



# Merino Industries Limited

CIN: U51909WB1965PLC026556

Registered Office: 5, Alexandra Court, 60/1, Chowringhee Road, Kolkata: 700 020  
Phone: 033-2290-1214, Fax: 91-33-2287-0314, E-mail: merinokol@merinoindia.com  
Website: www.merinoindia.com

## NOTICE

### TO THE MEMBERS,

NOTICE is hereby given that the 54th Annual General Meeting of the members of Merino Industries Limited will be held at the Conference Hall, Academy of Fine Arts, 2, Cathedral Road, Kolkata-700071 on Monday, the 23<sup>rd</sup> day of September, 2019 at 11-00 a.m. to transact the following items of business:

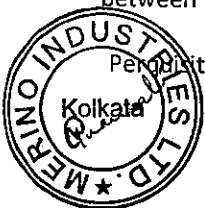
### AS ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon;
2. To receive, consider and adopt the audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019;
3. To confirm the declaration and payment of Interim Dividend on equity shares for the financial year ended 31st March, 2019;
4. To appoint a Director in place of Mr. Champa Lal Lohia (DIN: 00154019), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Rup Chand Lohia (DIN 00063290), who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. Bikash Lohia (DIN 00154013), who retires by rotation and being eligible, offers himself for re-appointment.

### AS SPECIAL BUSINESS:

7. To consider and approve the revision of remuneration of Mr. Nripen Kumar Dugar, Whole-time Director (DIN: 00127790) and in this regard to consider and pass the following resolution as Special Resolution:

**"RESOLVED THAT** in partial modification of the relevant resolution passed at the Annual General Meeting of the Company held on 14.09.2018 and in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded to the revision in remuneration of Mr. Nripen Kumar Dugar, Whole-time Director (DIN: 00127790) of the Company by way of payment of the following perquisites with effect from 1<sup>st</sup> April, 2019 in addition to the existing remuneration for the remaining period of his tenure of office (i.e. upto 31<sup>st</sup> December, 2021) and special incentive of Rs.10.00 lac (Rupees Ten Lac only) payable in lumpsum for the year 2019-20 on the following terms and conditions as set out fully in the draft supplemental service agreement to be entered into between the Company and Mr. Nripen Kumar Dugar, a copy of which is placed before the meeting with liberty to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said remuneration and/or agreement, subject to the remuneration as specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or any amendments thereto as may be agreed between the Board and Mr. Nripen Kumar Dugar.



Perquisites:

Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company's accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas,

electricity, water, furnishing, repairs, servants' salaries, society charges and property tax, club fees, medical reimbursement, medical/accidental benefit insurance (for self only).

The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Mr. Nripen Kumar Dugar, shall not exceed Rs.1,00,000/- per financial year.

Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes, Company's contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.

**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service, the payment of remuneration shall be governed by Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof as may for the time being in force."

8. To re-appoint Mr. Prasan Lohia (DIN: 00061111) as Whole-time Director for a period of three years and to approve his remuneration and in this regard to consider and pass the following resolution as Special Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded to the appointment of Mr. Prasan Lohia (DIN: 00061111) as Whole-time Director of the Company for a further period of three years, effective 1<sup>st</sup> day of October, 2019 and payment of the following remuneration to him for the said period on the terms and conditions as are set out in the draft service agreement to be entered into between the Company and Mr. Prasan Lohia, a copy of which is placed before the meeting with liberty to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said remuneration and/or agreement, subject to the remuneration as specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or any amendments thereto as may be agreed between the Board and Mr. Prasan Lohia:

Salary: Rs. 9,91,000/- per month (consolidated) for the period from 01.10.2019 to 31.03.2020 and the Scale with effect from 01.04.2020 and ending on 30.09.2022 Rs. 10,90,000-1,09,000-1,19,900-13,18,900 with the increment falling due on 1<sup>st</sup> April 2021 and 1<sup>st</sup> April 2022.

Perquisites: Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company's accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax, club fees (for self only).

The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Mr. Prasan Lohia, shall not exceed Rs.1,00,000/- per financial year.

The perquisites amounting to Rs 1,00,000/- (Rs. One Lac only) as per the current service agreement shall not include, prospectively, any sum for medical facility including medical reimbursement and medical insurance premium for self for the purpose of avilment of the said perquisites.

Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes, Company's contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.



**Additional Benefits:** The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses) on actual basis, for self, spouse and children to Mr. Prasan Lohia, for treatment in India and abroad, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the current service agreement, whether earned or not, in addition to his existing remuneration.

The said medical facility be and is hereby made admissible during the currency of the service agreement of Mr. Prasan Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.

**Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service, the payment of remuneration shall be governed by Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof as may for the time being in force."

