



ECONOMY • EXCELLENCE • ETHICS



# Speed. Scale. Sustainable.

OUR STRATEGY TO SUCCESS.

Merino Industries Limited | Annual Report 2021-22

The Group's contribution to CSR in FY 2021-22 was ₹312 Lakhs

The Group's contribution to the exchequer (gross) in FY 2021-22 was ₹511.70 Crores

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# FY 2021-22 Highlights



## Financial highlights (amount in Lakhs)

**₹1,79,624.27 Lakhs**

### Revenue

**34.16%** YoY growth

**₹312 Lakhs**

### CSR expenditure

for community development

**₹13,222.49 Lakhs**

### PAT



## Non-financial highlights

**70%**

### Of total energy consumption

from renewable sources

**5,566**

### Total number of employees

as on 31st March, 2022

**94.20 Lakhs**  
MT eCO<sub>2</sub>

### GHG emission reduction

over FY 2020-21

**2,588**

### Man-hours of training

**73+**

### Operating in countries



———— "So long as the millions live in hunger and ————  
ignorance, I hold every person traitor  
Who, having been educated at their expense,  
pays not the least heed to them!"

— Swami Vivekananda



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SHRI MAN KUMAR LOHIA

1926-2009

Founder Chairman



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SHRI CHAMPA LAL LOHIA

1934-2020

Chairman and the inspiration  
behind the Merino Group

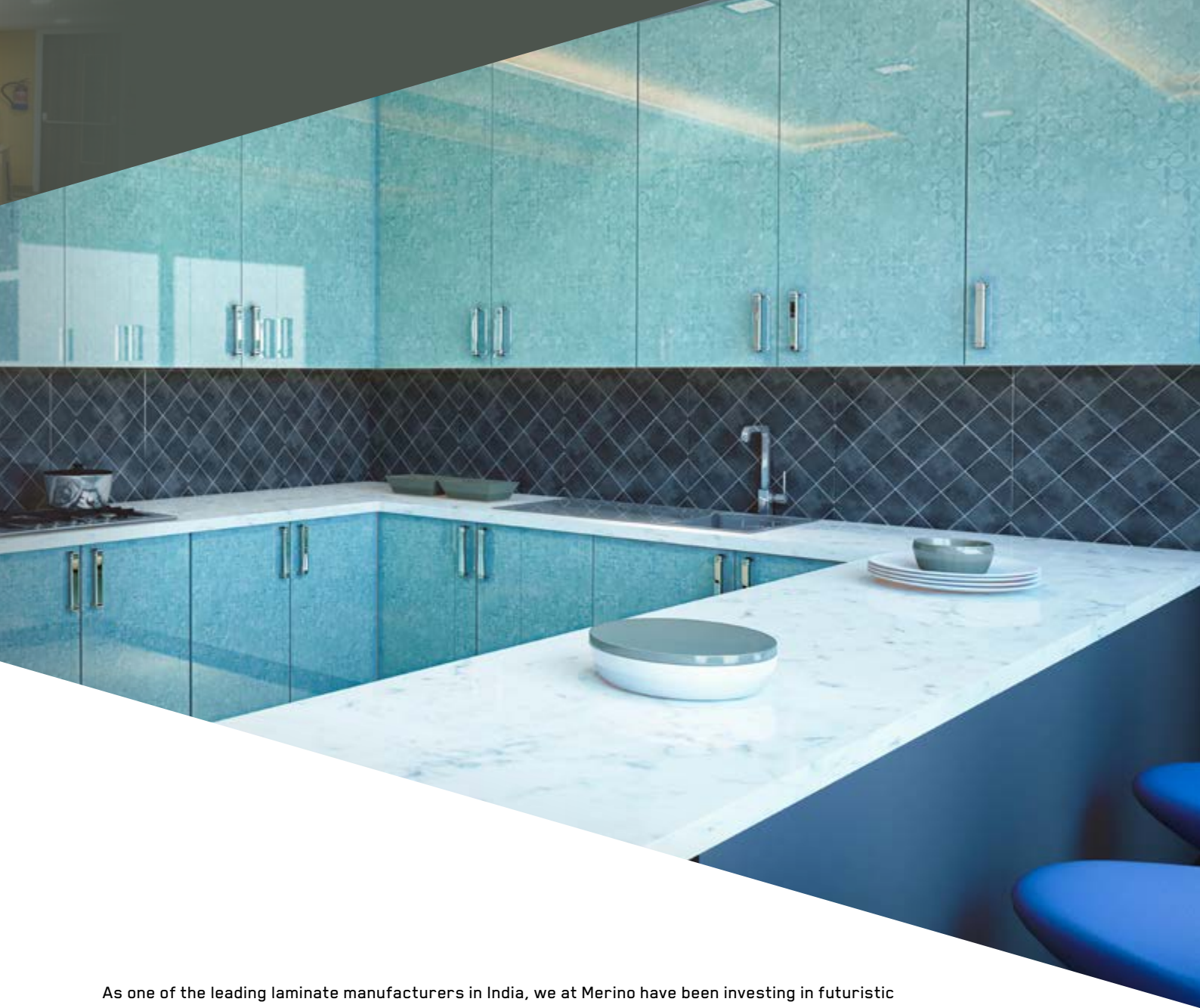


Office at Moti Nagar, New Delhi

# Speed. Scale. Sustainable.

OUR STRATEGY TO SUCCESS.

Since our inception, the decorative laminate industry has evolved significantly, and we have been a pioneer in the industry. Consumers today place a higher value on the attractiveness and visual elegance of their living space and workplace than ever before. This has increased demand for various interior products like laminates, wood panels, particle board, plywood etc.



As one of the leading laminate manufacturers in India, we at Merino have been investing in futuristic laminate and related interior products to meet evolving consumer needs. In this pursuit, we prioritised three strategic areas:



### Speed

Our ability to respond quickly to any situation; be it capitalising on opportunities, innovating products, managing risks, addressing customer needs, have enabled us to stay ahead of the curve. We will continue to leverage this edge going forward.



### Scale

The Group is among India's largest laminate manufacturers with a capacity of 215 lakhs laminate sheets per annum. We will focus on utilising this capacity and sustain our market position while focusing on quality and bringing world-class surface solutions for our customers.



### Sustainable

At Merino, we believe that long-term values are created by achieving a balance between economic, environmental, and social performance. Thus, we are committed to ensure that all our business operations and actions protect the interests of all our stakeholders.

## About Us

# Merino at a glance

Over decades, Merino has established itself as one of the leading manufacturer and marketer of Interior Solutions. Our focus has always been to provide the best value possible across our consumer segments. Our consistent innovations and investments towards enhancing and diversifying our portfolio have led to incredible results.

We have established state-of-the-art manufacturing units which have enabled us to create value across our segments allowing us to have better engagement with our consumers. We have curated different approaches for different business segments to ensure that we maximise our efficiency.

## OUR ETHOS



### Mission

Universal Weal through Trade & Industry



### Vision

Global competence and global competitiveness in every line of business by synergising western work culture & Indian ethos.



### Motto

Our endeavour is to maximise the product value (excellence), maintain affordability (economy) and deal fairly and transparently in all our relationships (ethics).







## OUR COMPETITIVE ADVANTAGE



### BRAND RECOGNITION

With over **55 years** in the laminates manufacturing business, the Company has a strong brand recall.



### SCALE

Manufacturing capacity of **215 lakh** laminate sheets per year, one of the highest in India.



### A DIVERSE RANGE OF LAMINATES

Over **10,000** designs, textures, colours, and finishes are available.



### TECHNOLOGY EDGE

Investment in the Double Belt Casting Unit process helped to reduce manufacturing costs and improve quality.



### CAPTIVE CLEAN FUEL

The **3 MW** co-generation of rice husk powers the Company's manufacturing operations, resulting in a significant savings over power derived from the state electricity grid.



### ETHICAL BUSINESS PRACTICE

Complete compliance with certification and compliance requirements, as well as customer interests and statutory obligations.

## Product Portfolio

# Catering to emerging customer needs

At Merino, we have developed a strong product portfolio with a diverse range of surface solution products. Our consistent focus on innovation has helped us in meeting the evolving consumer needs and stay ahead of the curve.

### Merino Surface Solutions

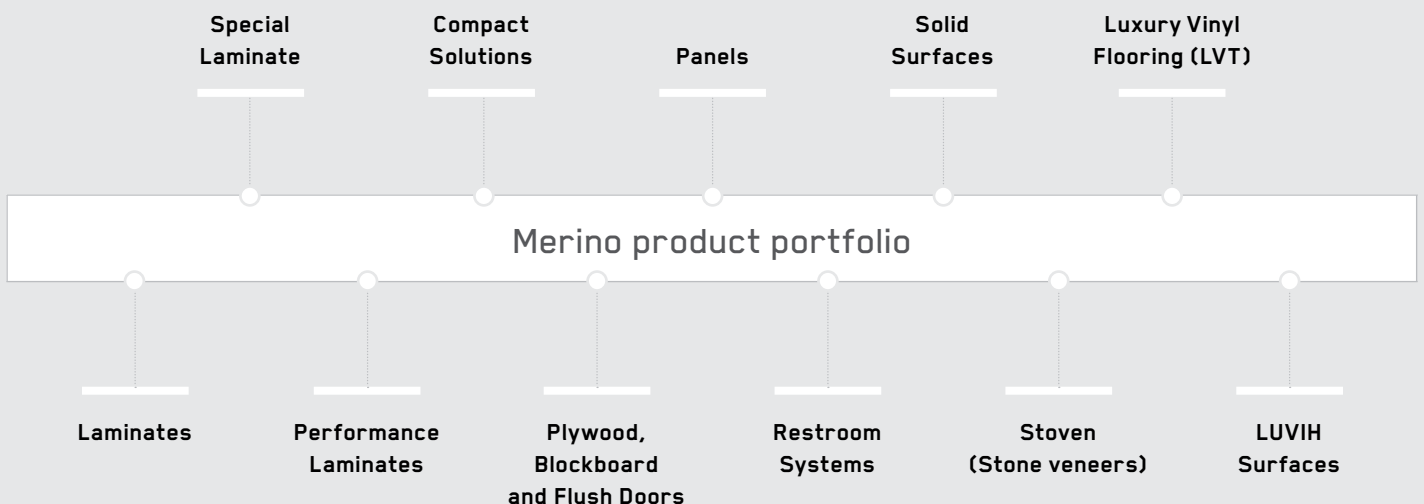
Our diverse surface solutions products portfolio consists of homes, offices, commercial and public areas. Our focus has been consistent over the years as we continue to make our products more affordable, improve its value and upheld transparency. As we are pioneers in the industry, we have evolved over the years through our technological innovations and benchmarks giving ourselves a competitive advantage.

We have not looked back since the inception of our first manufacturing unit for high-pressure decorative laminates at Hapur in 1981. We have achieved a high brand recall through decades of market presence and satisfied consumers. Through our excellence and perseverance, we have become a preferred surface brand for our consumers.



**62 Million**

Square meters production capacity





### High Pressure Laminates

Merino brings extensive range from wood grains to stones, to collections of solid colors; all aiming at satiating your imagination. With an assortment of finishes like fabric, matte, leather, suede, hi-gloss amongst many more, Our belief in aesthetics stands above all else.

#### Merinolam

Premium 1 mm high pressure laminates that stand apart.

#### Merinolam Postforming

Premium flex bendable laminates that are suitable for any edges.

#### Calplus

Exclusive range of 0.8 mm decorative laminates for multiples spaces.

High decorative laminates for liner, backer applications are available in curated range in multiple design catalogues

#### Special Laminates

Merino brings you an unbelievable range of laminates that are manufactured with the finest in technology. The numerous possibilities of Special Laminates let you experience surfaces with premium aesthetic appeal and functional benefit for every unique purpose

#### Category of Products

Infusio
Laminature
Metalam And Mirror
Tuff Gloss MR+
Writeons
Imagino (Digital Laminates)
UNI+

### Performance Laminates

The performance laminates are marked with specialised performance features which have properties of anti-bacterial, Chemical Resistance, Electro Static Dissipative and Fire Retardant.

