

Notice to the 23RD Annual General Meeting

NOTICE is hereby given that the Twenty Third Annual General Meeting (AGM) of the Members of SMS Limited will be held at Shorter Notice on Monday the 28th day of December 2020 at 1.30 P.M. at IT Park, 20, S.T.P.I., Gayatri Nagar, Parsodi, Nagpur-440022, to transact the following business:-

ORDINARY BUSINESS:

Item no. 1

To receive, consider and adopt:

- a) The Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March 2020 along with the reports of the Board of Directors and Auditors thereon.
- b) The Audited Consolidated Financial Statements of the Company for the Financial year ended 31 March 2020 together with the Report of the Auditors thereon.

Item no. 2

To declare a dividend for the financial year 2019-20 on Equity Shares.

Item no. 3

To appoint a Director in place of Mr Anand Sancheti (DIN: 00953362) and Mr Dilip Surana (00953495) who retires by rotation and being eligible offers themselves for re-appointment.

SPECIAL BUSINESS:-

Item no. 4

Regularisation of appointment of Mr Hemant Lodha, (DIN: 01654145) Additional Director as Director:

To confirm the appointment of Mr Hemant Lodha, (DIN: 01654145) as Director who was appointed as an Additional Director and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr Hemant Lodha, **(DIN: 01654145)**, who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company with effect from 1st March 2020 and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company, shall be liable to retire by rotation.”

Item no. 5

Re-Appointment and Remuneration of MR Akshay Sancheti (DIN: 07564977), as Whole Time Director of the Company w.e.f. 31st October 2020.

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

“RESOLVED THAT pursuant to the provisions of sections 2(78), 2(94), 196, 197 198 read with Schedule V and other applicable provisions, of the Companies Act, 2013 and Chapter XIII of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any Statutory Modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee vide its 13th meeting February 29, 2020, and approval of the Board of Directors of the Company vide its 426th meeting dated August 29, 2020, consent of the members of the Company be and is hereby accorded to re-appoint **MR. Akshay Sancheti (DIN: 07564977)**, as Whole Time Director of the company for a period of 5 (Five) years commencing from **31st October 2020 to 30th October 2025** on terms and conditions including remuneration to be paid in the event of loss inadequacy of profits in any financial year during the period of 3(three) years from the date of his re-appointment as detailed below, with the authority to the Board of Directors to alter and vary the terms and conditions including remuneration of the said re-appointment in such manner as may be agreed to between the Board of Directors and MR. Akshay Abhay Sancheti.

The salary structure of MR Akshay Sancheti 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	Fees (excluding initial joining fees) subject to a maximum of two clubs.
	c) Car/Telephone	Two chauffers driven Car and a landline telephone facility at the residence along with two mobile connections in the name of appointee through 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 in Security Guard at residence shall be borne by the Company.
iv	Other Conditions	For all other terms and conditions not specifically mentioned above, the Rules and Order 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 Seven Hundred) Per Annum (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 you by the Board and shall exercise such powers as are delegated to you by the Board of Directors from time to time.
2. You 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. You will do all acts always in the best interest of the company.

- iv. To make optimum utilization of funds of the company.
3. You shall throughout the said term devote your 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 confirm 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. You shall not, during the period of your employment and without the previous consent in writing of the Board, engage or involve yourself 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: Commencing from 31st October 2020 to 30th October 2025

Other terms and conditions of re-appointment not specifically spelt out above, rules and order 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 to 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 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 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 therewith or incidental thereto in the best interest of the Company.”

