereunder.

The payment of remuneration was approved by the resolution passed by the Board of Directors. However, due to inadequacy of profit, the Company requires to comply with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid exceeding the limits arrived at in accordance with the requirements of the said section II subject to the following.

- (i) Payment of remuneration is approved by a resolution passed by the Board of Directors.
- (ii) The Company has not committed any default in payment of its dues and is not required to obtain prior approval from any bank or public financial institution or any other secured creditor, before the date of appointment.

The Information as required under Section II, Part II of Schedule V of the Companies Act, 2013 is given below:

I. General Information	
1) Nature of industry	SMS Limited has the distinction of being one of the largest Infrastructure Companies in Central India with its presence across the country. SMS has gone on to diversify into all the major sectors of infrastructure that contribute to nation-building. SMS is a force to reckon with in the field of Mining, Railways, Irrigation, Highway Construction, Power, Environment, and Urban & Rural Development.
(2) Date or expected date of commencement of commercial production	Commercial Operation Started on 8 th May 1997.
(3) In the case of new companies, expected date of commencement of activities as per project approved by financial institutions	NA

(4) Financial performance based on given indicators	As per audited financial results for the year			
	(₹ in Lac)			
	Particulars	FY 19-20	FY 20-21	FY 21-22
	Paid up Capital	1026.14	1026.14	1026.14
	Reserves & Surplus	63,333.60	61,333.47	64,949.86
	Statement of Profit and Loss	4830.98	-2184.13	3646.12
	Total Revenue	90,769.45	71,195.88	92,931.04
	Profit/(loss) before tax	3458.41	-2,213.26	3,090.47
	Managerial Remuneration	588.04	857.75	956.69
(5) Export performance and net foreign exchange collaborations	NA			
(6) Foreign investments or collaborators, if any.	NA			
II. Information about the appointee:				
(1) Background details	Mr Nirbhay Ajay Sancheti pursued M.Sc. in Programme and Project Management and BBA was appointed as Management Trainee in the Company w.e.f 1 st April 2015 and was re-designated as a Project Coordinator on 07 th November 2015. He was actively involved in various projects including the Defense vertical and a project of national importance awarded by BEL, on behalf of the Air Force at Salua, West Bengal. He was also looking after the business development of the defence vertical in different segments of projects in the field of defence along with his involvement with the Mining Vertical.			
(2) Past remuneration	₹ 2,34,53,592/- Annual CTC			
(3) Recognition or awards	NA			
(4) Job profile and his suitability	Name: Nirbhay Ajay Sancheti DOB: 14.07.1990 Qualification: M.Sc. in Programme and Project Management from The University of Warwick			
(5) Remuneration proposed	₹ 2,34,53,592/- Annual CTC			
(6) Comparative remuneration profile with respect to industry,	As per industry Norms			

size of the company, profile of the position and person	
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	NA
III. Other information:	
(1) Reasons for loss or inadequate profits	Due to external factors such as recession, general economic slowdown, high-interest rates, etc. The Company has a severe downfall in earnings and has no adequate profits.
(2) Steps taken or proposed to be taken for improvement	NA
(3) Expected increase in productivity and profits in measurable terms.	NA

Details as required under the Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India are given hereunder.

Age	32 years
Qualification	M.Sc (Programme and Project Management) BBA (Bachelor of Business Administration)
Experience	Management Trainee- 7 Months 5 Days Project Coordinator- 07 th Nov 2015 till date Whole Time Director in WOS namely Ayodhya Gorakhpur SMS Tolls Private Limited w.e.f 1 st July 2019 to 29 th February 2020.
Terms and Conditions of Appointment	As per Explanatory Statement
Remuneration (Proposed)	₹ 2,34,53,592/- including allowances per annum
Remuneration (Last Drawn)	₹ 2,34,53,592/- Annual CTC
Date of First Appointment on the Board	NA
Shareholding in the Company	NIL
Relationship with other Director	NONE
Number of Board Meeting Attended during the Year	NONE
Manager / Other Directorship/ Chairmanship of Committees of the Board	NA

The Explanatory Statement together with the accompanying Notice should be treated as an abstract of the terms of the Agreement of concern or interest under Section 190 of the Companies Act, 2013. The Resolution at Item No. 8 is recommended for approval of the Members in the best interest of the Company.

Memorandum of Interest

None of the Director or Key Managerial Personnel of the Company and/or their relatives other than Mr Nirbhay Ajay Sancheti, in his personal capacity is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special resolution set out at Item No. 8 of the Notice for approval by the members.

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

**PLACE: NAGPUR
DATE: 15.09.2022**

**Anand Sancheti,
Managing Director
DIN: 00953362
Add: 10, Hindustan Colony,
Amaravati Road, Bharat Nagar,
Nagpur- 440033 [M.S.]**

To know the AGM Location scan following QR with Google lens



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