#### Category of Products

Antibacterial laminates (AB+)
Fire Retardant Laminates (FR+)
Chemical Labgrade laminates (CHEM+)
Electrostatic Dissipative Laminates (ESD+)

### Compact Boards

Our compact high-level laminates has crafted three different products, each with its own set of unique properties to tackle different hindrances. This makes our compact range of laminates versatile when it comes to its usage. We manufacture these laminates in different designs to further boost its versatility. Our compact high level laminates' products consist of Armour - External wall cladding, Shaurya - Internal wall cladding and Standard compact.

#### Category of Products

Shaurya - Interior Wall Cladding
Armour - Merino External Wall Cladding
Standard Compacts - Ideal products for restroom applications

### Meister Panels

Panel Products offer complete surface solutions with durability of various substrates like plywood, MDF, Particle board. It comes in combination of various

decors and surface treatments like PU coated acrylic panels in gloss & matt finishes and Pre/post laminated panels.

#### Category of Products

Gloss Meister
Matt Meister
Ply Meister and Meister Gloss
Prelaminated Boards
Postlaminated Boards

### LUVIH

Premium Luxury products with special haute matte surfaces having features such as anti-fingerprint and high scratch resistant properties was introduced in the market.

#### Category of Products -

- Zeroprint
- Onetone
- Flex
- Stardust
- Bloc
- Edgebands

#### Products (MRS)

##### Restroom Cubicles

- Free Floor System
- Ceiling hung system
- Floor mounted system

##### Commercial Vanity

##### Puriwash

##### Lockers

##### UMP (Urinal Modesty Panels)

##### IWC (Internal Wall Cladding)

##### IPS (Internal Plumbing System)

##### Janitorial Cabinets

## Our Presence

# Marking our presence across the globe

Over the years, we have significantly widened our geographical footprints through our distribution network. Our unmatched quality and timely delivery of products have helped us in establishing ourselves as a globally recognised company.

- 
- |               |                                |              |
|---------------|--------------------------------|--------------|
| 1 Algeria     | 14 Cote D'ivoire (Ivory Coast) | 27 Guatemala |
| 2 Argentina   | 15 Cyprus                      | 28 Hongkong  |
| 3 Australia   | 16 Denmark                     | 29 India     |
| 4 Austria     | 17 Dubai                       | 30 Indonesia |
| 5 Bahrain     | 18 Ecuador                     | 31 Iran      |
| 6 Bangladesh  | 19 Egypt                       | 32 Israel    |
| 7 Belgium     | 20 El Salvador                 | 33 Italy     |
| 8 Bolivia     | 21 Estonia                     | 34 Jordan    |
| 9 Canada      | 22 France                      | 35 Kenya     |
| 10 Chile      | 23 Georgia                     | 36 Kuwait    |
| 11 China      | 24 Germany                     | 37 Lebanon   |
| 12 Colombia   | 25 Ghana                       | 38 Malaysia  |
| 13 Costa Rica | 26 Greece                      | 39 Maldives  |



40 Mauritius  
 41 Mexico  
 42 Morocco  
 43 Myanmar  
 44 New Zealand  
 45 Nigeria  
 46 Norway  
 47 Oman  
 48 Panama  
 49 Paraguay  
 50 Peru  
 51 Philippines  
 52 Puerto Rico

53 Qatar  
 54 Russia  
 55 Saudi Arabia  
 56 Senegal  
 57 Singapore  
 58 Slovakia  
 59 South Africa  
 60 Spain  
 61 Sri Lanka  
 62 Sweden  
 63 Syria  
 64 Taiwan  
 65 Thailand

66 The Netherlands  
 67 Turkey  
 68 United Arab Emirates  
 69 United Kingdom  
 70 United States  
 71 Uruguay  
 72 Venezuela  
 73 Vietnam  
 74 Yemen

## Our Journey

# Decades of excellence

At Merino, we pioneered many innovations in the decorative laminates and wood panel industry by leveraging our rich experience. We focused on continuous upgradation and expansion of our facilities and became one of India's largest laminate manufacturers.

1967

Inception of the Lohia Group with Corporate Office at Kolkata, West Bengal

1968

Established our first potato cold storage facility at Hapur, Uttar Pradesh

1974

Established Commercial Plywood Manufacturing Facility at Makum, Assam

1978

Adopted 'Merino' as the name of the Group

2003

- Established a First Low Pressure Decorative Laminate (LPL) manufacturing facility unit in Hapur, Uttar Pradesh
- Installed India's largest High Pressure Laminate Press measuring (14 x 6 feet) in Hapur, Uttar Pradesh

2002

Established flat furniture manufacturing facility in Hapur, Uttar Pradesh

1995

Established a HPL manufacturing unit in Rohad, Haryana

1994

Merino recognised as the highest exporter of High-Pressure laminates in India

1981

Expanded our facilities in Hapur by introducing our first High Pressure Laminates (HPL) manufacturing facility

2004

Successfully launched restroom cubicles manufacturing facility in collaboration with BESCO, Singapore

2005

Established India's first Potato Flake manufacturing plant under brand 'Vegit' in Hapur, Uttar Pradesh

2006

Expanded our operations to Hosur, Tamil Nadu by establishing a manufacturing unit of Low Pressure Decorative Laminate

2007

Launched Merino Services Limited offering IT solutions

2013

Established state-of-the-art Flat Furniture manufacturing facility in Hapur, Uttar Pradesh

2020

Launched 'Coviguard' with the purpose of safeguarding our stakeholders from the pandemic

2019

Launched 'Infusio' laminates which are embedded with glitter, granules and stones allowing it to set a high bar in terms of quality

2018

Launched the Imagino, Matt Meister and Laminature series of laminates

2017

Expanded our manufacturing units by establishing the 3<sup>rd</sup> High Pressure Decorative Laminate manufacturing facility in Dahej, Gujarat

2016

Established another state-of-the-art flat furniture manufacturing unit in Hosur, Tamil Nadu

2021

- Launched LVT Flooring and Luvih Surfaces
- Bhoomi-Puja and constructions begun for state-of-the-art facilities of the largest particleboard integrated modular furniture industrial complex, Halol, Gujarat

2022

Launched High sleek superior compact worktops for international market

## Chairman's Message

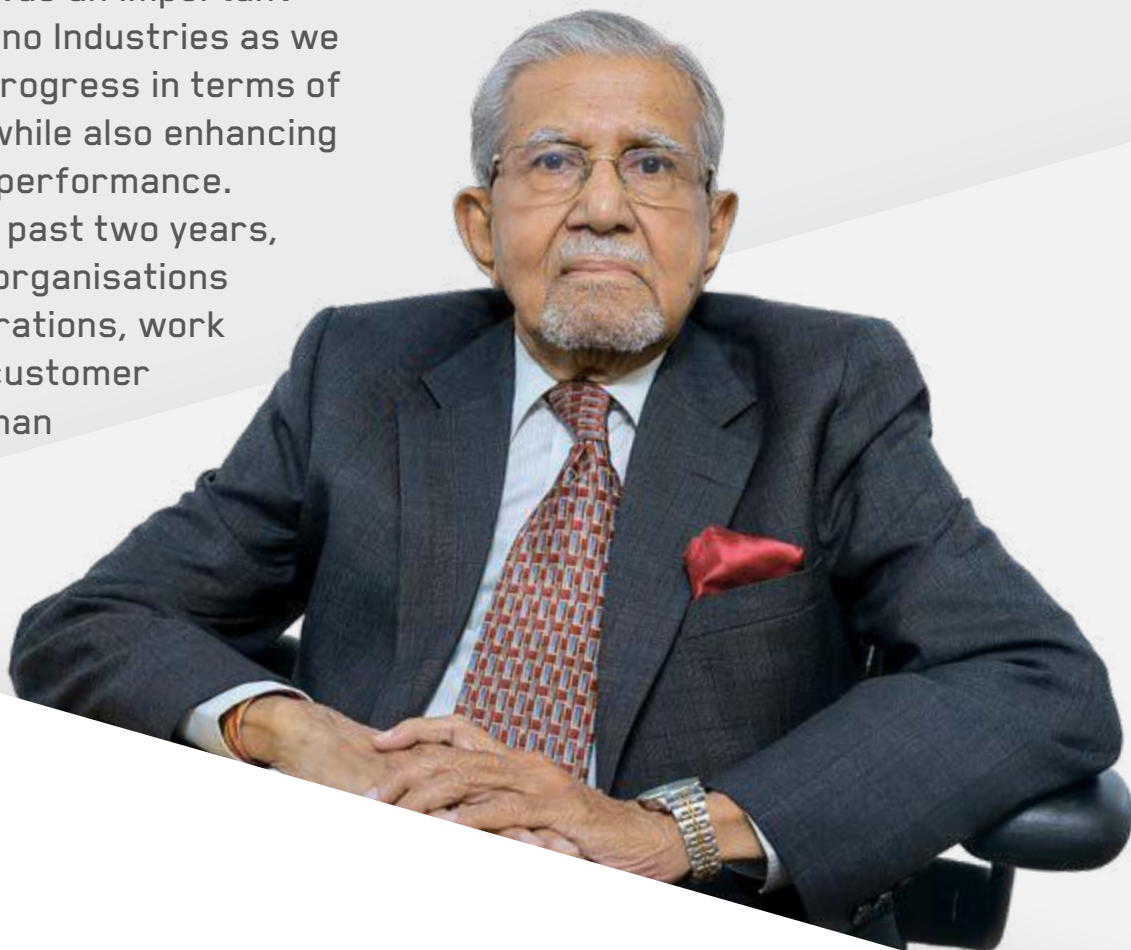
# Focus on sustainable growth

Dear shareholders,

I am delighted to report our annual performance review for FY 2021-22.

The year gone by was an important milestone for Merino Industries as we made significant progress in terms of business growth while also enhancing our sustainability performance.

As I reflect on the past two years, it was crucial for organisations to adapt their operations, work environment and customer offerings faster than ever before.



**₹1,79,624.27 Lakhs**  
Revenue

**₹13,222.49 Lakhs**  
PAT

At Merino, we focused on rethinking our approach, building flexible processes, adaptive planning, learning and implementing new methods and technologies to navigate the fast-changing landscape.

#### Industry overview

Like any other industry, the decorative laminate industry was impacted by

pandemic-led supply chain disruptions and soaring raw material prices. However, with the Indian economy demonstrating strong resilience, quick recovery and a revival in the real estate sector have had a positive influence on the laminate industry.

Despite all odds during the pandemic, the performance of laminate players





has been consistent as compared to other surfacing products in the interior space in India. The laminate export business also performed well due to strong demand for laminates in Europe, the United States, and other international markets during the fiscal year under review.

The domestic laminates market has been performing well and is expected to accelerate in the coming years. With rapid urbanisation, rising disposable income, and India's largest young population, the domestic laminate market has a bright future. Furthermore, digitalisation has played an important role in driving demand for laminate products in small cities, towns, and even rural areas.

### Financial and operational performance

I am happy to share that we witnessed a strong growth in revenue but our margin was impacted on account of soaring raw material and logistic costs. During the fiscal year under review, we reported a revenue of ₹1,79,624.27 Lakhs from ₹13,222.49 Lakhs, up by 34% over the previous year. We recorded net profit margin of 7.58% to net revenue.

### Steering our growth levers

As we move ahead, we are geared up to take full advantage of the emerging opportunities through multiple strategies.

**Product innovation:** New product development to meet changing consumer needs has been a key strategic pillar of

our growth. We have recently launched four new laminate variants: Luxury Vinyl Tile (LVT) flooring, LUVIH interior products, Merino Restroom Solution (MRS) products and Impreza Worktops that will help us grow our customer base as well as enhance brand value.

