

SAINIK FINANCE & INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the **22nd Annual General Meeting** of the members of M/s Sainik Finance & Industries Limited will be held on **Tuesday, the 30th day of September, 2014** at the Farm House of M/s Kapil Constructions Private Limited, Kishangarh - Mehrauli Road, Near Maa Anandmai Ashram, New Delhi-110 057 at 9:30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, the Profit & Loss Account of the Company for the period commencing from 1st April, 2013 to 31st March, 2014 together with the report of the Board of directors and Auditors thereon.
2. To appoint a Director in place of Sh. Rudra Sen Sindhu, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration:

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

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, **M/s Kumra Bhatia & Co, Chartered Accountants**, (bearing ICAI Registration No.002848N) be and are hereby re-appointed as Auditors of the Company to hold office from the date of conclusion of this Annual General Meeting (AGM) till the date of conclusion of the twenty-fifth AGM of the Company to be held for the financial year ended on 31st March, 2017 (subject to ratification of their appointment at every AGM), at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS:

4. Appointment of Sh. Samai Singh as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV to the Companies Act, 2013 as amended from time to time, Sh. Samai Singh (DIN 00235036), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for the term of three years with effect from 30th September, 2014."

5. Appointment of Sh. Vivek Varma as an Independent Director of the Company

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

"RESOLVED that pursuant to the provisions of sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV to the Companies Act, 2013 as amended from time to time, Sh. Vivek Varma (DIN 02250513), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for the terms of three years with effect from 30th September, 2014."

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NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) 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.**
2. The instrument appointing the proxy, in order to be effective, must be deposited at the company's registered office, duly completed and signed, not less than forty-eight hours before the meeting. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company. Provided that a member holding more than 10 (Ten) percent 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 member.
3. Proxies submitted on behalf of the companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.
4. The proxy form and attendance slip are annexed herewith.
5. Members/ proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the AGM.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses as per item No. 4 to item No. 5 is annexed hereto.
7. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment / re-appointment as Directors under Item No. 2, Item No. 4 and Item No. 5 of the Notice are also annexed.
8. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Bank Holidays between 11.00 a.m. and 1.00 p.m. up to the date of the AGM.
9. The Register of Members and Transfer Books of the Company will be closed from Saturday, 27th, September, 2014 to Tuesday, 30th September, 2014, (both days inclusive) for the purpose of holding Annual General Meeting of the Company.
10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agent - M/s Indus Portfolio Private Limited, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company's Registrars and Transfer Agent.
11. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or the Company's Registrars and Transfer Agent for assistance in this regard.
12. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or the Company's Registrars and Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
13. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

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14. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
15. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with M/s Indus Portfolio Private Limited / Depositories.
16. In compliance with the provisions of section 108 of the Company Act, 2013 and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.
17. The instructions for e-voting are as under:
 - A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company / Depositories):
 - i. Open the e-mail and also open PDF file namely "Sainik Finance e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder - Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of M/s Sainik Finance & Industries Limited. Now you are ready for e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution / Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to r.gulati64@gmail.com with a copy marked to evoting@nsdl.co.in.
 - xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at downloads section of www.evoting.nsdl.com.
 - B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company / Depositories):
 - i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

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C. Other Instructions:

- i. The e-voting period commences on Tuesday, 23rd September, 2014 (9.00 a.m. IST) and ends on Thursday, 25th September, 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 29th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 29th August 2014.
- iii. Sh. Rajesh Gulati, Practicing Chartered Accountant (Membership No. 89046), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the E-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Sh. Rajesh Gulati, Practicing Chartered Accountant, (Membership No. 89046), at the Registered Office of the Company not later than Thursday, 25th September, 2014 (6.00 p.m. IST).
- vi. Members have the option to request for physical copy of the Ballot Form by sending an e-mail to info@sainik.org or legal.secretarial@sainikmining.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Thursday, 25th September, 2014 (6.00 p.m. IST).
- vii. Ballot Form received after this date will be treated as invalid.
- viii. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- ix. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sainikfinance.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at 22nd Annual General Meeting of the Company on 30th September, 2014 and communicated to the BSE Limited, where the shares of the Company are listed.

By order of the Board of Directors
For **SAINIK FINANCE & INDUSTRIES LIMITED**

Place : New Delhi
Dated : 21-08-2014

Kulseep Singh Solanki
Director
DIN: 00009212

Rudra Sen Sindhu
Director
DIN: 00006999

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EXPLANATORY STATEMENT AS REQUIRED PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND INFORMATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING APPOINTED/ RE-APPOINTED:

Item No. 2 : Re-appointment of Sh. Rudra Sen Sindhu:

Sh. Rudra Sen Sindhu completed his bachelor's degree in arts in 1976 from Birendra Narayan Chakrabarty University and joined the Indian Army in 1977. After completing the short service commission period of five years, he joined his family concern, M/s. Mitter Sen and Co., which was then engaged in the business of iron ore mining. He has approximately 31 years of experience in the field of coal mining and mining logistics and setting up and operation of power plants and non-banking finance business. He has business interests in a number of companies engaged mainly in the business of mining and logistics, coal beneficiation, power generation, manufacturing of sponge iron and steel, stock broking, print media, finance and tourism. He has been the Chairman of the Expert Committee on Coal since 2008 and the Co-Chairman of the National Coal Committee of ASSOCHAM since 2009. He is also engaged in several charitable activities.