9. To approve the remuneration of the Cost Auditors for the financial year ending on 31st March, 2020 and in this regard to consider and, if thought fit, to pass 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 and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Basu, Banerjee, Chakraborty, Chattopadhyay & Co., Cost Accountants (Firm Registration No. 000206) of 42-B, Shibtala Street, P.O. Uttarpara, Dist. Hooghly, PIN: 712258 appointed by the Board of Directors to conduct the audit of the cost records relating to the applicable products of the Company for the financial year ending on 31<sup>st</sup> March, 2020, be paid a remuneration of Rs. 82,500/- plus out of pocket expenses and the Board of Directors be and is hereby authorised to do all acts and take all steps as may be necessary to ensure due compliance to the enactments in this regard for the time being in force to give effect to this resolution."

10. To give authority to the Board of Directors for making donation to charitable and other funds not directly related to the business of the Company and in this regard to consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013, authority be and is hereby given to the Board of Directors of the Company to contribute to bonafide and charitable funds (including corpus) upto the limit of Rs.15,00,00,000/- (Rupees fifteen crore only) during the financial year 2019-2020 notwithstanding that such amount in the financial year may exceed five percent of the average net profits for the three preceding financial years of the Company."

By order of the Board  
For Merino Industries Limited  
*Vinamata Agrawal*  
Vinamata Agrawal  
Company Secretary  
ACS 28125



26<sup>th</sup> July, 2019

Registered Office:

5, Alexandra Court,

60/1, Chowringhee Road,

Kolkata: 700 020

CIN: U51909WB1965PLC026556

Phone: 033 2290-1214

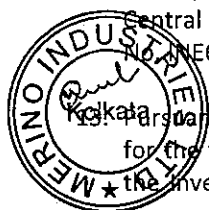
Fax: 2287-0314

E-mail: merinokol@merinoindia.com

Website: [www.merinoindia.com](http://www.merinoindia.com)

**NOTES:**

1. ***A member entitled to attend and vote at the meeting is entitled to appoint a proxy / proxies to attend and to vote on a poll instead of himself / herself and such a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other member or shareholder.***
  2. ***The instrument of proxy, in order to be valid and effective, must be delivered at the registered office of the company not later than forty-eight hours (48 hours) before the commencement of the meeting. Attendance slip and proxy form are enclosed.***
  3. The statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 concerning the items of special business as per the agenda items to be transacted at this Annual General Meeting is annexed hereto.
  4. The Register of Members and Share Transfer Books of the Company will remain closed from 17<sup>th</sup> September, 2019 to 23<sup>rd</sup> September, 2019 (both days inclusive).
  5. Members are requested to make all correspondences in connection with shares held by them by addressing letters quoting their folio numbers directly to Messrs. C B Management Services (P) Limited, P-22, Bondel Road, Kolkata – 700 019, the Registrar and Share Transfer Agent of the Company.
  6. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share accounts, or to the Registrar and Share Transfer Agent of the Company in respect of their physical share folios quoting their Folio Number(s) with a self-attested copy of address proof, i.e. Voter Identity Card, Aadhaar Card, Electric / Telephone (BSNL) Bill or Driving License or Passport. In case the mailing address mentioned on this annual report is without the Pin code number, members are requested to kindly inform their Pin code number and Bank Account details to Messrs. C B Management Services (P) Limited, the Registrar and Share Transfer Agent of the Company.
  7. Members who are holding shares in identical order of names in more than one folio are requested to send to the Registrar and Share Transfer Agent of the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
  8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
  9. Members holding shares in dematerialized mode are requested to intimate the changes pertaining to their bank account details, NECS mandates, email addresses, nominations, change of addresses, change of names etc. if any, to their Depository Participant (DP) only before 16<sup>th</sup> September, 2019. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.
  10. Members are requested to intimate beforehand to the Company their queries, if any, regarding the accounts/notice at least ten days before the meeting to enable the management to keep the information required readily available at the meeting. Members are also requested to bring their copies of Annual Report while attending the Annual General Meeting.
  11. All the documents referred to in the Notice will be available for inspection by the members at the Registered Office of the Company during office hours on all working days from the date hereof upto the date of the Meeting.
  12. The Equity Shares of the Company are in the depository set up by the National Securities Depository Limited and Central Depository Services (India) Limited. The shares of the Company are in the dematerialization list with ISIN No. **INE662B01017**.
13. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Rules framed thereunder the dividend for the year 2011-2012, which remained unpaid or unclaimed for a period of 7 years, have been transferred to the Investor Education and Protection Fund established by the Central Government. Any unpaid or unclaimed



dividend for the year 2012-2013 onwards will be deposited with the Investor Education and Protection Fund established by the Central Government as per the table given hereunder. The members who have not encashed the dividend warrants are requested to immediately forward the same along with relevant Folio No. or DP ID and Client ID, duly discharged, to the Company's Registrar and Share Transfer Agent to facilitate payment of the dividend.