### Facility expansion and upgradation:

Being a pioneer in the laminate industry, we have been expanding our manufacturing capacities over the years and are named among the country's largest laminate manufacturers. To meet growing demand and future needs of consumers, we focus on strengthening our manufacturing capabilities through periodic expansion and enhancement. Recently, we are setting up a state-of-the-art facility for particle board manufacturing in the state of Gujarat. This is a big leap towards continually enhancing our business capabilities and reinforcing our position as a leading company in the surfacing solutions industry.

### Strengthening our global footprint:

Expanding into new geographies and deepening our presence across existing markets have been a key strategic area for Merino Industries. During the year under review, we introduced brand Merino in the United Kingdom in partnership with our long-term associate International Decorative Surfaces, one of the largest distributors of decorative surfaces in the region.

**Enhancing quality:** We have put in place standard operating procedure (SOP) and work instruction (WI) for process control, thereby reducing defects and improving

quality. The operators were trained on the SOP and WI while a greater number of skilled and experienced manpower were identified for quality inspection. In addition, we prepared skill matrix for all the quality inspectors to equip them with the requisite skills.

**Amplifying our brand:** Another strategic lever of our growth is enhancing our brand through various mediums including television commercials, digital marketing and dealer engagement programmes.

### Safeguarding interest of stakeholders

At Merino, we are actively working to improve our long-term performance in areas such as employee health and safety, environmental integrity, and societal contribution. As a responsible employer, we place high value on our employees' holistic development through our people practises. In our efforts to create a more inclusive society, we implemented various CSR activities in the areas of education and healthcare to empower underprivileged communities surrounding our operations. In order to achieve environmental sustainability, we have clear strategies in place to reduce our environmental impact.

As I conclude, I must mention that your continued trust and support during these difficult times, inspire us to put in our best efforts. I appreciate your unwavering faith in our abilities and look forward to working with you to create even more value in the coming years.

Warm regards,

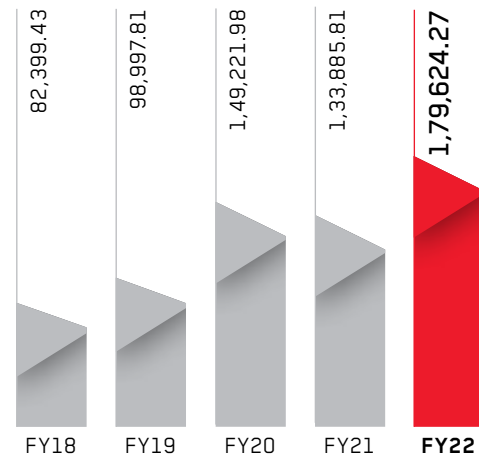
**Rup Chand Lohia**  
Executive Chairman

## Key Performance Indicators

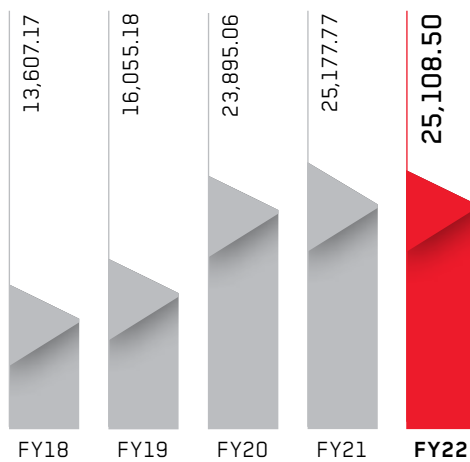
# Delivering profitable growth

We delivered robust performance year over year on the back of our strong fundamentals, effective risk management and clearly defined processes to manage our business.

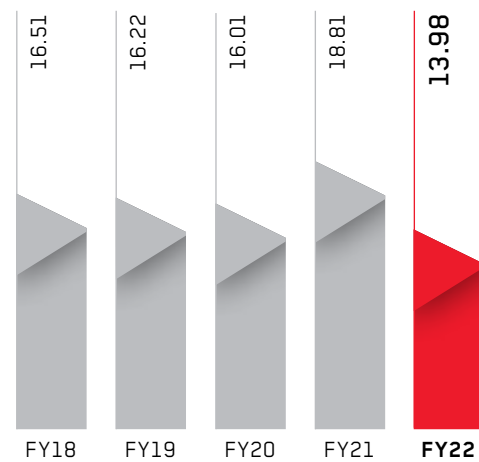
Revenue (₹ in Lakhs)



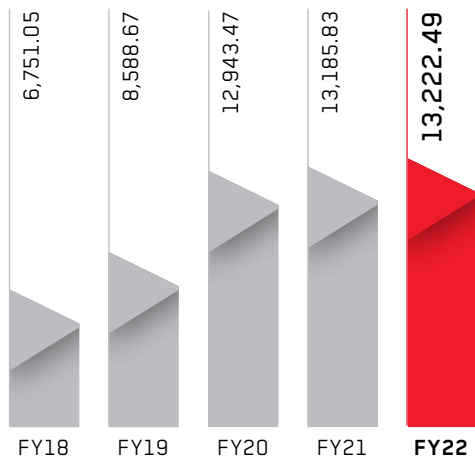
EBITDA (₹ in Lakhs)



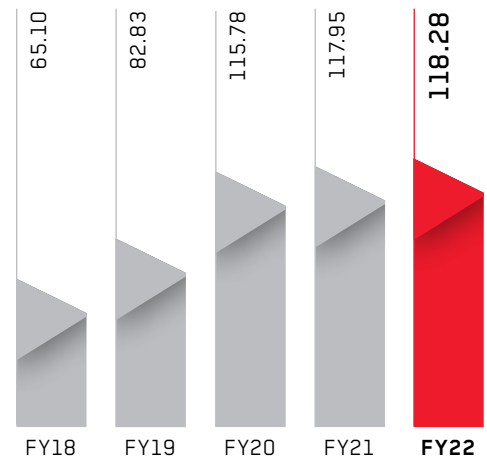
EBITDA margin (%)



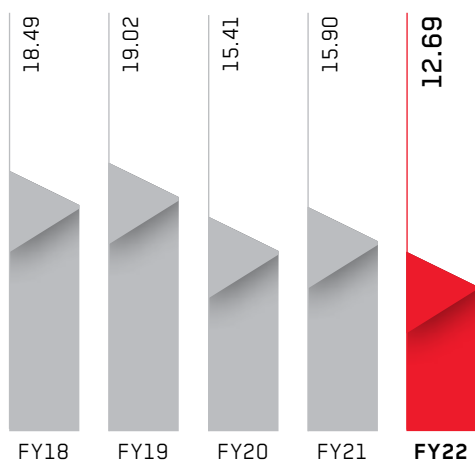
### Profit After Tax (₹ in Lakhs)



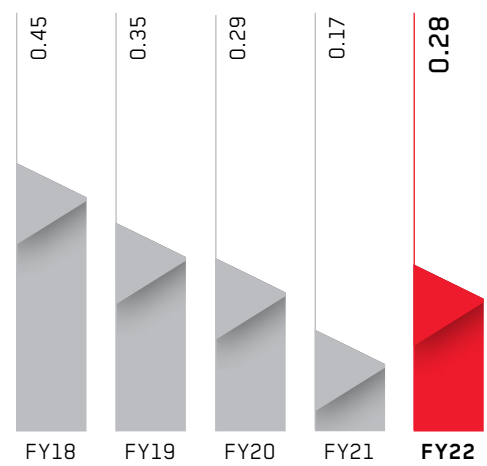
### Earnings Per Share (₹)



### ROCE (%)



### Debt-equity ratio (x)



## Business Model

# Creating enduring value for stakeholders

### Our resources



#### Financial Capital

We seek financial resources based on funds raised from investors, promoters, banks, and financial institutions in the form of debt and net worth.

- Equity: ₹1,16,122.53 Lakhs
- Net Debt: ₹32,074.34 Lakhs



#### Manufactured Capital

It comprised of our manufacturing facilities, technologies, and equipment, as well as efficient supply chain and logistics.

- 5 manufacturing facilities
- 23 offices



#### Human Capital

Our management, employees, and contract workers together constitute the human capital that is committed to create value for all the stakeholders of the Company.

- 2,224 employees
- 3,342 contractual employees



#### Intellectual Capital

Our collective multi-decade experience of expanding our business (across products, resources, markets, partners, and finances) translates into Intellectual Capital.



#### Natural Capital

Our raw materials are sourced from nature, indicating our dependence on Natural Capital.



#### Social Impact

Our relationships with communities and partners (vendors, suppliers, and customers) influence our role as a responsible corporate citizen.

### Value creation process



#### Enablers

- Manufacturing and innovation
- Marketing and branding
- Information Technology



Our business model outlines how we generate value for our key stakeholders. We strive to maximise the value we create through effective resource management and business process optimisation.

## Value created

### Financial Capital

**₹1,79,624.27** Lakhs Net revenue

**₹25,108.50** Lakhs EBITDA

**₹13,222.49** Lakhs PAT

**12.69%** Return on Capital Employed

### Manufactured Capital

**77%** Capacity utilisation in decorative laminate

**4** New Products in diverse segments (Luvih, LVT, MRS Products, Impreza Worktops)

### Human Capital

**421** Employees hired

**43,957** Man-hours training

### Natural Capital

**70%** Of total energy comes from renewable sources

**10%** Reduction in energy intensity (Ratio of Energy Consumption and Revenue)

**17%** Reduction in water intensity (Ratio of Water consumption and Revenue)

### Social Impact

**5,945** People benefitted from our CSR efforts

### Analysing external environment

- Market trends
- Growth drivers
- Risks and opportunities

### Strategic priorities

- Portfolio optimisation
- Diversification
- Focus on Brand

### Stakeholder Relationships

- People
- Customers
- Partners
- Government authorities

## Operating Landscape

# Capitalising on emerging opportunities

At Merino, we constantly track and analyse industry trends and their impact on our business. This enables us to identify and capitalise on new opportunities while managing potential risks.

## Laminate Market Size

### Global



In 2021, the global decorative laminates market is expected to be worth USD 41.7 billion. Going forward, the market is expected to reach USD 54.3 billion by 2027, with a CAGR of 4.39% between 2022 and 2027.

#### Laminate market size (USD billion)



### Indian



In 2021, the India decorative laminates market is expected to be worth USD 1.6 billion. Going forward, the market is expected to reach USD 2.3 billion by 2027, with a CAGR of 6.13% from 2022 to 2027.

#### Laminate market size (USD billion)



[Source: Imarc Group]



## Growth Drivers



### Rising population

India's population is expected to increase from 1.39 billion in 2020 to 1.52 billion by 2036, increasing the demand for homes and the corresponding decorative and innovative laminates.



### Favourable demographics

The median age of the Indian population is expected to be 28 years in 2022, compared to a global average of 30 years, indicating a young population willing to spend.



### Urbanisation

On a larger population count, India's urban population is expected to rise from 34.47% in 2020 to 39% by 2036, increasing demand for housing and laminates.



### Real estate development

The Indian real estate sector is expected to grow from USD 180 billion in 2020 to USD 1 trillion by 2030, boosting demand for laminates.



### Pradhan Mantri Awas Yojana (PMAY)

The PMAY scheme approved 1.12 million urban houses, increasing demand for furniture.



### Policy support

With government initiatives such as 'Make in India' and 'Vocal for Local,' the Indian manufacturing sector has gained traction; the Government of India aims to increase the manufacturing sector's share from 16% to 25% by 2025.



### Price-value proposition

The mindset to buy into products promising a superior price-value proposition shapes India's consumption pattern.

## Environment

# Reducing our environmental footprint

Our manufacturing operations involve usage of various resources such as water, fuel for power and heat generation, and so on, resulting in the generation of ecological footprints such as carbon, emissions, and waste. As a result, Merino strives for continuous improvement by focusing on resource optimisation and lowering ecological footprints in terms of carbon, emissions, and waste.