Item no. 6

To consider and approve enhancement of Performance-based commission/bonus to Mr Dilip Surana (DIN: 00953495), WTD from AGSTPL (WOS) in term of section 197 and schedule V of Companies Act, 2013:

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

“RESOLVED THAT FURTHER to the resolution no. 12 passed vide Board meeting dated 31st March, 2020 and further to the approval of the members passed via Special Resolution at the Extra Ordinary General Meeting dated 22nd June, 2020 and approval of the Audit Committee vide it's 54th meeting and recommendations of the Nomination and Remuneration Committee vide 14th Meeting and approval of the Board meeting vide 427th dated 17th December, 2020, consent of the members be and is hereby accorded for enhancement of Performance based commission/bonus to Mr. Dilip Surana, Whole-time Director for his achievement of performance target in Ayodhya Gorakhpur SMS Tolls Private Limited (Wholly Owned Subsidiary Company) functioning as Managing Director in said subsidiary and that the said performance based commission/bonus shall not exceed ` 5,50,00,000/- (Rupees Five Crore Fifty Lac only) (includes ` 2,00,00,000/- approved by Board on 31.03.2020) in any of the financial year commencing from 2020-21 which may be paid to him on monthly/quarterly/six monthly/yearly basis provided, that the overall managerial remuneration including performance based commission shall be in accordance with Schedule V and any other applicable provisions of the Companies Act 2013 and all the terms and conditions of his appointment and remuneration existing presently shall be the same.

RESOLVED FURTHER THAT the Board of Directors and 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 therewith or incidental thereto in the best interest of the Company.”

Item no. 7

To approve the enhancement in prescribed limit of remuneration payable to related party's appointment to any office or place of profit in its subsidiary - 188(1) (f):

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

"RESOLVED THAT further to the approval of the Board vide its meeting dated 19th December, 2016, for Appointment of Mr. Dilip Surana as the Managing Director in Ayodhya Ghorakhpur SMS Toll Private Limited, w.e.f 9th of January, 2017 the Wholly Owned Subsidiary (WOS) of the Company (SMS Limited) and pursuant to the provisions of Section 188(1)(f) and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Rules made thereunder (including any statutory modifications(s) or re-enactment thereof, for the time being in force) and further to the approval of Audit Committee vide its 54th meeting dated 17th December, 2020 and approval of Board vide its 427th meeting dated 17th December, 2020, the consent of the members be and is hereby accorded for the related party transactions for payment of ` 5,50,00,000/- (Rupees Five Crore Fifty Lac only) (includes ` 2,00,00,000/- approved by Board on 31.03.2020) as 'Performance Bonus' to Mr. Dilip Surana (Managing Director of WOS) from Ayodhya Ghorakhpur SMS Toll Private Limited, holds office or place of profit pursuant to section 188(1) (f) of the companies Act, 2013.

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

Place: Nagpur
Date: 17.12.2020

For SMS Limited

Sd/-

**Smita Agarkar
Company Secretary**

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 THAT 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 COMMENCE 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 2019-20 WILL ALSO BE AVAILABLE ON COMPANY'S WEBSITE: WWW.SMSL.CO.IN FOR DOWNLOAD.
10. ELECTRONIC COPY OF THE ANNUAL REPORT FOR 2019-20 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 ADDRESS (IF ANY), PHYSICAL COPIES OF THE ANNUAL REPORT FOR 2019-20 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

Sd/-

Place: Nagpur
Date: 17.12.2020

Smita Agarkar
Company Secretary

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 28th day of December 2020 At 1.30 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: a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March 2020 along with the reports of the Board of Directors and Auditors thereon. b) the Audited Consolidated Financial Statements of the Company for the Financial year ended 31 March 2020 together with the Report of the Auditors thereon.			
2.	To declare a dividend for the financial year 2019-20 on Equity Shares.			
3.	To appoint a Director in place of Mr Anand Sancheti (DIN: 00953362) and Mr Dilip Surana (00953495) who retires by rotation and being eligible offers themselves for re-appointment.			
4.	Regularisation of appointment of Mr Hemant Lodha, (DIN: 01654145) Additional Director as Director:			
5.	Re-Appointment and Remuneration of MR Akshay Sancheti (DIN: 07564977), as Whole Time Director of the Company w.e.f. 31st October 2020.			
6.	To consider and approve enhancement of Performance-based commission/bonus to Mr Dilip Surana (DIN: 00953495), WTD from AGSTPL (WOS) in term of section 197 and schedule V of Companies			

Registered & Corporate Office: IT Park, 20 S.T.P.I. Gayatri Nagar, Parsodi, Nagpur- 440 022 (India)

Ph.:91-712-6665000,7125000, Fax:+91-712-6665100, Web:info@smsl.co.in, web: www.smsl.co.in

SMS LIMITED

CIN: U80100MH1997PLC107906



	Act, 2013:			
7.	To approve the enhancement in prescribed limit of remuneration payable to related party's appointment to any office or place of profit in its subsidiary - 188(1) (f):			

Signed thisday of.....2020

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. 4 to 7 of the accompanying Notice dated December 28, 2020.