Financial Year	Date of declaration of Dividend	Due date of transfer to Unpaid Dividend Account	Due date of lodging claim with the Company	Due date for transfer to Investor Education & Protection Fund
2012-2013	31.08.2012	07.10.2012	06.09.2019	06.10.2019
2013-2014	11.11.2013	18.12.2013	17.11.2020	17.12.2020
2014-2015	08.08.2014	15.09.2014	14.08.2021	14.09.2021
2015-2016	07.08.2015	14.09.2015	13.08.2022	13.09.2022
2016-2017	27.08.2016	04.10.2016	03.09.2023	03.10.2023
2017-2018	25.09.2017	02.11.2017	01.10.2024	01.11.2024
2018-2019	14.09.2018	22.10.2018	21.09.2025	21.10.2025

14. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID for easy identification at the meeting.
15. The notice convening this Annual General Meeting circulated to the members of the Company is made available on the Company's website at [www.merinoindia.com](http://www.merinoindia.com).
16. The Ministry of Corporate Affairs (MCA), Government of India, has by its Circular Nos. 17 / 2011 and 18 / 2011, dated April 21, 2011 and April 29, 2011 respectively, permitted companies to send official documents to the shareholders electronically as a part of its green initiatives in corporate governance. Recognizing the spirit of the circular issued by the MCA, the Notice convening the General Meeting will be sent to the e-mail addresses as provided by the shareholders, recorded with their depositories.

**17. Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at this Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 20<sup>th</sup> September, 2019 (9:00 a.m.) and ends on 22<sup>nd</sup> September, 2019 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 16<sup>th</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.



(vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>▪ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records for the said demat account or in the company records in order to login.
Dividend Bank Details OR Date of Birth (DOB)	* If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (xii) Click on the EVSN for the relevant MERINO INDUSTRIES LIMITED on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

18. The e-voting period commences on 20<sup>th</sup> September, 2019 (9:00 a.m.) and ends on 22<sup>nd</sup> September, 2019 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically.
19. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of 16<sup>th</sup> September, 2019.
20. M/s. A L & Associates, Practicing Company Secretaries (FRN: 037000) has been appointed as the Scrutinizer to scrutinize the e-voting process including the remote e-voting in a fair and transparent manner.
21. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes cast through remote e-voting, after counting the votes cast at the Annual General Meeting in the presence of atleast two (2) witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any and forward to the Chairman of the Meeting.
22. The Results on Resolutions shall be declared after the Annual General Meeting of the Company and the Resolutions will be deemed to be passed on the date of the Annual General Meeting subject to receipt of the requisite number of the votes in favour of the Resolutions.
23. The consolidated Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.merinoindia.com](http://www.merinoindia.com) and on the website of CDSL within three (3) days of passing of the resolutions at the Annual General Meeting of the Company.
24. The route map to the venue for the convenience of the members to attend the meeting is attached.

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013 RELATING TO SPECIAL BUSINESS SET OUT IN THE ANNEXED NOTICE**

**RELATING TO ITEM NOS. 7 and 8**

**GENERAL INFORMATION:** As required under Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) in respect of revision of remuneration for payment of perquisites to Mr. Nripen Kumar Dugar, Whole-time Director and in respect of re-appointment and payment of remuneration to Mr. Prasan Lohia, Whole-time Director.



**Nature of Industry:** The Company operates in diversified fields of industry. It manufactures decorative laminates under the brand name "MERINO". It also manufactures formaldehyde and space saving furniture with wide ranging patterns and a host of colours and shades under brand name 'MY SPACE'. The company has diversified into Agro business and is manufacturing potato flakes under the brand name 'VEGIT'.

**Date or expected date of commencement of commercial production:** The Company is an existing one and is in operation.

**In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A.

**Financial performance based on given indicators:** The performance of the Company (i.e. Turnover, Production, Profit before Tax and Earnings in Foreign Exchange) for last six years is given hereunder:

Financial year	Net Turnover (Rs. in Crore)	Production of decorative laminates (No. of sheets)	Profit before Tax (Rs. in Crore)	Earnings in Foreign Exchange (F.O.B value of Exports) (Rs. in Crore)
2013-2014	563.94	6208998	35.26	122.64
2014-2015	641.10	6602378	66.37	144.91
2015-2016	662.34	6747779	87.41	151.03
2016-2017	727.31	7023976	99.62	158.44
2017-2018	812.01	8103154	94.84	162.17
2018-2019*	977.97	9456358	117.09	206.01 (CIF Value)