## Energy Management

Merino has formulated a three-pronged approach for effective energy management:



### Energy source

Focused approach for the energy source that fulfils our objectives of ecological sustenance and indigenous availability through in-house energy production using biogenic fuel like saw dust, rice husk and co-generation biogas and on solar system.



### Energy efficiency

Constant efficiency upgradation through upgraded electrical tools, appliances, machineries or improved technology in operations, utilities, and lightening systems.

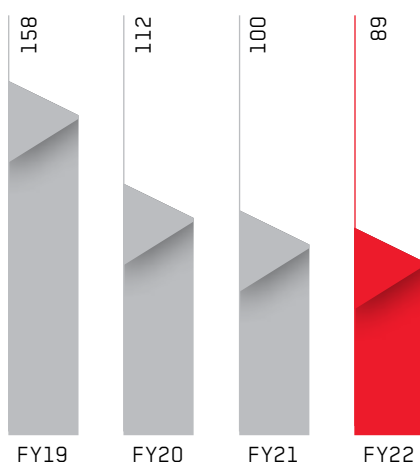


### Energy conservation

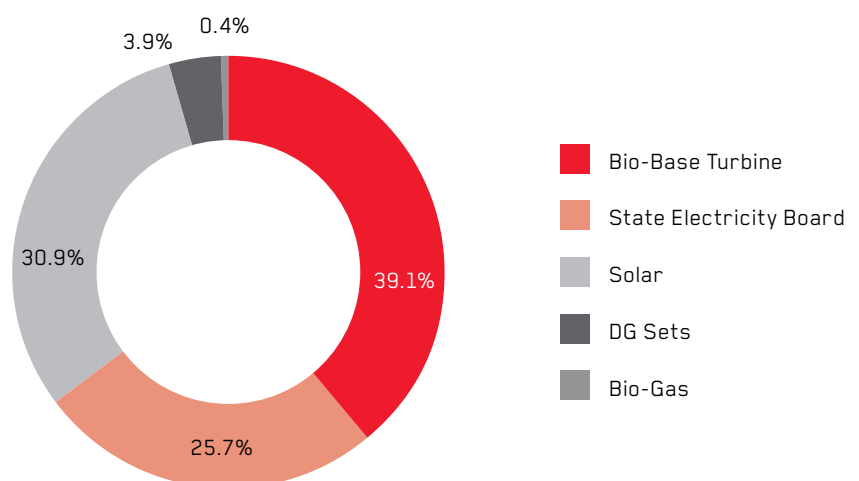
Promoting an environmentally friendly work culture and direct savings or reduced consumption of energy through provision of natural light in all establishments, saving electricity through automation and humane responsibilities.

## Energy Intensity

(GJ/₹ Lakhs of revenue)



## Energy Mix of Merino (%)





### Solar is a preferred choice for Merino

The group has installed around 9.43 MW solar system/plants that helps to generate 12.4 million kWh units of electrical energy during 2021-22 for production, utilities, and lighting needs of four factories of Merino. This makes up for around 31% of the total energy requirement of all plants of the group.



■ Rooftop solar system at Rohad unit



■ Ground mounted solar plant at Hissar



■ Rooftop solar system at Hapur Factory Unit I



■ Rooftop solar system at Dahej unit



■ Rooftop solar system at Hapur II

### Energy conservation initiatives during FY 2021-22

- Replaced inefficient motors with IE3 motors and conventional fans with BLDC fans at various locations
- Replacement of cooling tower fans from aluminum blades to light-weight FRP blades, automation for heating cooling system, and installations of new energy efficient LED lamps across the factories
- Energy efficient HVAC systems in press and dryer section in place of split AC to reduce electricity consumptions
- Incinerator with heat recovery systems to be incorporated with thermic fluid heater and the waste heat to be used in 35 Lkcal/Hr. Thermic fluid heater thus reduces the consumption of fuel by 5000 kg/day.
- Peel Cutting Blade assembly was replaced by Ni-Chrome wire assembly that would save energy up to 1,763 KWH/month
- Replaced the old loader unit for increasing productivity while saving energy up to 429 KWH/Year
- Placing the 4MT Vertical Order Picker and Laminate Racking System at this sorting section, to minimise the material movement in factory premises, thereby reducing the total energy consumption by different material handling equipment

# Environment



■ Water Pond managed by Merino Industries Limited, Rohad

## Water Management

At Merino, we follow the 5R approach: Reduce, Recycle, Reuse, Replenish and Restore for water management.

### Water conservation

We have installed 200 and 250 CHM Adiabatic Cooling Towers at Hapur plants which helps us save more than 30,000 KL annually. Our flash steam recovery system further helps us save around 15% of water used in steams.

During FY 2021-22, we incorporated a 111 TR air chiller for the cooling zone of all the impregnator that would reduce water consumption for the evaporator. A 3.5 KLPH ETP installed in the Dahej factory to clean industry effluent, thereby reducing fresh water use for gardening by 30 KLD. Store and reuse solar cleaning water system; as a result, raw water usage for cleaning is reduced by 20KL/month.

### Water intensity and stewardship

The continuous decline in water intensity with each passing year demonstrates our commitment to reduce water intake while expanding economic growth.

## Water Intensity (in KL/₹ Lakhs of Revenue)





■ Waste Management Slurry to Biogas

## Waste Management

We implement many innovative waste-recycling methods. There is a system in place to collect all waste and segregate them into various categories like hazardous (non-recyclable), non-hazardous (recyclable), organic, non-organic, liquid, and solid. This helps to properly plan the reuse of recyclable wastes and carefully dispose the hazardous ones.

Read more on waste management in the Sustainability Report.

### Emission control and air quality maintenance

At Merino, we diligently work towards maintaining emissions lower than the stipulated limit in our manufacturing activities to bring positive and lasting impact.

An important element of industrial emission is ozone depleting gases (ODG) like Chlorinated Fluorocarbon, CO<sub>2</sub> that get released in the atmosphere. At Merino, we have decided to mitigate this through proper knowledge, training and technological upgradation.



■ Niyawaki initiative in Hapur Factory

## Soil Management

We take various measures for soil conservation, improvements in soil health, plantations and resilient agriculture. Some of our soil care initiatives are enriching soils with natural compost or manure, Green Cover, Afforestation or Agroforestry.

**10,000**

Saplings were placed in and around our premises during FY 2021-22

**14,000 tons**

Of CO<sub>2</sub> equivalent GHG has been effectively removed annually through our green initiatives

## Social – Communities

# Impacting lives for an inclusive society

At Merino, we believe in community growth that is sustainable through productive and sound enterprise. We believe that our actions should lead to a more powerful, equitable, and inclusive society. Our CSR programmes are primarily focused on two broad segments of basic human needs in order to have a significant impact on people's lives, education and healthcare.

Our CSR activities are carried out through the Sri Hara Kasturi Memorial Trust, which was established specifically for this purpose.

## Education



■ Students of SVAV School of Merino, Hapur

Through our educational programs we have been able to touch the lives of people in Northern and Eastern India. We focus on catering to the underprivileged children and empowering them to lead a better life, through our school - "Swami Vivekananda Arunoday Vidyalay" (SVAV). SVAV, is a formal school recognised by the UP-state board, and is directly managed and run under the aegis of Sri Hara Kasturi Memorial Trust. This school works as a catalyst in spreading education and empowering the economically weak households to improve their social habits and conditions.

### Swami Vivekananda Arunoday Vidyalay (SVAV)

By reaching out to the underprivileged and young minds, SVAV looks forward to unfolding thousands of young ideas, dreams and their fulfilment. This co-educational school opened new avenues of learning for the children from economically weaker families. Established in 2013, the school started with just 10 girls and 5 boys in Class-1. At the end of the academic year 2021-22, the school enrolls students up to Class-7, with a strength 97 girls and 41 boys and a team of 26 teaching, non-teaching and contractual staff. As we are growing organically for the academic year 2022-2023 the school management has decided

to add Class-8 into its fold, which will take our students strength to 158.

### Tie-up with Ramanujan College

Shri Hara Kasturi Memorial Trust (HKMT) and Ramanujan College signed an MoU on 27<sup>th</sup> September 2021 to build the capacity of faculties and staff of HKMT, so they can provide quality education to the underprivileged children enrolled with Swami Vivekananda Arunoday Vidyalay (SVAV), Hapur and also with the Yogakshema Scholarship Program, currently being implemented in Kolkata, West Bengal. The MoU was signed with the objective of achieving the following:

- Capacity building of teachers
- Capacity building of students
- Extension activities for both the institutions to benefit their teachers, students and society at large

### Scholarship to graduate students

This scholarship program is currently being implemented in Northern India, at Hapur, Uttar Pradesh. During the academic year 2021-22, 28 students (19 girls + 9 boys), were imparted structured coaching and have also been provided with financial support and guidance to continue their education in well-established private secondary schools outside SVAV.

## Healthcare



■ Healthcare facility provided by Merino



■ Students activities at SVAV

We believe that overall progress of any nation grossly depends upon good health and wellness. Our free healthcare services for the prevention of diseases among the poor and needy are one of the steps taken towards building a healthy society. Our healthcare program team consists of MBBS Doctors, Ayurvedic Doctors, compounders and qualified lab assistants. Currently our healthcare program is limited to parts of Northern India only.

### Sankat Mochan Abhiyaan

The unprecedented surge in the number of COVID-19 cases during second wave, once again disrupted the entire health care system of our country. Thus, to reduce the burden on the hospitals, and to support the district administration, Sri Hara Kastrui Memorial Trust sponsored by Merino Industries Ltd. tied up with Hillary Clinton Nursing School functioning under the auspice of Vinod Gupta Charitable Foundation to train and engage young volunteers to support COVID-19 patients and also in the governments, vaccination drive.

We also continued with our Awareness Campaign and maintaining sanitisation of our factory and school premises. With our constant efforts 100% of our eligible employees have taken their required vaccination doses. Within the factory and in our school premise entry without mask is not allowed.

### Shri Prem Chand Lohia Health Centre' (SPCLHC) - Caring for lives

Healthcare facilities such as, OPD services, treatment of TB patients and Ayurvedic treatment to local people are provided through 'Shri Prem Chand Lohia Health Centre' (SPCLHC). Seeing the prevalence of TB cases in Hapur, Merino Group through SPCLHC has joined hands with the Dept. of Tuberculosis, Govt. of India, to eradicate TB. Currently, the centre is providing TB treatment in about 42 villages of Hapur District, in Uttar Pradesh.

Due to the pandemic, we had to close down the dispensaries however, after the relaxation of lockdown we opened up our dispensary at MIL Factory.

At present, our three dispensaries are operational. Our healthcare program is managed and supported by one MBBS Doctor, one Ayurvedic Doctor, one Pharmacist, two staff and one ward boy. The team provides general OPD for patients and for treatment of TB in particular. During the period 4,862 out patients were treated and 1,23,092 units of medicines were distributed. During the period for 777 TB patient's sputum were diagnosed, 339 TB patient's were treated and 11 patient's were supported with diet.

### Setting up Oxygen Plant at District Government Hospital, Hapur

Seeing the growing need and the scarcity of Oxygen supply, Merino extended its helping hand to the local Government. It has set up a PSA Medical Oxygen Plant at the Government Hospital, Pilkhuwa, that would cater to 100 patients per day. The plant was commissioned on July 28, 2021. Gen. V K Singh, Minister of State for Road Transport and Highways and Civil Aviation, Government of India. The plant has a capacity of producing 30 Nm<sup>3</sup>/hour, with an oxygen purity of 93% - 95%.

## Social – People

# Shaping culture. Nurturing talent.

At Merino, we put a high priority on cultivating a culture that makes our people feel connected and inspired to grow with the Company thereby creating positive employee experiences. Our people practises are focussed on attracting and managing talent, strengthening our commitments and actions towards ensuring the safety and wellbeing of our employees.