For Item No. 4:

The members are informed that Mr Hemant Lodha was appointed as additional director w.e.f. 1st March 2020 vide resolution passed by the Board of Directors on its meeting held on 29th February 2020. In accordance with the provisions of the Companies Act, 2013 read with the Articles of Association of the Company, the office of the Additional Director viz., Mr Hemant Lodha, was to end at the forthcoming Annual General Meeting and has offered himself for re-appointment.

The members are further informed that regularization of appointment of Mr Hemant Lodha, as the director requires your approval in the general meeting and therefore, the board commends the above resolution for your approval.

None of the director and their relatives is interested or concerned, financially or otherwise in the resolution except Mr Hemant Lodha.

For Item No. 5:

MR. Akshay Sancheti pursued Bachelor degree in Civil Engineering, from University of Pune. MR. Akshay Sancheti has been associated with the Company since 2012, he joins as a Management Trainee w.e.f 1st November 2012 and currently associated as Project Coordinator w.e.f. 20th March 2015. He was also appointed as an Alternate Director to MR. Abhay Sancheti, erstwhile Chairman and Director from 1st July 2016 till 22nd January 2020. He was actively involved in various projects as awarded to him from time to time and also appointed as an alternate director in other Group Companies.

Members are requested to note that upon recommendation of the Nomination and Remuneration Committee vide its 13th Meeting dated February 29 2020, and approval of the Board of Directors at its 426th meeting dated August 29, 2020, re-appointed Mr Akshay Sancheti as a Whole Time Director of the Company for 5 (Five) years with effect from 31st October 2020 to 30th October 2025, subject to the approval of the Members of the Company.

Broad particulars of the terms of re-appointment of and remuneration payable to MR Akshay Sancheti are as under:

Designation: MR. Akshay Sancheti shall hold the office of Whole Time Director of the Company.

Term: MR. Akshay Sancheti shall hold office of Whole-Time Director of the Company for a period of 5 years with effect from 31st October 2020 to 30th October 2025. He shall be liable to retirement by rotation in terms of the Act and the Articles of Association of the Company."

Remuneration / Perquisites / Allowances: MR. Akshay Sancheti shall be entitled to Annual CTC (inclusive of Employers Provident Fund + Annual Bonus) of ₹ 15635700/- p.a.

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

Car/Telephone- Two chauffers drove Car and a landline telephone facility at the residence along with two mobile connections in the name of appointee through 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 in Security Guard at residence shall be borne by the Company.

II) Other Conditions:

1) For all other terms and conditions not specifically spelt out above, the Rules and Order of the Company shall apply.

Members are requested to note that the Company has received consent in writing from MR. Akshay 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(3) and Part-I of schedule V to 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 at its 426th meeting dated August 29, 2020, on the recommendation of Nomination remuneration committee vide its meeting held on 29th February 2020 proposes to re-appoint Mr Akshay Sancheti as Whole Time Director of the Company to hold the office for a term of 5 (Five) consecutive years from 31st October 2020 to 30th October 2025 and place before the meeting, the resolution set out in Item No. 5 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"

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 to between the Board and the Whole Time Director, subject to such approvals as may be required.