Now, as per Section 255 & 256 of the Companies Act, 1956, the person who has been the longest period in the office is liable to retire by rotation and hence he is liable to retire by rotation and thus he has offered himself for being re-appointed.

As on date, he is holding 3,52,883 Equity Shares of Rs.10/- (Rupees Ten only) each in the Company.

Apart from this Company, Sh. Rudra Sen Sindhu is also Director on Board and member of Committees of the following Public Limited Companies as well as Subsidiary of Public Limited Companies:

Name of the public Companies/ Subsidiaries of Public Companies in which he is a Director	Name of Committees constituted in the respective Company	Chairman/ Member
Sindhu Trade Links Limited	Audit Committee	Member
Sainik Mining And Allied Services Limited	N.A.	N.A.
ACB (India) Limited	Share Transfer & Shareholders' & Investor Grievance Committee	Member
	Finance Committee	Chairman
	Executive Director Committee	Chairman
Aryan Clean Coal Technologies Private Limited	Remuneration Committee	Chairman
Aryan Chhattisgarh Power Generation Private Limited	N.A.	N.A.
Aryan M.P. Power Generation Private Limited	Audit Committee	Member
Aryan Energy Private Limited	Audit Committee	Chairman
Sindhu Realtors Limited	N.A.	N.A.
Kalinga Coal Mining Private Limited	N.A.	N.A.
ACB (India) Power Limited	Audit Committee	Member
Kartikay Coal Washeries Private Limited	N.A.	N.A.
M.P. Sainik Coal Mining Private Limited	Audit Committee	Member
Mccluskie Coal & Power Limited	N.A.	N.A.

Except Sh. Rudra Sen Sindhu, being an appointee and their relatives, none of the Directors and Key Managerial Personnel of the Company is concerned or interested, financial or otherwise, in the resolution set out at Item No. 2.

Item No. 4: Appointment of Sh. Samai Singh as Independent Director,

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Sh. Samai Singh, as Independent Director, in compliance with the requirements of this clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. The Nominations and Remuneration Committee has recommended the appointment of Sh. Samai Singh as Independent Directors for a term of three years from 30th September, 2014. Sh. Samai Singh, non-executive director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the

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Companies Act 2013 and the Rules framed thereunder for appointment as Independent Director and he is independent of the management. The Board considered that his continued association would be of immense benefit to the Company and it is necessary to continue to avail services of Sh. Samai Singh as an Independent Director. In compliance with the provisions of section 149 read with Schedule IV of the Act, his appointment as Independent Director is now being placed before the Members for their approval by way of Ordinary Resolution.

His appointment is subject to the provisions of section 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV to the Companies Act, 2013 as amended from time to time and Clause 49 of the listing agreement.

The terms and conditions of appointment of the above Directors shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding second and fourth Saturday. Sh. Samai Singh is art graduate. He is retired officer of India Army. He has experience in transport, loading, mining, finance, stock broking etc.

Except Sh. Samai Singh, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Item No. 5: Appointment of Sh. Vivek Varma as Independent Director,

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Sh. Vivek Varma, as Independent Director, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. The Nominations and Remuneration Committee has recommended the appointment of Sh. Vivek Varma as Independent Directors for a term of three years from 30th September, 2014. Sh. Vivek Varma, non-executive director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management. The Board considered that his continued association would be of immense benefit to the Company and it is necessary to continue to avail services of Sh. Vivek Varma as an Independent Director. In compliance with the provisions of section 149 read with Schedule IV of the Act, his appointment as Independent Directors is now being placed before the Members for their approval.

His appointment is subject to the provisions of section 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV to the Companies Act, 2013 as amended from time to time and Clause 49 of the listing agreement.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding second and fourth Saturday.

Sh. Vivek Varma has completed his master's degree in business administration (finance) from Maharshi Dayanand University (MDU), Rohtak and is a Certified Hotel Administrator from The Education Institute of Hotel Management, Miami, Florida, USA (Equivalent to B.Sc. Hospitality and Hotel Management). He has working experience in Service Sector from March 2000 till Dec 2006 as General Manager with Various Hotels & motels affiliated to Worlds Leading Hotel Chains in USA which are as follows:

- Bestwestern International Inc.
- InterContinental Hotels Group
- Hilton Hotels Corporation
- Choice Hotels International Inc.

Since 2007 he is working with Educational Foundation and society in establishing, operating and managing Primary as well as senior secondary schools along with institutes of higher education like engineering college, college of nursing etc.

Except Sh. Vivek Varma, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

By order of the Board of Directors
For **SAINIK FINANCE & INDUSTRIES LIMITED**

Place : New Delhi
Dated : 21-08-2014

Kulseep Singh Solanki
Director
DIN: 00009212

Rudra Sen Sindhu
Director
DIN: 00006999