■ Classroom in SVAV School

## Learning and development

Merino's philosophy is to provide each employee equal and continuous opportunities to learn and grow. We conduct various learning programmes to enable our employees with the essential skills based on the role in the organisation.



■ National Anthem play everyday

## Fostering a culture of safety

The Company has developed a strong safety culture in recent years to address the following risks: working at heights; hazardous materials and processes; equipment management; and suspended loads. In order to improve our Health and Safety function, we are strengthening our systems, processes, and enabling a standardised approach.

In addition, we focus on reducing sickness absence, strain injuries, and accidents and incidents on manufacturing and construction sites. Thus, we emphasise training, process compliance, and provisions for alternate forms of work.



■ Women staff in production - Rohad plant

## Employee engagement

At Merino, we believe that engaging employees is critical for retaining top talent and is an important piece of the employee satisfaction, as disengaged employees are more likely to leave their jobs. Thus, we conduct various employee engagement programmes to boost employee morale and motivation.



# Sustainability at Merino

## Committed to responsible business practices

At Merino, we are actively working towards improving our sustainable performance in the areas of employee health and safety, preserving environmental integrity and contributing to society. We emphasise on aligning our business operations with the UN's sustainable development goals while driving business growth.

### Impact areas



■ Captive energy plant at Hapur

#### Energy management

Our energy management practices include procurement of renewable fuels, implementation of energy conservation practices, energy-efficient processes and systems.

#### Sustainable impact areas



■ Water pond in Rohad

#### Water management

Focused on reducing water consumption, recycling and reusing water. We also replenish and restore water sources.



■ Air pollutant monitoring

#### Emission control and care for air quality

Our air emission and quality focused practices helped us maintain the factory premises particulate below the outside ambiances.



■ Bio-diversity in Hapur

#### Soil conservation

Under soil and green cover initiatives, we focus on producing and using organic manures, plantation drives, practices of resilient agriculture and partnership with farmers for non-chemical agroforestry.



### Our sustainable targets

At Merino, we are committed to improve our sustainability performance by implementing targeted initiatives under the aforementioned key impact areas. To strengthen our commitment, we have set sustainable targets for the next three to five years.

Become a net zero (Scope 1 and 2) organisation by 2025

Increase overall renewable energy contribution to 80% (from current 70%) by FY 2022-23

Under Merino Green Drive initiative, over 25 lakhs to 100 lakhs of sapling under Agro-forestry model to be planted every year in collaboration with farmers

IOT enablement of measurement and monitoring of resource consumption at all locations by 2025

Achieve Zero Liquid Discharge (ZLD) at all the units within next two years

## Awards and Recognitions

# Growing recognition

At Merino, we strive to set higher benchmarks that allow us a global competitive advantage. Right from uncompromising safety standards, sustainable production and manufacturing processes to innovation centric research & development, we ensure a consistent range of superior quality products that comply with international certifications and accreditations.



**"IGBC - MP - 081076"**



\* Products are available as FSC™ certified upon request

\* NSF International has certified Merino Industries Limited Hapur for Work Surface in CGS and HGS grade. For further product listing information visit [www.nsf.org/certified-products-systems](http://www.nsf.org/certified-products-systems).





# Corporate Information

## Board of Directors

### Executive Chairman

Shri Rup Chand Lohia

### Managing Director

Shri Prakash Lohia

## Directors

### Shri Prabal Kumar Sarkar

- Independent Director

### Shri Sisir Kumar Chakrabarti

(Cessation on 30.09.2021)

- Independent Director

### Dr. Gautam Bhattacharjee

(Cessation on 31.07.2022)

- Independent Director

### Shri Bama Prasad Mukhopadhyay

- Independent Director

### Shri Kooretti Titu Prasad

(Appointed on 17.08.2022) -

Additional Director

### Shri Prasan Lohia

- Whole Time Director

### Miss Ruchira Lohia

- Whole Time Director

### Shri Bikash Lohia

- Whole Time Director

### Shri Manoj Lohia

- Whole Time Director

### Shri Deepak Lohia

- Whole Time Director

### Shri Madhusudan Lohia

- Whole Time Director

### Shri Anurag Lohia

- Whole Time Director

### Shri Nripen Kumar Dugar

- Whole Time Director

## Chief Financial Officer

Shri Sachin Selot

## Company Secretary

Shri Bala Ji

## Audit Committee as on 31.03.2022

### Shri Prabal Kumar Sarkar

- Chairman

### Dr. Gautam Bhattacharjee

- Member

### Shri Bama Prasad Mukhopadhyay

- Member

### Shri Prasan Lohia

- Member

### Shri Bala Ji

- Secretary to the Committee

## Stakeholders Relationship Committee as on 31.03.2022

### Dr. Gautam Bhattacharjee

- Chairman

### Shri Prasan Lohia

- Member

### Shri Bala Ji

- Secretary to the Committee

## Nomination and Remuneration Committee as on 31.03.2022

### Dr. Gautam Bhattacharjee

- Chairman

### Shri Prabal Kumar Sarkar

- Member

### Shri Bama Prasad Mukhopadhyay

- Member

### Shri Bala Ji

- Secretary to the Committee

## Corporate Social Responsibility Committee as on 31.03.2022

### Shri Prakash Lohia - Chairman

### Shri Prasan Lohia - Member

### Dr. Gautam Bhattacharjee - Member

## Registered Office

5, Alexandra Court,  
60/1, Chowringhee Road,  
Kolkata-700 020  
Phone: 2290-1214,  
Fax: 91-33-2287-0314,  
E-mail: [balaji@merinoindia.com](mailto:balaji@merinoindia.com)  
Website: [www.merinoindia.com](http://www.merinoindia.com)

## Plants

Delhi-Hapur Road,  
Vill. Achheja,  
P.O. Hapur-245 101  
Dist. Hapur  
Uttar Pradesh

Delhi-Rohtak Road,  
Vill. & P.O. Rohad,  
Dist. Jhajjar,  
PIN: 124 501  
Haryana

Bagalur Road,  
Vill. Kalahasthipuram,  
Hosur - 635 103,  
Dist. Krishnagiri  
Tamil Nadu

Plot No. D-2/CH/36,  
Dahej-2 Industrial Estate,  
Dist. Bharuch  
PIN: 392 130  
Gujarat

## Branches

Ahmedabad, Bangalore, Ludhiana,  
Chennai, Coimbatore, Delhi, Ernakulam,  
Hyderabad, Jaipur, Mumbai, Nagpur, Pune,  
Halol, Dahej, Lucknow, Chandigarh

## Auditors

Singhi & Co.  
Chartered Accountants

## Cost Auditors

M/s. Rajendra Singh Bhati & Co.,  
Cost Accountants

## Internal Auditors

M/s. PricewaterhouseCoopers  
Services LLP  
M/s AMP & Co., Chartered Accountants

## Secretarial Auditors

M/s D K Chawla & Co.,  
Company Secretaries

## Banks

AXIS Bank Limited  
Standard Chartered Bank  
Kotak Mahindra Bank Limited  
Punjab National Bank  
The Hongkong and Shanghai Banking  
Corporation Limited  
DBS Bank Limited  
CITI Bank

## Registrars & Share Transfer Agents

C.B Management Services (P) Ltd.  
P-22, Bondel Road, Kolkata-700 019  
Phone Nos.: (033) 4011 6700,  
2280 6692 - 94  
Fax: (033) 2287 0263;  
Email: [rta@cbmsl.com](mailto:rta@cbmsl.com)

# Board's Report



Office at Moti Nagar, New Delhi

To  
The Members,  
Merino Industries Limited

Your Directors have pleasure in presenting the Fifty-Seventh Annual Report on the business and operations of the Company together with the audited financial statements for the year ended 31<sup>st</sup> March, 2022.

## Financial Highlights

The financial highlights of your Company for the financial year ended 31<sup>st</sup> March 2022 are as under:

Particulars	(Amount ₹ in Lakh)	
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
Revenue from Operations	1,74,789.53	1,29,688.30
Other Income	4,834.74	4,197.51
<b>Total Revenue</b>	<b>1,79,624.27</b>	<b>1,33,885.81</b>
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense (EBIDTA)	25,108.50	25,177.77
Less: Depreciation/ Amortisation/ Impairment	6,280.68	5,668.62
Profit before Finance Costs, Exceptional items and Tax Expense	18827.82	19509.15
Less: Finance Costs	1,319.92	1,816.97
Profit before Tax Expense	17,507.90	17,692.18
Less: Tax Expense (Current & Deferred)	4,285.41	4,506.35
<b>Profit after Tax Expenses for the year</b>	<b>13,222.49</b>	<b>13,185.83</b>
<b>Total other comprehensive income, net of tax</b>	<b>(41.76)</b>	<b>201.12</b>
<b>Total Comprehensive Income for the year</b>	<b>13,180.73</b>	<b>13,386.95</b>

## State of Company's Affairs, Segment-Wise Performance and Future Outlook

Your Company recorded a total revenue of ₹ 1,79,624.27 Lakh as compared to ₹ 1,33,885.81 Lakh in the previous year. The profit before tax was ₹ 17,507.90 Lakh as compared to ₹ 17,692.18 Lakh in the previous year. The Company's net profit after taxes stood at ₹ 13,222.49 Lakh as against ₹ 13,185.83 Lakh last year.

Your Company operates mainly in the following three segments, namely, manufacturing of Laminates, Potato Flakes and Panel Products & Furniture. Though business activities of your Company

also involve trading in similar and allied products including Acrylic solid surface, with the laminates segment being the most dominant one both in terms of profit and revenue.

The Directors and Management of your Company expect steady growth and progressive results in the coming years.

### COVID-19 Pandemic

The COVID-19 pandemic, continued to be a global challenge, creating disruption across the world. In the first three months of FY 2021-22, the second wave of the pandemic overwhelmed India's



medical infrastructure. In the third week of November 2021, India was reporting around 7,000 to 9,000 daily new COVID-19 cases. The COVID-19 vaccination was getting accelerated and there was more supply of vaccines than demand. There was a glimmer of hope that by early 2022, life would return to normal. Then, in the last week of November, the emergence of Omicron, the fifth and the latest variant of concern, changed the ways in which each of us relates to and navigates the world.

In enforcing social distancing to contain the spread of the disease, the Company's offices all over the world have been operating with minimal staff for extended periods of time. To effectively respond to and manage the Company's operations through this crisis, the Company triggered its business continuity management program. In keeping with its employee-safety-first approach, the Company quickly instituted measures to trace all employees and be assured of their well-being.

Proactive preparations were done at the Company's work locations during this transition to ensure the offices were safe. Majority of the production workforce were enabled in a rapid manner to work remotely and securely, thus ensuring that client commitments were not materially compromised.

### Dividend and Reserves

Your Company has a trend of declaring dividend on regular basis. Continuing with the trend and after considering the financial performance of the Company, the Directors have recommended for declaration of dividend of 90% (₹ 9/- per equity share) on August 17, 2022. The dividend shall be payable post shareholders' approval at the 57<sup>th</sup> Annual General Meeting.

During the Financial year under review, ₹ 1322.25 Lakh has been transferred to general reserve of the Company.

### Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The unclaimed and unpaid interim dividend amounting to ₹ 2,06,035 relating to the financial year 2014-2015 was due for transfer on 14.09.2021 to the Investor Education and Protection Fund established by the Central Government. This was transferred on 16.09.2021 on finalisation of the mode of payment/deposit.

Further, the unclaimed and unpaid interim dividend amounts relating to the financial year 2015-2016 are due for transfer on 13.09.2022 to the Investor Education and Protection Fund established by the Central Government.