\* Audited but subject to Shareholders' approval

**Export performance:** As indicated above

**Foreign Investments and Collaborations, if any:** None

#### 7. REVISION OF REMUNERATION FOR PAYMENT OF PERQUISITES TO MR. NRIPEN KUMAR DUGAR, WHOLE-TIME DIRECTOR

The present remuneration of Mr. Nripen Kumar Dugar (DIN 00127790), Whole-time Director, was approved by the Members at the Annual General Meeting held on 14<sup>th</sup> September, 2019. The Board of Directors decided to revise the existing remuneration of Mr. Dugar, by way of payment of the perquisites of Rs 1.00 Lac per year with effect from 1<sup>st</sup> April, 2019 in addition to the existing remuneration for the remaining period of his tenure of office (i.e. upto 31<sup>st</sup> December, 2021) and special incentive of Rs.10.00 lac (Rupees Ten Lac only) payable in lumpsum for the year 2019-20.

Perquisites (valuation as per Income Tax Rules, wherever applicable and at actual cost to the Company in other cases) will include the Company's accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishing, repairs, servants' salaries, society charges and property tax, club fees, medical reimbursement, medical/accidental benefit insurance (for self only). The total value of the perquisites (evaluated in terms of cost/Income Tax Rules as applicable) as per the rules of the Company or as may be agreed to by the Board of Directors and Mr. Nripen Kumar Dugar, shall not exceed Rs.1,00,000/- per financial year. Benefits of encashment of leave at the end of the tenure, use of Company car with driver on official duty, telephone including internet facilities for official purposes, Company's contribution to provident fund and gratuity shall not be included in the computation of perquisites as per provisions in Schedule V to the Act.

The other terms and conditions of his existing service agreement remain unaltered. The Board of Directors on recommendation of the Nomination & Remuneration Committee decided to recommend to the shareholders for approval of the payment of such incentive and perquisites to Mr. Nripen Kumar Dugar. The same is placed before the shareholders at this meeting for approval by way of a special resolution.

#### INFORMATION ABOUT THE WHOLE-TIME DIRECTOR, MR. NRIPEN KUMAR DUGAR

- 1) **Background details:** Mr. Nripen Kumar Dugar, B. Com., aged about 57 years, has been associated with the Company as Director since 1986 and was appointed as a Whole-time Director with effect from 1<sup>st</sup> day of January, 1987 with subsequent re-appointments to the said post and his present term expires on 31<sup>st</sup> December, 2021.

**Past Remuneration:** The past remuneration of Mr. Nripen Kumar Dugar as Whole-time Director of the Company was by way of Salary in the Scale with effect from 01.04.2019 and ending on 31.12.2021 Rs. 3,66,500-37,000-40,500-44,000 with the increment falling due on 1<sup>st</sup> April 2020 and 1<sup>st</sup> April 2021, Housing Assistance Allowance Rs. 7,202/- per month payable at the end of each financial year for the entire year and other benefits (i.e. Company's contribution to provident fund and gratuity and entitlement of leave and special incentive, if any,





payable in lumpsum per annum for any financial year in addition to the existing remuneration, will be applicable as per the rules of the Company).

- 3) **Recognition or Awards:** Not Material
- 4) **Job Profile and his suitability:** Overseeing sales and marketing of the Company's Decorative Laminates division, Branch co-ordination and Base Paper management. Mr. Dugar has about 32 years of experience in sales and marketing of Decorative Laminates etc. and is well conversant with the business requirements and their complexities.
- 5) **Remuneration proposed:** Salary in the Scale with effect from 01.04.2019 and ending on 31.12.2021 Rs. 3,66,500-37,000-40,500-4,44,000 with the increment falling due on 1<sup>st</sup> April 2020 and 1<sup>st</sup> April 2021, Housing Assistance Allowance Rs. 77,202/- per month payable at the end of each financial year for the entire year, Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and Special incentive of a sum of Rs.10.00 lac (Rupees Ten Lac only) payable in lumpsum for the year 2019-20 and other benefits (i.e. Company's contribution to provident fund and gratuity and entitlement of leave.
- 6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations and profile of the Whole-time Director would not be appropriate. However, at a meeting of the Nomination and Remuneration Committee held on 26<sup>th</sup> July, 2019 the Committee recommended fixing remuneration of Mr. Nripen Kumar Dugar on the revised terms as indicated above.
- 7) **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:** Except in the proposed capacity of Whole-time Director and also as a shareholder of the Company, Mr. Dugar enjoys no other pecuniary relationship with the Company. He is one of the Key Managerial Personnel (KMP) and none of the other Directors or KMP are related to him or are interested or concerned in the resolution in any way.