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 defaulted in payment of its dues and 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 of 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 a force to reckon with in the field of Mining, Railways, Irrigation, Highway Construction, Power, Environment, 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	<table border="1"> <thead> <tr> <th colspan="4">As per audited financial results for the year</th> </tr> <tr> <th colspan="4">(` in Lac)</th> </tr> <tr> <th>Particulars</th> <th>FY 17-18</th> <th>FY 18-19</th> <th>FY 19-20</th> </tr> </thead> <tbody> <tr> <td>Paid up Capital</td> <td>1026.14</td> <td>1026.14</td> <td>1026.14</td> </tr> <tr> <td>Reserves & Surplus</td> <td>55,357.75</td> <td>58,757.73</td> <td>63333.60</td> </tr> <tr> <td>Statement of Profit and Loss</td> <td>2810.64</td> <td>3,027.56</td> <td>4,830.98</td> </tr> <tr> <td>Total Revenue</td> <td>93,143.28</td> <td>1,03,357.02</td> <td>90769.45</td> </tr> <tr> <td>Profit/(loss) before tax</td> <td>4263.31</td> <td>4837.49</td> <td>6,136.89</td> </tr> <tr> <td>Managerial Remuneration</td> <td>397.12</td> <td>375.46</td> <td>588.04</td> </tr> </tbody> </table>	As per audited financial results for the year				(` in Lac)				Particulars	FY 17-18	FY 18-19	FY 19-20	Paid up Capital	1026.14	1026.14	1026.14	Reserves & Surplus	55,357.75	58,757.73	63333.60	Statement of Profit and Loss	2810.64	3,027.56	4,830.98	Total Revenue	93,143.28	1,03,357.02	90769.45	Profit/(loss) before tax	4263.31	4837.49	6,136.89	Managerial Remuneration	397.12	375.46	588.04
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(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. Akshay Sancheti pursued Bachelor degree in Civil Engineering, he joined the company as a Management Trainee w.e.f 1 st November 2012 and was re-designated as a Project Coordinator w.e.f 20 th March 2015. He was also appointed as an Alternate Director to MR. Abhay Sancheti, erstwhile Chairman & Director from 1 st July 2016 till 22 nd January 2020. He was actively involved in various projects as awarded to him from time to time and also appointed as an alternate 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: Akshay Abhay Sancheti DOB: 16/07/1990 Qualification: Bachelor of Engineering (Civil) from the University of Pune																																				

(5) Remuneration proposed	₹ 1,56,35,700/- Annual CTC
(6) Comparative remuneration profile with respect to the industry, size of the company, profile of the position and person	As per industry norms
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	MR. Paramveer Sancheti, Whole Time Director.
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 earning and have no adequate profits.
(2) Steps taken or proposed to be taken for improvement.	The Company is taking necessary steps to mitigate the losses and is confident that in F.Y. 2021-22 such factors would be managed by the Company.
(3) Expected increase in productivity and profits in measurable terms.	The Company has drawn up an annual basis plan which it will endeavor to achieve.

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

Age	29 years
Qualification	Bachelor of Engineering (Civil) from University of Pune
Experience	Management Trainee- 2 Years 4 months Project Coordinator- 20 th March 2015 till date Alternate Director to MR. Abhay Sancheti, erstwhile Chairman and Whole Time Director of the Company -1 st July 2016 till 22 nd January, 2020 along with other group companies.
Terms and Conditions of Appointment	As per Appointment Letter
Remuneration (Proposed)	₹ 1,56,35,700/- including allowances per annum
Remuneration (Last Drawn)	₹ 88,84,500/- Annual CTC
Date of First Appointment on the Board	1 st July 2016

Shareholding in the Company	NIL
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. Paramveer Abhay Sancheti (Brother)
Number of Board Meeting Attended during the Year	ONE
Manager / Other Directorship/ Chairmanship of Committees of the Board	SMS Mine Developers Pvt. Ltd.

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 and is available for inspection by the members at the registered office of the Company. The Resolution at Item No. 5 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 Akshay Sancheti and MR Paramveer Sancheti, in their capacity is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

For Item No. 6:

MR. Dilip Surana is Diploma in Civil Engineering, He has been associated with the SMS Group since 1984 and was appointed as Whole Time Director in 2007. He has vast experience of 35 years and has been involved in planning and execution of all types construction projects like construction of Earthen Dams, Concrete/Masonry Dams, Canals, Pipelines, Bridges, Roads and Highways, Tunnels and operation and maintenance of Tollways. He is currently responsible for the P&L of all the ongoing infrastructure projects including its planning, monitoring & progress. His rich knowledge has provided the necessary support for smooth execution of the projects directly monitored by him and to other projects, the company has undertaken.