### Merino Industries Limited

S. No.	DIN No.	Name of Director	Eligible to Attend	Attended	Attendance at Previous AGM
1	00061111	Shri Prasan Lohia	5	5	Yes
2	00063274	Shri Prakash Lohia	5	5	Yes
3	00063278	Shri Madhusudan Lohia	5	5	No
4	00063290	Shri Rup Chand Lohia	5	5	Yes
5	00109269	Dr. Gautam Bhattacharjee*	5	5	Yes
6	00127775	Shri Manoj Lohia	5	5	Yes
7	00127790	Shri Nripen Kumar Dugar	5	5	Yes
8	00127797	Shri Ruchira Lohia	5	3	Yes
9	00154013	Shri Bikash Lohia	5	4	No
10	00154027	Shri Deepak Lohia	5	4	No
11	02848624	Shri Sisir Kumar Chakrabarti**	3	3	Yes
12	03124712	Shri Prabal Kumar Sarkar	5	4	Yes
13	08199055	Shri Bama Prasad Mukhopadhyay	5	5	No
14	08332261	Shri Anurag Lohia	5	3	No

(\*Cessation as Independent Director w.e.f. 31<sup>st</sup> July, 2022)

(\*\*Cessation as Independent Director w.e.f. 30<sup>th</sup> September, 2021)

### Share Capital

During the financial year under review, the paid-up equity share capital as on 31<sup>st</sup> March, 2022 stood at ₹ 1127.94 Lakh. During the year under review the Company neither issued any share with differential voting rights nor granted any stock option or sweat equity.

### Subsidiary, Associate or Joint Ventures

There were no subsidiary, associate or joint venture companies of the Company as on 31<sup>st</sup> March, 2022, neither there were any companies which has become or ceased to be subsidiaries or joint ventures or associate companies during the year.

### Significant and Material Orders Passed by the Regulators

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's Operation in future.

### Material Changes and Commitments

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

### Annual Return

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at <https://merinoindia.com/downloads.php>

### Number of Board Meetings

During the year under review, five (5) meetings of the Board of Directors of the Company were held as per below mentioned details:

Date of Board Meeting	Directors eligible to attend	Directors present
14.05.2021	14	12
09.06.2021	14	14
03.09.2021	14	14
29.10.2021	13	8
24.12.2021	13	13

The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013. Details of Board Meeting attended by each Director are as under:

Further the independent directors of the Company have conducted one meeting among themselves to evaluate the performance of the board and directors of the Company as on 24<sup>th</sup> December, 2021.

### Particulars of Loans, Guarantees and Investments by the Company

During the Financial Year 2021-22 your Company has provided Guarantees of ₹ 10,00,00,000 (Rupees Ten Crore Only) covered under the provisions of Section 185 of the Companies Act, 2013. Further the Company has neither advanced any Loans or made any Investments covered under the provisions of Section 186 of the Companies Act, 2013.

### Material Changes Affecting the Financial Position of the Company

There were no material changes affecting the financial position of the Company occurring between the end of the financial year to which these financial statements relate and the date of this report, nor any significant or material orders were passed by regulators or authorities impacting the going concern status and the Company's operations in future.

### Directors and Key Managerial Personnel

The Board of Directors at its meeting held on August 17, 2022, subject to approval of the shareholders, approved the re-appointment of the following Directors:-

S. No.	DIN No.	Name of Director	Designation	Tenure	Effective From
1	00063274	Shri Prakash Lohia	Managing Director	3 Years	01 <sup>st</sup> March, 2023
2	00061111	Shri Prasan Lohia	Whole Time Director	3 Years	01 <sup>st</sup> October, 2022
3	00127797	Miss Ruchira Lohia	Whole Time Director	3 Years	01 <sup>st</sup> April, 2023

The Board of Directors at its meeting held on August 17, 2022, subject to approval of the shareholders, approved the appointment of the following Director: -

1. Shri Kooretti Titu Prasad as Non-Executive Additional Director of the Company w.e.f 17<sup>th</sup> August, 2022.

The members of the Company at the 56<sup>th</sup> Annual General Meeting approved the re-appointment of following directors:

S. No.	DIN No.	Name of Director	Designation	Tenure	Effective From
1	00154013	Shri Bikash Lohia	Whole Time Director	3 Years	01 <sup>st</sup> October, 2021
2	00063278	Shri Madhusudan Lohia	Whole Time Director	3 Years	01 <sup>st</sup> October, 2021
3	00063290	Shri Rup Chand Lohia	Whole Time Director	3 Years	01 <sup>st</sup> January, 2022
4	00127790	Shri Nripen Kumar Dugar	Whole Time Director	3 Years	01 <sup>st</sup> January, 2022

Further, Shri Manoj Lohia (DIN 00127775), Whole-time Director, Shri Deepak Lohia (DIN: 00154027), Whole-time Director and Shri Anurag Lohia (DIN: 08332261) Whole-time Director, liable to retire by rotation, shall retire at this Annual General Meeting and being eligible offer themselves for re-appointment.

The Board appointed Bala Ji as the Company Secretary of the Company with effect from 09<sup>th</sup> July 2021.

### Adequacy of Internal Financial Controls with Reference to the Financial Statements

Your Company maintains apposite system of internal financial controls for ensuring adequacy and operating effectiveness of financial controls in the Company. It also ensures safeguard of assets, particularly fixed assets, prevention and detection of frauds and errors and also ensures accuracy, completeness and timely preparation of the accounting records. Your Company

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure 1** and is attached to this report.

### Risk Management System

Risk Management being an integral part of the Company's operating agenda, the prime objectives of the risk management framework of the Company is to ensure better understanding of the risk profile, efficient management of the contingencies and identify and pursue sound business opportunities without any exposure to unacceptable risk. The risk management framework of Merino group comprises Risk Management Process and Risk Management Structure.

The Company's attitude towards addressing business risks is comprehensive and includes review of such risks at periodic intervals and a framework for mitigation and reporting mechanism of such risks.

has developed Entity Level Controls as well as Process Level Controls framework for monitoring of overall control indicators for Merino Group.

Internal Financial controls are monitored continuously to identify control gaps and initiation of remedial actions for mitigation of the gaps so identified by the management.

### Deposits

Your Company has neither accepted nor renewed any deposits during the year under review.

### Declaration by Independent Directors

Dr. Gautam Bhattacharjee (DIN 00109269), Shri Prabal Kumar Sarkar (DIN: 03124712), and Shri Bama Prasad Mukhopadhyay (DIN 08199055), Independent Directors of the Company have submitted declarations of their independence to the Board regarding their



fulfilment of all the requirements as stipulated in Section 149(6) of the Act and the relevant rules.

## Auditors and Auditor's Report

### Statutory Auditors

Under Section 139(2) of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years and each such term would require approval of the shareholders in line with the requirements of the Companies Act, 2013. The term of office of M/s. Singhi & Company, Chartered Accountants (FRN 302049E), as Statutory Auditors of the Company will conclude from the close of the forthcoming AGM of the Company.

They have audited the financial statements of the Company for the Financial Year 2021-22. The observations of Statutory Auditors in their Report read with relevant Notes to Accounts are self-explanatory and therefore, do not require further explanation. The Auditors' Report does not contain any qualification, reservation or adverse remark. Further, there were no frauds reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Act.

The Board of Directors of the Company, based on the recommendation of the audit committee, at its meeting held on August 17, 2022, recommended for appointment M/s Walker Chandio & Co., LLP, as the Statutory Auditor of the Company to hold office for their first term of five consecutive years from the conclusion of the 57<sup>th</sup> AGM till the conclusion of the 62<sup>nd</sup> AGM to be held in the year 2027.

During the year, the statutory auditors have confirmed that they satisfy the independence criteria required under the Companies Act, 2013, the Code of Ethics issued by the Institute of Chartered Accountants of India.

The Board recommends their appointment to the shareholders. The notice convening the 57<sup>th</sup> AGM to be held on 30<sup>th</sup> September, 2022 sets out the details.

### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules framed thereunder, the Board appointed M/s. D. K. Chawla & Co., a firm of Company Secretaries in Practice, having their office at Delhi/NCR, to conduct the secretarial audit of the Company. The secretarial audit report for the Financial Year 2021-22 is included as **Annexure 2** and forms an integral part of this report.

### Cost Auditors

In accordance with the requirements of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Board on recommendation of audit committee has approved the appointment of M/s Rajendra Singh Bhati & Co. Cost Accountants, as Cost Auditors for the financial year ended 31<sup>st</sup> March 2022. They have furnished a Certificate to the effect that their appointment, if made, would be in accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014. Further, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders, the Board recommends the same for approval by Members at the ensuing AGM.

## Corporate Social Responsibility

The Corporate Social Responsibility (CSR) activities undertaken by your Company can be broadly categorised into three areas, viz., Educational & Empowerment Programme, Healthcare & Holistic Living Programme and Activities under National Mission Programme.

Educational and Empowerment Programme include Education, Mid-day meal, Women empowerment. Under the Healthcare & Holistic Living Programme facilities are provided to the poor families.

Your Company has constituted a Corporate Social Responsibility ('CSR') Committee as per the provisions of Section 135 of the Companies Act, 2013. Details of the said committee is provided below:

S. No.	Name of Member	Designation	Meetings eligible	Meetings attended
1	Dr. Gautam Bhattacharjee*	Independent Director, member of CSR Committee	1	1
2	Shri Prakash Lohia	Managing Director, Chairman of CSR Committee	1	1
3	Shri Prasan Lohia	Director, member of CSR Committee	1	1

(\*Cessation as Independent Director w.e.f. 31<sup>st</sup> July, 2022)

Your Company has in place a CSR Policy which lays down CSR activities to be undertaken by your Company. The CSR activities undertaken by your Company are based on the approved CSR policy and there has been no material change in the CSR Policy of the Company.

Further during the year under review CSR Committee has conducted one meeting which was held on 3<sup>rd</sup> September, 2021.

Your Company has carried out CSR activities and spent the requisite amount as required by law through group managed registered trusts, authorised to carry out such activities as stipulated vide the provisions of Section 135 read with Schedule VII to the Act and the group CSR policy.

The CSR initiatives undertaken by your Company, along with other details for FY 2021-22 forms part of Annual Report on Corporate Social Responsibility as **Annexure - 3**.

## Audit Committee

Your Company has an Audit Committee at the Board level with terms of reference specified by the Board and with the powers and the role that are in accordance with Section 177 of the Act read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

As on 31<sup>st</sup> March 2022, Audit Committee comprised of four Directors viz. Shri Prabal Kumar Sarkar as Chairman, Dr. Gautam Bhattacharjee (DIN 00109269), Shri Bama Prasad Mukhopadhyay (DIN 08199055), Independent Directors and Shri Prasan Lohia (DIN 00061111), Whole-time Director as members of the Committee. During the year the committee was reconstituted in the meeting of the Board of Directors held on 24<sup>th</sup> December, 2021, after the resignation of Shri Sisir Kumar Chakrabarti as a member of the Committee.

The Committee monitors various issues which include the accounting and financial reporting process of the Company, maintenance of adequate internal financial controls, audit of the Company's financial statements, the appointment, independence and performance of the statutory as well as the internal auditors. Upon invitation the Internal Auditors, Statutory Auditors of the Company attend meetings of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

The Committee actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same, overseeing the performance of the internal auditors.

During Financial year 2021-22, three meetings of the Audit Committee were held as per below mentioned details which were in due compliance with the provisions of the Companies Act, 2013.

Date of Meeting	Directors eligible	Directors present
14.05.2021	5	5
03.09.2021	5	5
24.12.2021	4	4

S. No.	Name of Director	Meetings eligible	Meetings attended
1	Shri Prabal Kumar Sarkar	3	3
2	Dr. Gautam Bhattacharjee*	3	3
3	Shri Bama Prasad Mukhopadhyay	3	3
4	Shri Sisir Kumar Chakrabarti **	2	2
5	Shri Prasan Lohia	3	3

(\*Cessation as Independent Director w.e.f. 31<sup>st</sup> July, 2022)

(\*\*Cessation as Independent Director w.e.f. 30<sup>th</sup> September, 2021)

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

### Nomination and Remuneration Committee

The Board of Directors has framed a policy which enshrines a framework in relation to remuneration of Directors and Key Managerial Personnel of the Company by laying down criteria, selection, evaluation and appointment of the same.