#### OTHER INFORMATION

- 1) **Reasons for loss or inadequate profits:** The Company has not incurred any loss.
- 2) **Steps taken or proposed to be taken for improvement:** The Management continues in its endeavor to optimize resources, make value additions, increase revenue and curtail wastage. The management is optimistic that in the future years your Company would witness improved performance and profitability.
- 3) **Expected increase in productivity and profits in measurable terms:** This cannot be quantified at this stage due to several uncertainties. However, the Directors feel that the present rate of growth of performance would be sustained, if not bettered in the years to come.

#### DISCLOSURES

Information of the remuneration package to the shareholders of the Company: This information has been detailed in the notice and the statement attached to the respective resolution.

Disclosures mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report: Not applicable

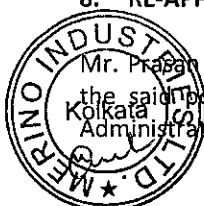
In order to pay additional remuneration by way of special incentive of Rs.10.00 lac (Rupees Ten Lac only) as a one-time payment to Mr. Nripen Kumar Dugar, Whole-time Director, the Board as per recommendation of the Nomination and Remuneration Committee at their meeting held on 26<sup>th</sup> July, 2019 decided to seek the approval of the shareholders of the Company by passing a special resolution to pay such incentive to him (as specified in Item no. 7 of the Notice) in terms of the provisions of Schedule V of the Companies Act, 2013.

Save and except Mr. Nripen Kumar Dugar, Whole-time Director and Key Managerial Personnel (KMP), to the extent of his shareholding interest in the Company, none of the other Directors / KMP of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 7 of the Notice.

The above item of special business to be transacted at this meeting of the Company does not relate to or affect any other company.

#### 8. RE-APPOINTMENT AND PAYMENT OF REMUNERATION TO MR. PRASAN LOHIA, WHOLE-TIME DIRECTOR

Mr. Prasan Lohia has been a Whole-time Director of the Company since 2004 with subsequent re-appointments to the said post and his present term expires on 30.09.2019. Considering his vast experience in overall Business Administration, Corporate affairs and his valuable contribution towards the development of this Company, the Board



recommends that it would be in the interest of the Company to re-appoint Mr. Prasan Lohia as Whole-time Director of the Company for a further period of three years with effect from 1st October, 2019. To effect his appointment, a special resolution is required to be passed by the shareholders of the Company at this meeting and accordingly the resolution appointing Mr. Prasan Lohia as Whole-time Director is placed before the shareholders for approval.

#### INFORMATION ABOUT THE WHOLE-TIME DIRECTOR

- 1) Background details: Mr. Prasan Lohia, AB (Econ.) USA, BS (Elect. Engg.) USA, MBA (USA), aged about 50 years, has been associated with the Company as Vice-President (Global Operations) since 1999 and as a Whole-time Director since 2004. His present term expires on 30<sup>th</sup> September 2019.
- 2) Past Remuneration: The past remuneration of Mr. Prasan Lohia as a Whole-time Director of the Company by way of salary was Rs.9,91,000/- per month (consolidated) and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Mr. Prasan Lohia, his spouse and children for their treatment in India and abroad.
- 3) Recognition or Awards: Not Material
- 4) Job Profile and his suitability: Corporate Office Administration, Supervision of Export-Import Documentation, Foreign Exchange Risk Management and Domestic Sales and Marketing of Eastern Region.  
Mr. Lohia has about 27 years experience and has contributed immensely towards the growth and success of the group in general.
- 5) Remuneration proposed: Salary Rs. 9,91,000/- per month (consolidated) for the period from 01.10.2019 to 31.03.2020 and the Scale with effect from 01.04.2020 and ending on 30.09.2022 Rs. 10,90,000-1,09,000-1,19,900-13,18,900 with the increment falling due on 1<sup>st</sup> April 2021 and 1<sup>st</sup> April 2022 and Perquisites subject to a maximum of Rs. 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses of Mr. Lohia, his spouse and children for their treatment in India and abroad. (as mentioned in Item No. 8 of the notice).
- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations and profile of the Whole-time Director would not be appropriate. However, at a meeting of the Nomination and Remuneration Committee held on 26<sup>th</sup> July, 2019, the Committee recommended fixing the remuneration of Mr. Prasan Lohia as a Whole-time Director based on his present job responsibilities and size of the Company.
- 7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: Except in the proposed capacity of Whole-time Director and also as a promoter shareholder of the Company, Mr. Lohia enjoys no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution along with his father, Mr. Rup Chand Lohia, Executive Vice-Chairman and Key Managerial Personnel (KMP). Other KMP i.e. Mr. Champa Lal Lohia, Executive Chairman, Mr. Bikash Lohia, Miss Ruchira Lohia, Mr. Madhusudan Lohia, Whole-time Directors and Mr. Prakash Lohia, Managing Director are his relatives who are indirectly related to him and are considered to be interested or concerned in the resolution to the extent of their relationship with him. However, Mr. Nripen Kumar Dugar, Whole-time Director, Mr. Asok Kumar Parui, Chief Financial Officer and Ms. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee, Mr. Sisir Kumar Chakrabarti and Mr. Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way

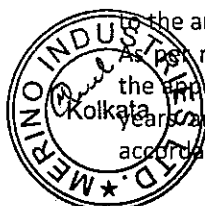
**OTHER INFORMATION** – Same as stated before

#### DISCLOSURES

Information of the remuneration package to the shareholders of the Company: This information has been detailed in the notice and explanatory statement attached to the respective resolution.