The Board Vide its meeting dated 17th December 2020 approved the enhancement of Performance-based commission/bonus subject to the approval of member via special resolution to Mr Dilip Surana, Whole-time Director for his achievement of performance target in Ayodhya Gorakhpur SMS Tolls Private Limited (Wholly

Owned Subsidiary Company) functioning as Managing Director in said subsidiary and that the said performance-based commission/bonus shall not exceed ₹ 5,50,00,000/- (Rupees Five Crore Fifty Lac only) (includes ₹ 2,00,00,000/- approved by Board on 31.03.2020) in any of the financial year commencing from 2020-21 which may be paid to him on monthly/quarterly/six monthly/yearly basis provided, that the overall managerial remuneration including performance-based commission shall be in accordance with Schedule V and any other applicable provisions of the Companies Act 2013 and all the terms and conditions of his appointment and remuneration existing presently shall be the same.

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 defaulted in payment of its dues and 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 of 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 a force to reckon with in the field of Mining, Railways, Irrigation, Highway Construction, Power, Environment, 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	NA

date of commencement of activities as per project approved by financial institutions																																					
(4) Financial performance based on given indicators	<table border="1"> <thead> <tr> <th colspan="4">As per audited financial results for the year</th> </tr> <tr> <th colspan="4">(` in Lac)</th> </tr> <tr> <th>Particulars</th> <th>FY 17-18</th> <th>FY 18-19</th> <th>FY 19-20</th> </tr> </thead> <tbody> <tr> <td>Paid up Capital</td> <td>1026.14</td> <td>1026.14</td> <td>1026.14</td> </tr> <tr> <td>Reserves & Surplus</td> <td>55,357.75</td> <td>58,757.73</td> <td>63333.60</td> </tr> <tr> <td>Statement of Profit and Loss</td> <td>2810.64</td> <td>3,027.56</td> <td>4,830.98</td> </tr> <tr> <td>Total Revenue</td> <td>93,143.28</td> <td>1,03,357.02</td> <td>90769.45</td> </tr> <tr> <td>Profit/(loss) before tax</td> <td>4263.31</td> <td>4837.49</td> <td>6,136.89</td> </tr> <tr> <td>Managerial Remuneration</td> <td>397.12</td> <td>375.46</td> <td>588.04</td> </tr> </tbody> </table>	As per audited financial results for the year				(` in Lac)				Particulars	FY 17-18	FY 18-19	FY 19-20	Paid up Capital	1026.14	1026.14	1026.14	Reserves & Surplus	55,357.75	58,757.73	63333.60	Statement of Profit and Loss	2810.64	3,027.56	4,830.98	Total Revenue	93,143.28	1,03,357.02	90769.45	Profit/(loss) before tax	4263.31	4837.49	6,136.89	Managerial Remuneration	397.12	375.46	588.04
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(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. Dilip Surana is Whole Time Director. He is has done Diploma in Civil Engineering. He is associate with the Company since incorporation however was appointed as Whole Time Director in 2007. He has vast experience of 35 years and has been involved in planning and execution of all types construction projects like construction of Earthen Dams, Concrete / Masonry Dams, Canals, Pipelines, Bridges, Roads and Highways, Tunnels and operation and maintenance of Tollways. He is currently responsible for the P&L of all the ongoing infrastructure projects including its planning, monitoring & progress. His rich knowledge has provided the necessary support for smooth execution of the projects directly monitored by him and to other projects, the company has undertaken.																																				
(2) Past remuneration	` 1,50,44,000/- Annual CTC																																				
(3) Recognition or awards	NA																																				
(4) Job profile and his	Name: Dilip Surana																																				