Your Company has a Nomination and Remuneration Committee in accordance with Section 178 of the Act read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

As on 31<sup>st</sup> March 2022, the Committee comprised of Dr. Gautam Bhattacharjee (DIN 00109269) (Chairman of the committee), Shri Prabal Kumar Sarkar (DIN 03124712), as the member of the Committee and Shri Bama Prasad Mukhopadhyay (DIN 08199055), Independent Directors as members of the Committee. Shri Bala Ji being the Company Secretary of the Company acts as the Secretary to the Committee. During the year the committee was reconstituted in the meeting of the Board of directors held on 24<sup>th</sup> December, 2021. Shri Prabal Kumar Sarkar was appointed as a member of the committee after the resignation of Shri Sisir Kumar Chakrabarti.

During the year under review, two meetings of the Nomination and Remuneration Committee were held as per below mentioned

details which were in due compliance with the provisions of the Companies Act, 2013.

Date of Meeting	Directors eligible	Directors present
09.07.2021	3	3
03.09.2021	3	3

S. No.	Name of Member	Meetings eligible	Meetings attended
1	Dr. Gautam Bhattacharjee*	2	2
2	Shri Bama Prasad Mukhopadhyay	2	2
3	Shri Sisir Kumar Chakrabarti**	2	2

(\*Cessation as Independent Director w.e.f. 31<sup>st</sup> July, 2022)

(\*\*Cessation as Independent Director w.e.f. 30<sup>th</sup> September, 2021)

### Stakeholders Relationship Committee

Your Company has a Stakeholders Relationship Committee to oversee, monitor and approve transfer of securities and resolve grievances of the shareholders.

As on 31<sup>st</sup> March 2022, the Committee comprised Dr. Gautam Bhattacharjee (DIN 00109269) (Chairman of the Committee), and Shri Prasan Lohia (DIN 00061111), as the member of the Committee. Shri Bala Ji being the Company Secretary of the Company acts as the Secretary to the Committee.

During Financial year 2021-22, four meetings of the Stakeholders Relationship Committee were held as per below mentioned details which were in due compliance with the provisions of the Companies Act, 2013.

Details of Stakeholders Relationship Committee Meeting attended by each member are as under:

Date of Meeting	Directors eligible	Directors present
25.08.2021	2	2
29.10.2021	2	2
25.01.2022	2	2
02.03.2022	2	2

S. No.	Name of Member	Meetings eligible	Meetings attended
1	Dr. Gautam Bhattacharjee*	4	4
2	Shri Prasan Lohia	4	4

(\*Cessation as Independent Director w.e.f. 31<sup>st</sup> July, 2022)

No grievance was reported to the Committee during the year under review.

### Vigil Mechanism

As per provisions of Section 177 of the Act and Rules framed thereunder your Company has formulated and established a vigil mechanism to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

This policy is to establish the said mechanism for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and is displayed on your Company's website.



### Contracts and Arrangements with Related Parties

During the year under review, all contracts/arrangements/transactions entered into by your Company with related parties under Section 188(1) of the act were in the ordinary course of business and on an arm's length basis.

Further there were no materially significant related party transactions as prescribed under Section 188(1) of the Companies Act, 2013, made by the Company with related parties. However, the transactions with related parties entered during the year under review, are disclosed in the Note 51 of the Notes to the Financial Statements of your Company.

### Disclosure Under The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company has in place a policy on Prevention of Sexual Harassment at workplace. This policy is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees, whether permanent, contractual, temporary and trainees are covered under this Policy.

The Company has already in place the Internal Complaints Committee to, inter-alia, prevent discrimination and sexual harassment against women at the Company's workplace ensuring support to the victimised and termination of harassment. The Committee recommends appropriate disciplinary action against the guilty party.

Further no complaint has been received by the committee during the year under review.

### Particulars of Employees and Related Disclosures

In terms of Section 197 of the Act read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 a statement showing disclosures pertaining to Remuneration and other details of employees drawing remuneration in excess of the limits is furnished in **Annexure 4** forming part of the Directors' Report.

### Details of Application Made or any Proceeding Pending Under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) During the Year Alongwith their Status as at the end of the Financial Year

NIL

### Details of Difference Between Amount of the Valuation Done at the Time of One Time Settlement and the Valuation Done while Taking Loan from the Banks or Financial Institutions Along with the Reasons Thereof

NIL

### Compliance with Secretarial Standards

Your Company has complied with all the applicable Secretarial Standards (SS) issued by Institute of Companies Secretaries of India.

### Directors' Responsibility Statement

Your Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

1. that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2022, the applicable accounting standards were followed, and there had been no material departures;
2. that appropriate accounting policies were selected and applied consistently and judgments and estimates that are reasonable and prudent were made so as to give a true and fair view of the state of affairs as at 31<sup>st</sup> March 2022 and of the profit of your Company for the financial year ended 31<sup>st</sup> March 2022;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
4. that the annual accounts for the financial year ended 31<sup>st</sup> March 2022 have been prepared on a going concern basis;
5. that the Directors have laid down Internal Financial Controls which were followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
6. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Appreciation

Your Board acknowledges the support and co-operation received from all its stakeholders including our dear shareholders as well as regulatory authorities of the Central Government and all State Governments in India as they endeavor to create an enabling environment for industry and commerce to prosper.

Your Board feels honoured to state that the brand "Merino" signifies excellence and reliability of products and services in Indian as well as overseas markets and place on record its sincere gratitude to all stakeholders for their continued association over the years towards the successful journey of the Company. Our employees are our biggest strength and gratefully acknowledge their contribution to the Company in achieving its objectives to serve our customers.

The Directors wish to place on record their appreciation to the Company's Shareholders, Business Associates, Bankers, Financial Institution and all Government Authorities for their co-operation and support. They sincerely acknowledge the significant contributions made by all the employees of the Company.

For and on behalf of the Board of Directors

**Rup Chand Lohia**

Executive Chairman

DIN: 00063290

Place: Bangalore

Date: 17.08.2022

## Annexure-1

# Conservation of energy, technology absorption, foreign exchange earnings and outgo

The details of conservation of energy & water, technology absorption for the FY 2021-2022 are as follows:

### A. Conservation of Energy:

The steps taken for positive impact on conservation of energy & water by way of Application/Installations of new equipment, electricals, appliances etc.

#### Hapur

1. Incorporation of 111 TR Air cool chiller for cooling zone of all the Impregnator would reduce water consumption for VAM chiller.
2. Replacement of inefficient motors with IE3 motors at various locations in the plant for Energy Conservation.
3. 32000 CMH wet scrubber installed for PF Impregnator No.6 to mitigate the pollutions norms.
4. 66000 CMH wet scrubber installed for PF Impregnator No.1 to mitigate the pollutions norms.
5. Incinerator with heat recovery system to be incorporated with thermic fluid heater and the waste heat to be used in 35 Lkcal/Hr. Thermic fluid heater thus reduces the consumption of fuel by 5000 Kg/Day.

#### Rohad

1. Replacement of inefficient motors with IE3 motors at various locations in the plant for Energy Conservation by way of improving efficiency.
2. Replacement of conventional fans with BLDC fan in the plant to save electrical energy.
3. New Luminaries installed were Energy Saving LED Type. All replacements are also being done by Energy efficient LED Lamps.
4. Replacement of Cooling Tower Fans from aluminum blades to light-weight FRP blades.
5. Implemented automation for Heating Cooling System in the Hot Press water system to optimise Pump operating duration without affecting the process.
6. Installation of Oxygen Analyzer to reduce dry flue gas losses at VTA 50 & 80.

#### Hosur

1. Peel Cutting Blade assembly has been replaced by Ni-chrome wire assembly for that would save energy upto 1763 KWH/month.
2. Old Loader Unit has been replaced by New Loader Unit and by that we increased the productivity as well as we can save upto 429 Kwh/Year

3. By changing the Air cooled Oil Circulation pump we have reduced the Water consumption as well as energy consumption of 231Kwh/month

#### Dahej

1. 98000 CMH wet scrubber installed for new 6' pf dryer to mitigate the pollutions.
2. IE3 motor for chemical plant to save energy and improve efficiency.
3. 3.5 klph ETP installed to clean industry effluent and reduced the use of fresh water for gardening by 30KLD.
4. Store and reuse of solar cleaning water system as a result the usage of raw water is reduced for cleaning by 20KL/month.
5. 4MT Vertical Order Picker and Laminate Racking system at sorting section, to minimise the material movement in factory premises, thereby reducing the total energy consumption by different material handling equipment.
6. Energy Efficient HVAC systems in press and dryer section in place of split AC to re-duce electricity consumptions.
7. 40,000 CMH wet Scrubber for HWG and TFH, for efficient pollution control system.

### B. The steps taken by the Company for utilising alternate sources of energy.

#### Hapur

1. Out of our total electrical energy required we have utilised 79% from renewable green energy source, mainly Bio Fuel, Solar Energy, and Bio gas. Rest were from State Electricity Boards. Direct Fossil fuel was used only as back up in case of SEB supplies fails.
2. Biogas generated from waste Water treatment is utilised for operating Electricity Generators.

#### Rohad

1. Hot water Generator and Thermic Fluid Heater are operating on Biofuel.
2. Solar energy is being extensively used for operations.

#### Dahej

Incinerator with heat recovery system has been installed and the waste heat is used in 80Lkcal/Hr. hot water generator thus reduces the consumption of coal by 4000Kg/Day.

### C. The capital investment on energy conservation equipment.

#### Hapur

Replaced continuous running motors in different applications by energy efficient motors. The investment of ₹ 11.46 lakhs



**Dahej**

Capital investment of ₹ 150 lakhs have been made for waste heat recovery from Incinera-tor and utilisation of heat in hot water generator.

**D. Technology absorption:****Hapur**

1. Developed process to biocompost Agricultural waste producing Manure and Biogas, in association with VNIT Nagpur. Industrialisation of the process is being worked upon. This will produce bio compost from rice paddy.
2. New Facility for Potato Hardening system.
3. Installation of 6 ft PF Impregnator to improve productivity & quality in Hapur establishment.
4. Installation of Scrubber in impregnator to eliminate the toxic volatile gases emission to the atmosphere.
5. Replacing the existing Condensing cum extraction turbine with complete back pressure turbine

**Rohad**

1. Edge Banding manufacturing machine has been installed and commissioned first time in the group as a new product in the portfolio.
2. Bio Waste fuel usage has been promoted in Hot Water Generator.

**Dahej**

1. Reduction in environmental load by reduction in toxic effluent generation
2. Reduction in cost by eliminating waste effluent evaporation process and change in chemical concentration.
3. Wastewater recovery from ETP and reuse for gardening.
4. Merino integrated multistage furnace developed for in house burning of sanding dust and trimming waste and waste heat is used in 80 Lkcal hot water generator.

5. Air pollutant (Sox, NOx & PM) controlled through wet scrubber.

**E. Foreign Exchange Earnings and Outgo**

- (i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

The Company continues to maintain focus on, and avail, of export opportunities based on economic considerations.