Disclosures mentioned in the Board of Directors' report under the heading 'Corporate Governance', if any, attached to the annual report: Not applicable

In accordance with the recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the appointment of Mr. Prasan Lohia as a Whole-time Director with effect from 1<sup>st</sup> October, 2019 for a period of three years and proposed remuneration and terms and conditions of his service be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of



the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 8 of the Notice). The terms of remuneration specified in the said Special Resolution and also described fully in the draft service agreement of Mr. Lohia as Whole-time Director are now placed before the shareholders at this Annual General Meeting, for their approval.

Your directors recommend the approval of the resolution, which may also be treated as an abstract of the draft agreement between the Company and Mr. Lohia pursuant to Section 190 of the Companies Act, 2013. The draft agreement entered into by the Company with Mr. Lohia and all other relevant documents are available for inspection at the registered office of the Company on all working days starting from the date of notice of this meeting upto the date of the Annual General Meeting, between business hours, without payment of any fee.

Mr. Prasan Lohia, Whole-time Director and Key Managerial Personnel (KMP) and his father Mr. Rup Chand Lohia, Executive Vice-Chairman and KMP and their relatives, to the extent of their shareholding interest, if any, in the Company, are directly concerned or interested, financially or otherwise in the resolution. Mr. Champa Lal Lohia, Executive Chairman, Mr. Prakash Lohia, Managing Director, Miss Ruchira Lohia, Mr. Bikash Lohia and Mr. Madhusudan Lohia, Whole-time Directors and KMPs and their relatives, to the extent of their shareholding interest, if any, in the Company, are indirectly concerned or interested, financially or otherwise in the resolution. Mr. Nripen Kumar Dugar, Whole-time Director, Mr. Asok Kumar Parui, Chief Financial Officer and Ms. Vinamrata Agrawal, Company Secretary, falling under the category of KMP and Dr. Gautam Bhattacharjee, Mr. Sisir Kumar Chakrabarti and Mr. Bama Prasad Mukhopadhyay, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 8 of the Notice.

The above item of special business to be transacted at this meeting of the company does not relate to or affect any other company.

#### **RELATING TO ITEM NO. 9**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Basu, Banerjee, Chakraborty, Chattopadhyay & Co., Cost Accountants (Firm Registration No. 000206) of 42-B, Shibatala Street, P.O. Uttarpara, Dist. Hooghly, PIN: 712258 to conduct the audit of the cost records of the Company relating to the applicable products for the financial year ending 31<sup>st</sup> March, 2020 at a remuneration of Rs. 82,500/- plus out of pocket expenses. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be fixed by the shareholders of the Company. Accordingly, their consent is sought for passing an Ordinary Resolution as set out in Item No. 9 of the Notice for fixation of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2020.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 9 of the Notice.

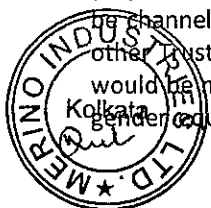
The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

#### **RELATING TO ITEM NO. 10**

The Company had been authorized to contribute to bonafide and charitable funds in terms of Section 181 of the Companies Act, 2013 (the Act).

As per the Act, the Board can contribute to bonafide charitable and other funds and prior permission of shareholders in a general meeting shall be required only if the aggregate contributions in any Financial Year exceed five percent of the Company's average net profits for the three preceding financial years.

Subject to the approval of the shareholders, the Board has plans to spend upto a maximum limit of Rs.15,00,00,000/- (Rupees fifteen crore only) during the Financial Year 2019-20, which exceeds the above limit. The expenditure would be channelized mainly towards contributions (including corpus) to group managed / other Trust(s) and also to such other Trust(s) as the Board would deem fit. The primary objectives of making to the funds / trusts where donations would be made would include eradicating hunger, poverty, promoting preventive health care, sanitation, education, gender equality, empowerment of women, ensuring environmental sustainability, protection of national heritage,



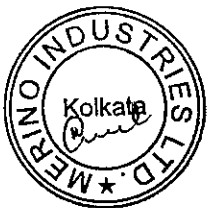
undertaking training to promote rural sports, establish, maintain and grant aid to hospitals etc. and also various other public charitable activities.