suitability	DOB: 24.05.1965 His current term of appointment as a Whole Time Director of the Company will expire on 23 rd May 2022. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors are of the opinion that for the smooth and efficient running of the business, the services of Mr Dilip Surana should be available to the Company.
(5) Remuneration proposed	~ 1,50,44,000/- Annual CTC
(6) Comparative remuneration profile with respect to the industry, size of the company, profile of the position and person	As per industry norms
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr Dilip Surana has a relationship with the Company as Whole Time Director. He does not hold any shares in the Company
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 earning and have no adequate profits.
(2) Steps taken or proposed to be taken for improvement.	The Company is taking necessary steps to mitigate the losses and is confident that in F.Y. 2021-22 such factors would be managed by the Company.
(3) Expected increase in productivity and profits in measurable terms.	The Company has drawn up an annual basis plan which it will endeavor to achieve.

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

Name	MR. Dilip Surana
Age	55 years
Qualification	Diploma in Civil Engineering
Experience	Mr Dilip Surana is associated with the Company as since its incorporation and was appointed as Whole Time Director of the Company since May 24, 2007, and continues as Whole Time Director in the Company. Diploma in Civil Engineering. He is associate with the Company since incorporation however was appointed as Whole Time

	Director in 2007. He is involved in planning and execution of all types construction projects like construction of Earthen Dams, Concrete/Masonry Dams, Canals, Pipelines, Bridges, Roads and Highways, Tunnels and operation and maintenance of Tollways. He is currently responsible for the P&L of all the ongoing infrastructure projects including its planning, monitoring & progress. His rich knowledge has provided the necessary support for smooth execution of the projects directly monitored by him and to other projects, the company has undertaken.
Terms and Conditions of Appointment	As per Appointment Letter
Remuneration (Proposed)	₹ 1,50,44,000/- including allowances per annum
Remuneration (Last Drawn)	₹ 1,50,44,000/- Annual CTC
Date of First Appointment on the Board	24 th May 2007
Relationship with other Director	NONE
Number of Board Meeting Attended during the Year	TWO
Manager / Other Directorship/ Chairmanship of Committees of the Board	1.Patwardhan Infrastructure Private Limited 2. Ayodhya Gorakhpur SMS Tolls Private Limited (MD) 3. SMS Toll And Developers Limited

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 and is available for inspection by the members at the registered office of the Company. The Resolution at Item No. 6 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 is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special resolution set out at Item No. 6 of the Notice for approval by the members.

For Item No. 7:

Mr. Dilip Surana, Whole Time Director who is appointed as the Managing Director in Ayodhya Ghorakhpur SMS Toll Private Limited (AGSTPL), w.e.f 9th of January, 2017 the Wholly Owned Subsidiary (WOS) of the Company (SMS Limited) holds office or place of profit pursuant to section 188(1) (f) of the companies Act, 2013

To ensure transparency in the transactions and dealings with related parties the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15 (3) (b) of the Companies (Meeting of Board and its Power) Rules, 2014 require prior approval of the member's by means of Ordinary Resolution for enhancement in prescribed limit of salary payable to such related party's appointment to any office or place of profit in the Company or its subsidiary or its associates .

The Management after considering the aforementioned provision of the Companies Act, 2013 propose for grant of performance bonus of payment of ` 5,50,00,000/- (Rupees Five Crore Fifty Lac only) (includes ` 2,00,00,000/- approved by Board on 31.03.2020) to Mr. Dilip Surana from Ayodhya Ghorakhpur SMS Toll Private Limited (WOS) for extraordinary performance and efforts in ensuring more than normal project surplus for O & M of Ayodhya-Gorakhpur Section (km, 137.970 to km 252.860) stretch of NH-28 (Total length 116.101 km) in the state of Uttar Pradesh on OMT basis (Pkg; No. NHA1/OMT/Pkg-11/2011) project

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

None of the Directors are concerned or interested financial or otherwise, in respect of passing of the Resolution set out at Item No. 7

The Board recommends the resolution for approval of the members.

By Order of the Board

FOR SMS LIMITED

Sd/-

**PLACE: NAGPUR
DATE: 17.12.2020**

**SMITA AGARKAR
COMPANY SECRETARY**

ROUTE MAP TO AGM VENUE

