

NOTICE

NOTICE is hereby given that the **TWELFTH ANNUAL GENERAL MEETING** of the Members of **SANGINITA CHEMICALS LIMITED** will be held as scheduled below:

Date	: 28 th September, 2017
Day	: Thursday
Time	: 4.00 p.m.
Place	: At the Registered Office: 301, 3 rd Floor, Shalin Complex, Sector 11, Gandhinagar – 382011 (Gujarat)

to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt audited financial statements of the Company for the financial year 2016-17 and to pass the following resolution, with or without modification, as an ORDINARY RESOLUTION:

“RESOLVED THAT audited financial statements of the Company for the financial year 2016-17 comprising of Balance Sheet as on 31st March, 2017 and the Profit and Loss Statement for the Financial year ended on 31st March, 2017 together with all annexure and attachment thereto including the Directors’ Report and Auditors’ Report thereon, which have already been circulated to the Members and as laid before this meeting, be and the same are hereby approved and adopted.”

2. To appoint a Director in place of Mrs. Hansaben D Chavada (DIN: 00479509), who retires by rotation and being eligible, offers herself for re appointment and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:

“RESOLVED THAT the retiring Director, Mrs. Hansaben D Chavada (DIN: 00479509), be and is hereby reappointed, as a Director of the Company, liable to retire by rotation.”

3. To ratify the appointment of Auditors made, in the 9th Annual General Meeting for holding the office from the conclusion of 9th Annual General Meeting till the conclusion of the 13th Annual General Meeting and to fix their remuneration and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, appointment of M/s. B. K. Chavda & Co., Chartered Accountants as Auditors of the Company, made in the 9th Annual General Meeting (AGM) held on 28th July, 2014, for the period from the conclusion of that 9th AGM till the conclusion of the 13th AGM, be and is hereby ratified.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to fix their remuneration in consultation with the said Auditors and also to take all other actions as may be required in this regard.”

SPECIAL BUSINESS:

4. ***To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution: AUTHORITY TO BOARD OF DIRECTORS TO INVEST, MAKE LOAN, PROVIDE GUARANTEE OR SECURITY:***

“RESOLVED THAT pursuant to provisions of Section 186 of the Companies Act, 2013 and the Rules made thereunder and all other applicable provisions, if any for the time being in force, subject to the provisions of the Memorandum and the Articles of Association of the Company, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company, to make loan(s) to any person and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made to any person and to make investments by way of subscription, purchase or otherwise in Shares, Debentures and/or any other Securities of other body corporate, whether Indian or overseas and all other loan, investment, guarantee or security covered by Section 186 of the Companies Act, 2013, as they may, in their absolute discretion, deem beneficial and in the interest of the Company, in excess of 60% of the paid up share capital, free reserves and securities premium of the Company or 100% of the Free Reserves and securities premium of the Company, whichever is more, as prescribed under section 186 of the Companies Act, 2013 from time to time, in one or more tranches, up to a overall maximum outstanding amount of Rs. 50 Crores only (Rupees Fifty Crores only).

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to do and perform from time to time, all such acts, deeds, matters and things as may be necessary, expedient and desirable in respect of the above investments/loan/guarantee/security, including finalization of the time, the amount and other terms and conditions of investments/loan/guarantee/security and to take such steps as may be necessary or desirable to give effect to this resolution.”

5. ***To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution: AUTHORITY TO BOARD OF DIRECTORS TO MORTGAGE OR CHARGE THE PROPERTIES OF THE COMPANY:***

“RESOLVED THAT pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013 and Rules made thereunder and all other applicable provisions, if any for the time being in force, subject to the provisions of the Memorandum and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to mortgage or charge all the immovable, movable and intangible properties of the Company, wherever situated, present and future, and/or conferring power to enter upon and to take possession of assets

of the Company in certain events, to or in favour of any Bank, Financial Institution or any other lender to secure Financial Assistance that may be granted/lent/advanced/provided to the Company by such Bank, Financial Institution or such other lender together with interest thereon at the rate, compound interest, additional interest, liquidated damages, costs, charges, expenses and other monies payable by the Company to Bank, Financial Institution or any such lender under Financial Assistance Agreement entered into or to be entered into by the Company in respect of the such Financial Assistance present or future.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the Bank, Financial Institution or any such lender the documents for creating aforesaid mortgage and/or the charge and to do all such acts and things as may be necessary for giving effect to the above resolution.”

6. **To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution: AUTHORITY TO BOARD OF DIRECTORS TO BORROW MONEY:**

“**RESOLVED THAT** pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 and Rules made thereunder and any other applicable provisions, if any and subject to the provisions of the Memorandum and the Articles of Association of the Company, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company, to borrow any sum of money on behalf of the Company from time to time, as and when required from any one or more of the Company’s Bankers and/or from any other persons, firms, bodies corporate or financial institutions whether by way of cash credit, advance or deposits, loans, debentures or bill discounting or otherwise, whether unsecured or secured so that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from Company’s Bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, for the purposes of business or activities of the Company, either in foreign currency and / or in rupee, provided, however that the total amount upto which the moneys which may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 100 Crores (Rupees Hundred Crores only).

RESOLVED FURTHER THAT any one of the Directors of the Company, be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and other things as may be required or considered necessary, expedient or incidental thereto for giving effect to aforesaid resolution.”