As such, the Board recommends passing the resolution.

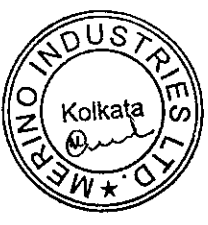
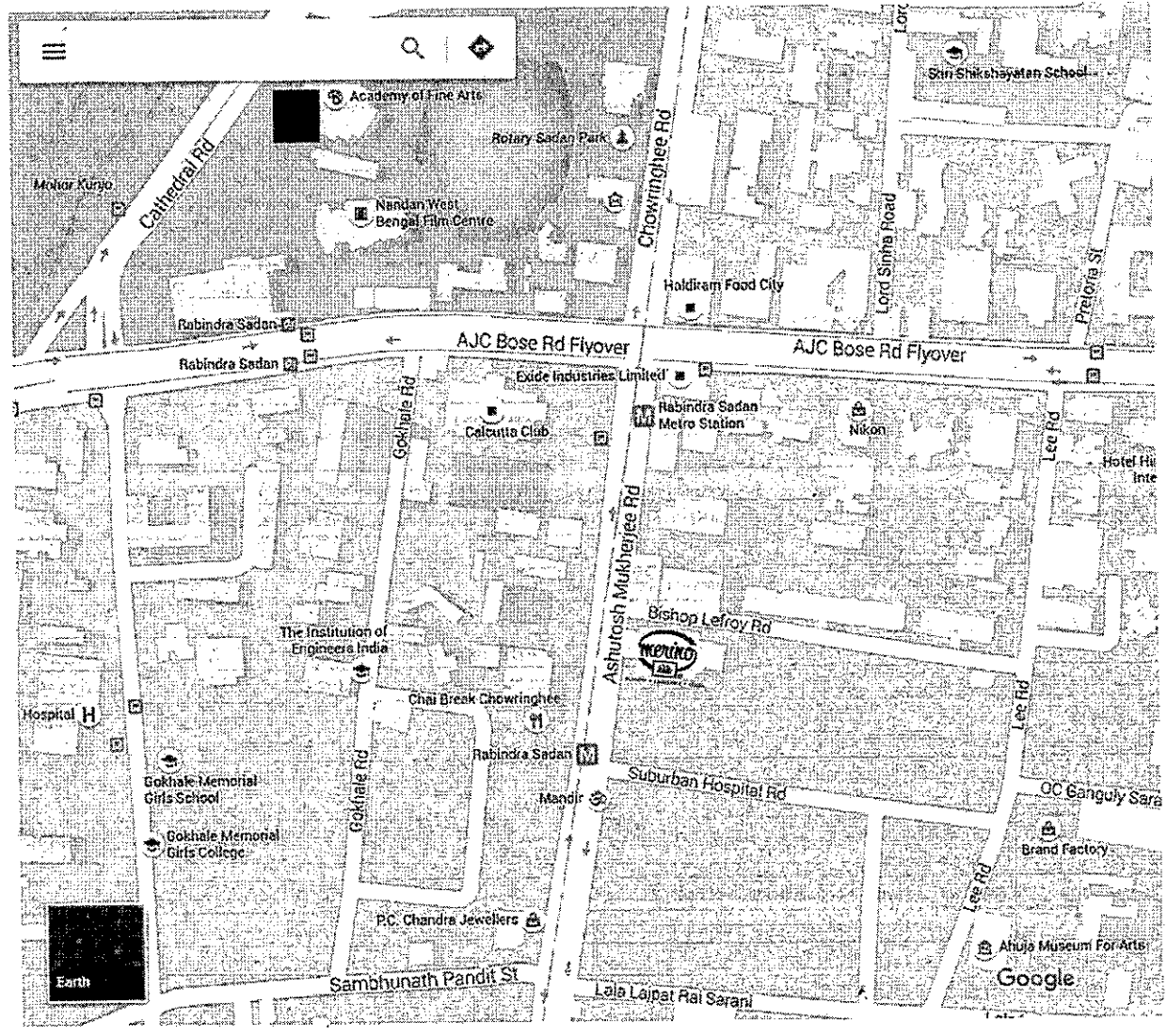
All the Whole-time Promoter Directors, who also fall under the category of Key Managerial Personnel (KMP) are directly or indirectly interested or concerned, financial or otherwise in the resolution, as substantial donations will be made to the Trust(s) in which they are directly or indirectly concerned and interested to the extent the contribution made to these trusts.

However, none of Mr. Nripen Kumar Dugar, Whole-time Director, Mr. Asok Kumar Parui, Chief Financial Officer and Ms. Vinamrata Agrawal, Company Secretary also falling under the category of KMP and Dr. Gautam Bhattacharjee and Mr. Sisir Kumar Chakrabarti and Mr. Bama Prasad Mukhopadhyay, Independent Directors, including their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 10 of the Notice.

