

NOTICE

Notice is hereby given that an Extra Ordinary General Meeting of the Members of SMS Limited will be held at its Registered Office at IT Park, 20 S.T.P.I. Gayatri Nagar, Parsodi, Nagpur-440022 [M.S.] on Monday, the 24th day of May, 2021 at 12.30 P.M. to transact the following:

Special Business:-

1. To ratify the remuneration to the Cost Auditor for the FY 2021-22:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 5,25,000/- (Rupees Five Lac Twenty Five Thousand only) per annum plus GST and out-of-pocket expenses as may be incurred by M/s. D. Rajarao & Co., Cost Accountants, Nagpur (Firms Registration No. 101112), if any, during the course of their assignment who has been re-appointed as Cost Auditors by the Board of Directors to conduct the audit of the Cost accounting records maintained by the Company for the product(s)/services covered under MCA Cost Audit Order(s) for the financial year 2021-22.

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

2. Approval of loans, investments, guarantee or security under section 185 of Companies act, 2013:

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

"RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include, unless the context otherwise required, any Committee of the Board or any Director(s) or Officer(s) authorised by the Board to exercise the powers conferred on the Board



under this resolution) to advance loan(s) in one or more tranches including loan represented by way of book debt, or give any guarantee/(s), or provide any security/(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), up to a sum not exceeding ` 100 Crores [Rupees One Hundred Crores Only] at any point in time, in its absolute discretion deem beneficial and in the best interest of the Company, provided that such loans are utilized by the borrowing Company for its principal business activities.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution the Board of Directors of the Company be and is hereby authorised to approve, decide, vary or modify, negotiate and finalise the terms and conditions of the aforesaid loan/guarantee/security and to do all such acts, deeds and things as they may, in their absolute discretion deem necessary, desirable or expedient and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

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

SD/-

**PLACE: NAGPUR
DATE: 31.03 2021**

**ANAND SANCHETI
MANAGING DIRECTOR
DIN : 00953362**

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

NOTES:

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

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

The instrument appointing the proxy in order to be effective should be deposited, duly completed and signed, at the registered office of the company not less than forty-eight (48) hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

- 2) Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
- 3) Explanatory statement pursuant to section 102 of The Companies Act, 2013, in respect of the business under item Nos. 1 and 2 is annexed hereto.
- 4) Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their DPs with whom they are maintaining their demat accounts.
- 5) Members holding shares in electronic mode are advised to contact their respective DPs for availing of the nomination facility.
- 6) Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (that is, except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will be also available for inspection by members at the Meeting.
- 7) Pursuant to Section 101 of the Companies Act, 2013 consent of members to hold the Extra-Ordinary General (EGM) meeting at shorter period notice is obtained by the company.
- 8) A route map giving directions to reach the venue of the Extra-Ordinary General meeting is given at the end of the EGM Notice.



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

- Name.....
E-mail Id:.....
Address:..... Signature:..... or failing him
- Name.....
E-mail Id:.....
Address:..... Signature:.....

as my/our proxy to attend and vote for me/us and on my/our behalf at the Extra-Ordinary General meeting of the company, to be held on the 24th day of May 2021 At 12.30 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 ratify the remuneration to the Cost Auditor for the FY 2021-22.			
2.	Approval of loans, investments, guarantee or security under section 185 of Companies act, 2013:.			

Signed thisday of.....2021

Signature of shareholder(s):

Affix
Revenue
Stamp of not
less than ` 1

Signature of Proxy holder(s):

Note:

- 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.
- 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. 1 and 2 of the accompanying Notice dated 24.05.2021.

Item No.1

In pursuance of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s. D. Rajarao & Co., Cost Accountants, Nagpur (Firms Registration No. 101112) as the Cost Auditors of the Company to conduct the audit of the Cost accounting records maintained by the Company for the product(s)/services covered under MCA Cost Audit Order(s) for the financial year 2021-22 at a fee of ` 5,25,000/- (Rupees Five Lac Twenty Five Thousand only) plus GST and out-of-pocket expenses as may be incurred by M/s. D. Rajarao & Co., Cost Accountants, Nagpur (Firms Registration No. 101112), as remuneration for the Financial year 2021-22. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the Shareholders of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out in item no. 1 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ended 31st March 2022.

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

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

Item No. 2:

The Company in order to render support for the business requirements of its Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), from time to time. However, owing to certain restrictive provisions contained in Section 185 of the Companies Act, 2013 ('the Act'), the Company was unable to extend financial assistance by way of loan to such Entities. However, Vide Companies (Amendment) Act, 2017, Section 185 of the Act has been amended and the same was notified by the Ministry of Corporate Affairs on 7th May 2018. In terms of the amended Section 185 of the Act, a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan



taken by any person in whom any of the Director of the Company is interested subject to the condition that approval of the shareholders of the Company is obtained by way of Special Resolution and requisite disclosures are made in the Explanatory Statement.

The Members may note that the Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through the deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities.

The Company's subsidiary(ies) / associates / JV Companies explore various options to raise funds through loan/issuance of debentures/bonds etc. which may be backed by the corporate guarantee of the Company. The proceeds raised by the subsidiary(ies)/associates/JV Companies of the Company would be utilized for their principal business activities. The Board at its meeting held on March 31 2021 decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Act to advance any loan including any loan represented by book debt, or give guarantee or provide any security in connection with any loans/debentures/bonds etc. raised by any subsidiary company(ies) (Indian or overseas) / associates / JV Companies/body corporates in whom any of the Director of the Company is interested up to an aggregate amount not exceeding ` 100 Crore (Rupees One Hundred Crore Only) or in other currency for an equivalent amount. This will also enable the Company to provide the requisite corporate guarantee or security in relation to raising of loans/debentures/bonds etc. by the said subsidiary(ies) / associates / JV Companies body corporates, as and when it is raised.

The Board of Directors recommends the resolution given in this Notice for your approval as a Special Resolution.

None of the Directors, Key Managerial Personnel of the company or their relatives is in any way, concerned or interested in the said resolution. Your Board recommends the said resolution, as a special resolution, for your approval.

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

SD/-

**PLACE: NAGPUR
DATE: 31.03 2021**

**ANAND SANCHETI
MANAGING DIRECTO
DIN : 00953362**

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

Route Map of EGM Venue