Registered Office:

301, 3rd Floor, Shalin Complex, Sector-11,
Gandhinagar - 382011 (Gujarat)

Date: 20th May, 2017

CIN:L24100GJ2005PLC047292

By Order of the Board

sd/-

Mr. Dineshsinh B Chavada

(DIN: 01497977)

Chairman & Managing Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAT 48 HOURS BEFORE THE TIME OF MEETING.**
2. **A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. 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 other person or shareholder.**
3. Pursuant to the provisions of SEBI (LODR) Regulations, 2015 and section 91 of the Companies Act, 2013, Register of Members and Shares Transfer Books of the Company will remain closed from Thursday, 21st September, 2017 to Thursday, 28th September, 2017 . (both days inclusive).
4. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
5. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant and other who hold shares in physical form should communicate the change of address, to the Registrar and Share Transfer Agent of the Company at the following address:
Purva Sharegistry (India) India Pvt. Ltd.
Unit No. 9, Shiv Shakti Inds. Estate, J R Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai – 400011.
6. As a matter of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Therefore, Members are requested to bring their copies at Annual General Meeting.
7. Members/Proxies should bring their attendance slip duly filed in for attending the meeting.
8. The Notice of the 12th AGM along with the attendance slip and proxy form are being sent by electronic mode to all the members whose email addresses are registered with Company/ Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
9. The Company, being listed on SME Exchange and in view of provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 is not required to provide remote e-voting facility to its members.

10. Additional information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchange in respect of the Directors seeking appointment/reappointment at the AGM are furnished and annexed to the notice.

11. Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013

ITEM NO. 4:

As you are aware that the Company may make investments by way of acquisition of shares/securities of various bodies corporate and may also invest its surplus funds, if any. The Company may also be required to give loan to various parties and may also provide guarantee or security in respect of borrowing made by various person.

The growth in the levels of operations is also expected to increase. In view of the same, it is expected that the total amount of loans and investments made by the Company together with loans/investments/guarantees/securities to be made in future to bodies corporate and other parties may exceed the limits prescribed under section 186 of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013, your company can make loans, investments, give any guarantee or provide security to bodies corporate in excess of 60% of the paid-up share capital and free reserves or 100% of free reserves whichever is more, only with the prior approval of shareholders by a Special Resolution.

It is proposed to have authorization of the members for the overall outstanding limit of Rs. 50 Crores comprising of total amount of outstanding loan, investment, guarantee or security excluding the loan, investment etc. which are otherwise exempt from the applicability of Section 186 of the Companies Act, 2013. The Register of Inter-corporate Loans and Investments containing the details of the Loan, investment etc. already made by the Company is open for inspection during the office hours on any working day at the Registered Office of the company.

None of the Directors or KMP or their relatives are in any way concerned or interested in the resolution except to the extent of their respective shareholding in the Company.

The Directors recommend this resolution to be passed as a Special Resolution.

ITEM NO. 5:

Section 180(1)(a) of the Companies Act, 2013 provides, inter alia, that the Board of Directors shall not, without the consent of Members in General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole, of any such undertaking.

Since the mortgaging by the Company of its immovable and creation of charge by way of hypothecation or otherwise of movable properties in favour of the Banks/Financial Institution or other lenders may be regarded as disposal of the Company's properties/undertakings etc., it is considered prudent to have the approval of the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013.

None of the Directors or KMP or their relatives are in any way concerned or interested in the resolution except to the extent of their respective shareholding in the Company.

The Directors recommend this resolution to be passed as a Special Resolution.

ITEM NO. 6:

At present, your Company has borrowed amounts from its bankers in the ordinary course of business. However, in the time to come, the Company may be required to borrow money to increase the business volume further. Therefore, it is proposed to have the authorisation of the members for borrowing which may be made by the Company from Financial Institution/Banks/ other lender.

The Board of Directors feels that the borrowing limits be made upto Rs. 100 Crores. The Resolution at item No.6 is of an enabling nature and would authorise the Board of Directors to borrow from time to time sums not exceeding outstanding amount of Rs.100 Crores (Rupees Hundred Crores Only).

Pursuant to provisions of section 180(1)(c) in The Companies Act, 2013, the Board of Director of any company shall exercise the power to borrow money in excess of the paid up share capital and free reserve only with the consent of the company by way of Special Resolution. So the Board of Directors recommend the proposed resolution be considered and passed at the ensuing Annual General Meeting as a Special Resolution to give general authority to any one of the Directors under section 180(1)(c) of the Companies Act, 2013.

None of the Directors or KMP or their relatives are in any way concerned or interested in the resolution except to the extent of their respective shareholding in the Company.

The Directors recommend this resolution to be passed as a Special Resolution.

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Date: 20th May, 2017

CIN:L24100GJ2005PLC047292

By Order of the Board

sd/-

Mr. Dineshsinh B Chavada

(DIN: 01497977)

Chairman & Managing Director

ANNUAL REPORT 2016-2017

Details of Director/s Seeking Appointment/Re-appointment at the Annual General Meeting

Particulars	Mrs. Hansaben D Chavada (DIN: 00479509)
Date of Birth	01/06/1959
Date of the first Appointment on the Board	15/12/2005
Qualification	12th Pass
Expertise in Specific functional areas	Chemical business
Directorships held in other Companies	Sanginita Industries Private Limited
Memberships/ Chairmanships of committees of Board of Directors of Company	Nomination and Remuneration Committee
Memberships/ Chairmanships of committees of Board of Directors of other Companies in which he is director	NA
Number of shares held in the Company	14,85,000
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	NA
Number of Board Meetings attended during the year	17
Disclosure of relationship between directors inter-se	None of the Directors are related inter-se except Mr. Dineshsinh B. Chavada, Managing Director and Ms. Hansaben D. Chavada, Director being husband & wife and Mr. Vijaysinh D. Chavda, Whole-Time Director being son and mother.