The above item of special business to be transacted at this meeting of the company does not relate to or affect any other company.



# ROUTE MAP TO THE VENUE OF AGM





# Merino Industries Limited

CIN: U51909WB1965PLC026556

Registered Office: 5, Alexandra Court, 60/1, Chowringhee Road, Kolkata: 700 020

Tel: 033-2290-1214, Fax: 91-33-2287-0314, E-mail: merinokol@merinoindia.com

Website: www.merinoindia.com

## ATTENDANCE SLIP

### 54TH ANNUAL GENERAL MEETING

Env. No.

I/We hereby record my/our presence at the 54th Annual General Meeting of the Company being held on Monday, the 23<sup>rd</sup> day of September, 2019 at 11-00 a.m. at the Conference Hall, Academy of Fine Arts, 2, Cathedral Road, Kolkata-700071.

Registered Folio No. /  
DP ID & Client ID No. :  
  
Name and Address of  
the Sole/First named  
Shareholder :  
  
Name of Joint holder (s)  
if any :  
  
No. of Equity Share(s) held :  
  
Class of shares : EQUITY  
  
Name of the Proxy /  
Representative, if any

Name of the Proxy/Representative if any: \_\_\_\_\_

Signature of the Shareholder

Signature of Proxy / Authorised Representative

#### Notes:

1. Kindly sign and hand over the Attendance Slip at the entrance of the meeting venue.
2. Members / Proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.
3. The remote e-voting particulars are set out below:

REMOTE E-VOTING PARTICULARS	
Commencement of remote e-voting	End of remote e-voting
Friday, 20 <sup>th</sup> September, 2019 at 9:00 a.m.	Sunday, 22 <sup>nd</sup> September, 2019 at 5:00 p.m.

EVSN (E-voting Sequence No.)	USER ID	PAN / SEQUENCE NO.



Please read the instructions mentioned in Note No. 17 of the Notice dated 26<sup>th</sup> July, 2019 convening the 54<sup>th</sup> Annual General Meeting before availing remote e-voting facilities.



# Merino Industries Limited

CIN: U51909WB1965PLC026556

Registered Office: 5, Alexandra Court, 60/1, Chowringhee Road, Kolkata: 700 020

Phone: 2290-1214, Fax: 91-33-2287-0314, E-mail: merinokol@merinoindia.com

Website: www.merinoindia.com

## PROXY FORM

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

Name of the member(s):			
Registered Address:			
Master Folio No.		E-mail ID:	
*Client ID:		*DP ID:	

I / We being the member / members holding ..... shares of MERINO INDUSTRIES LIMITED, hereby appoint:

- 1) Name:.....E-mail Id: .....  
Address:.....Signature:.....  
or failing him / her
- 2) Name:.....E-mail Id .....  
Address:.....Signature:.....  
or failing him / her
- 3) Name:.....E-mail Id .....  
Address:.....Signature:.....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 54<sup>th</sup> Annual General Meeting of the Company being held on Monday, the 23<sup>rd</sup> day of September, 2019 at 11-00 a.m. at Conference Hall, Academy of Fine Arts, 2, Cathedral Road, Kolkata-700071 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution
<b>Ordinary Business</b>	
1.	Consideration and adoption of the Audited Financial Statement, Reports of the Board of Directors and Auditors for the year ended 31.03.2019
2.	Consideration and adoption of the Audited Consolidated Financial Statement for the year ended 31.03.2019
3.	Confirmation of the declaration and payment of Interim Dividend for the financial year 2018-19
4.	Approval for re-appointment of Mr. Champa Lal Lohia (DIN: 00154019) who retires by rotation
5.	Approval for re-appointment of Mr. Rup Chand Lohia (DIN 00063290) who retires by rotation
6.	Approval for re-appointment Mr. Bikash Lohia (DIN 00154013) who retires by rotation
<b>Special Business</b>	
7.	Consideration and approval for revision of remuneration of Mr. Nripen Kumar Dugar, Whole-time Director (DIN: 00127790)
8.	Consideration and approval for re-appointment of Mr. Prasan Lohia (DIN : 00061111) as a Whole-time Director for further period of three years and payment of his remuneration
9.	Approval for payment of remuneration of Cost Auditors
10.	Approval to give authority for making donation to charitable and other funds

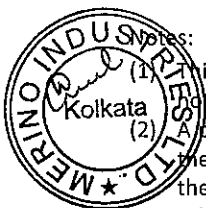
Signed this .....day of September, 2019

Signature of shareholder

Signature of proxy holder(s)

Affix  
Revenue  
Stamp

\* Applicable for investors holding shares in electronic form



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.

A person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 a proxy for any other person or shareholder.