- (ii) Total foreign exchange used and earned (2021-22)

	(₹ In Lakh)
<b>Earnings:</b>	
<b>Foreign Exchange earned (CIF Value of exports)</b>	51,535.30
<b>Outgo:</b>	
<b>CIF Value of Imports</b>	
a) Raw materials	41,784.45
b) Components & Spare Parts (including Stores)	508.16
c) Capital Goods	4,578.99
d) Trading Items - acrylic solid surface	3,402.16
e) Trading Item - PVC F TILES	250.00
<b>Expenditure in foreign currency</b>	
a) Commission	83.26
b) Travelling	61.55
c) Professional fees	63.32
d) Export Promotion	528.20
e) Royalty / Fees and Subscription	67.83
f) Interest	41.53
g) Others	64.96
h) Foreign branch office expenses	685.70
i) Job Work Charges	

## Annexure-2

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members  
**MERINO INDUSTRIES LIMITED**  
5, Alexandra Court,  
60/1 Chowringhee Road,  
Kolkata-700020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Merino Industries Limited (CIN: U51909WB1965PLC026556) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under; **Adequate e-forms were filed to the concerned Registrar of Companies during the period under the review.**
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment; **External Commercial Borrowings were filed during the year under the review.**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;- **Not Applicable**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;- **Not Applicable**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time:-**Not Applicable**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- **Not Applicable**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;- **Not Applicable**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008:- **Not Applicable**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;- **Not Applicable**
- (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009:-**Not Applicable**
- (i) The Securities and Exchange Board of India (Buy back of securities) Regulations, 1998- **Not Applicable**
- (j) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;- **Not Applicable.**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive and Independent Directors. There were changes in the composition of the Board of Directors during the period under review.

Adequate notice(s) were given to all directors to schedule the Board and Committee Meetings, agenda along with detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as a part of the minutes.

**We further report that** there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

For **D.K. Chawla & Co.**  
(Company Secretaries)

**(CS Dasvinder Kaur)**

Proprietor

M. No.: 33095

COP: 15232

UDIN: A033095D000745268

Place: Delhi

Date: 05<sup>th</sup> August, 2022

**Annexure 'A'**

To

The Members

**Merino Industries Limited**

5, Alexandra Court,  
60/1 Chowringhee Road,  
Kolkata-700020

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **D.K. Chawla & Co.**  
(Company Secretaries)

**(CS Dasvinder Kaur)**

Proprietor

M. No.: 33095

COP: 15232

UDIN: A033095D000745268

Place: Delhi

Date: 05<sup>th</sup> August, 2022

## Annexure-3

## Annual Report on CSR Activities to be Included in the Board's Report for Financial Year 2021-22

1. Brief outline on CSR Policy of the Company: The Company's CSR Policy is to serve the cause for creating a healthy and enlightened life for the needy while fulfilling the responsibility of conservation of scarce natural resources. As a concerned corporate citizen, it is felt as a duty to give back some support to the weaker sections of society through sustained projects. The focus was on programs to promote Education targeted towards the underprivileged girl child including adult education, Healthcare & Medical initiatives and distribution of Mid-day Meal to students.

2. Composition of CSR Committee:

S. No.	Name of director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Prakash Lohia	Chairman	1	1
2	Shri Prasan Lohia	Member	1	1
3	Dr. Gautam Bhattacharjee*	Member	1	1
4	Shri Bama Prasad Mukhopadhyay**	Member	NA	NA

(\*Cessation as member to the committee and as Independent Director of the Company w.e.f. 31<sup>st</sup> July, 2022)

(\*\*Inducted as member to the committee in Board Meeting held on 17<sup>th</sup> August, 2022)

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. CSR committee - <https://www.merinoindia.com/CSR.php>  
CSR Policy - <http://www.merinoindia.com/pdf/MIL-CSR-new.pdf>  
CSR Projects - <http://www.merinoindia.com/pdf/Annual-action-plan-2022-23.pdf>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ Lakh)	Amount required to be set off for the financial year, if any (in ₹ Lakh)
1	2020-21	136.25	-

6. Average net profit of the Company as per section 135(5): ₹ 15,066.46
7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 301.33
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. -
- (c) Amount required to be set off for the financial year, if any. ₹ 136.25
- (d) Total CSR obligation for the financial year (7a + 7b - 7c) ₹ 165.07
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Lakh)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (in ₹ Lakh)	Date of transfer	Name of Fund	Amount (in ₹ Lakh)	Date of transfer
₹ 312.00	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹ Lakh)	Mode of Implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration number.
1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹ Lakh)	Amount spent in the current financial Year (in ₹ Lakh)	Amount transferred to Unspent in the CSR Account for the project as per Section 135(6) (in ₹ Lakh)	Mode of Implementation - Direct/ Through Trust	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Education relief programme	(ii)	Yes	U.P. & W.B.	Hapur, U.P. & Kolkata, W.B.	Current year	256.89 Lakh	NIL	NIL	Through Trust	Sri Hara Kasturi Memorial Trust	CSR00000699
2	Mid Day Meal	(i)	Yes	U.P.	Hapur, U.P.	Current year	45.68 Lakh	NIL	NIL	Through Trust	Sri Hara Kasturi Memorial Trust	CSR00000699
<b>Total</b>							<b>302.57 Lakh</b>					

(d) Amount spent in Administrative Overheads

₹ 9.43 Lakh

(e) Amount spent on Impact Assessment, if applicable

Not Applicable

(f) Total amount spent for Financial Year (8b+8c+8d+8e)

₹ 312.00 Lakh

(g) Excess amount for set off, if any.

S. No.	Particular	Amount (in ₹ Lakh)
i.	Two percent of average net profit of the Company as per section 135(5)	301.33
ii.	Total amount spent for the Financial Year	312.00
iii.	Excess amount spent for the financial year [(ii)-(i)]	146.93*
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	146.93

\*The amount includes the set off amount for FY 2022-23 (₹ 312.00 - ₹ 165.07 Lakh)

9 (a) Details of Unspent CSR amount for the preceding three financial years: NIL

S. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakh)	Amount spent in the reporting Financial Year (in ₹ Lakh)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial years. (in ₹ Lakh)
			Nil		

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No	Project ID	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹ Lakh)	Amount spent on the project in the reporting Financial Year (in ₹ Lakh)	Cumulative amount spent at the end of reporting Financial Year (in ₹ Lakh)	Status of the project - Completed /Ongoing.
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset - wise details): Not Applicable

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). The Company has been actively involved in the betterment of the society by innovatively supporting them through programs designed in the domains of education, health, environment, rural development, community welfare programmes, etc. The Company has been spending all the amounts which were eligible for CSR expenses.

For and on behalf of the Board of Directors of Merino Industries Limited

**Prakash Lohia**

Chairman - CSR Committee/Managing Director

**Bama Prasad Mukhopadhyay**

Member - CSR Committee/Independent Director

Date: 17.08.2022

## Annexure-4

# Disclosures of Remuneration

Disclosures pertaining to Remuneration and other details as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2022

### A. Employed throughout the year and in receipt of remuneration which in the aggregate was not less than ₹ 1,02,00,000/- per annum

Name	Age (in years)	Designation/ Nature of employment	Remuneration (₹ Lakh)	Qualifications	Experience (Years)	Date of Commencement of Employment	% of Equity Share held	Last Employment/ Position held
Shri Rup Chand Lohia	82	Executive Chairman-Supervise Technical Affairs and implementation of New Projects and oversee the operations of the Company's plant at Hosur in the State of Tamil Nadu	135.93	B.M.E. (Mech)	60	01.01.2002	11.00	Whole-time Director in Merino Exports Pvt. Ltd.
Shri Prakash Lohia	67	Managing Director -Management of the business and affairs of the Company as a whole	218.37	B. Tech. (Chem) - IIT Delhi M.E.P (IIM-Ahmedabad)	45	01.05.1976	4.25	First employment
Shri Prasan Lohia	54	Whole-time Director-Overseeing Corporate Office Administration, Supervision of Export-Import Documentation, Foreign Exchange Risk Management and Domestic Sales and Marketing of Eastern Region	161.97	AB (Econ.) USA, BS (Elect. Engg.) USA, MBA (USA)	30	01.10.2004	1.86	Vice-President (Global Operations) in Merino Industries Ltd.
Ms. Ruchira Lohia	54	Whole-time Director-Public Relations and Overseeing Export and Import functions and marketing of food products	162.64	B.A., M.E.P (IIM-Ahmedabad)	28	01.04.2000	6.55	Vice-President (Delhi Operations) in Merino Industries Ltd.
Shri Bikash Lohia	52	Whole-time Director-Overseeing factory operations and overall management, and addressing Information Technology related issues	186.24	Privately Educated & M.E.P (IIM-Ahmedabad)	30	01.10.2006	1.69	Whole-time Director in Merino Panel Products Ltd.
Shri Madhusudan Lohia	42	Whole-time Director-Overseeing sales and marketing of the Company's furniture and panel products division and new product introduction	179.81	Graduate in Business Process management, (Operations & International Business) - Indiana University, U.S.A, Masters in Manufacturing Management, MBA, - Pennsylvania State University, USA.	20	01.10.2006	3.54	Whole-time Director in Kasturi Bai Gopi Babu Cold Storage Pvt. Ltd.

Name	Age (in years)	Designation/ Nature of employment	Remuneration (₹ Lakh)	Qualifications	Experience (Years)	Date of Commencement of Employment	% of Equity Share held	Last Employment/ Position held
Shri Deepak Lohia	46	Whole-time Director- Overseeing production, import of design papers, raw materials, chemicals, etc.	232.69	B.E. (Mech.)	25	01.12.2020	1.31	Whole-time Director in Merino Panel Products Ltd.
Shri Manoj Lohia	50	Whole-time Director- Overseeing marketing and sale of Company's Products in Southern India	158.20	B.Com.	26	01.12.2020	1.27	Whole-time Director in Merino Panel Products Ltd.
Shri Anurag Lohia	25	Whole-time Director - Overseeing factory operations and overall management, and addressing Information Technology related issues	112.63	Bachelor of Science in Finance Indiana University Bloomington, IN, USA	2	01.12.2020	0.90	Whole-time Director in Merino Panel Products Ltd.
Shri Rohit Kaul	53	Vice President- International Business	221.12	B.E. (Mechanical)	29	01.03.2010	Nil	Vice-President in Greenply Industries Limited
Shri Amit Arora	51	National Sales Head	112.63	BE, PGDM	27	05.05.2020	NIL	VP- Sales, Group SEB

**B. Employed for a part of the year and in receipt of remuneration which in the aggregate was not less than ₹ 8,50,000/- per month.**

Name	Age (in years)	Designation/ Nature of employment	Remuneration (₹ Lakh)	Qualifications	Experience (Years)	Date of Commencement of Employment	% of Equity Share held	Last Employment/ Position held
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- Note:
- Gross Remuneration comprises Salary, Perquisites, Gratuity, Leave Encashment and Company's contribution to Provident Fund.
  - The appointments are contractual. Other terms and conditions are as per Company's Rules.
  - Shri Prakash Lohia is a relative of Shri Madhusudan Lohia, Whole-time Director. Shri Rup Chand Lohia Executive Chairman is the relative of Shri Prasan Lohia and Shri Manoj Lohia, Whole-time Directors. Shri Prasan Lohia is the relative of Shri Rup Chand Lohia, Executive Chairman and Shri Manoj Lohia, Whole-time Director. Shri Bikash Lohia is the relative of Shri Deepak Lohia, Whole-time Director. Shri Madhusudan Lohia is a relative of Shri Prakash Lohia, Managing Director. Shri Deepak Lohia is a relative of Shri Bikash Lohia, Whole-time Director. Shri Manoj Lohia is a relative of Shri Prasan Lohia, Whole-time Director and Shri Rup Chand Lohia, Executive Chairman.

For and on behalf of the Board of Directors

Date: 17.08.2022  
Place: Bangalore

**Rup Chand Lohia**  
Executive Chairman  
DIN: 00063290



# CSR Report 2021-2022

## Empowering minds, empowering the society

Merino believes in sustainable growth of communities through productive and sound enterprise, which reflects in its Mission Statement, "Universal Weal through Trade and Industry". Merino deploys a two-fold approach in its CSR initiatives catering to the community at large, while ensuring all actions are aligned towards the betterment of the society. The Company implements its CSR activities through Sri Hara Kasturi Memorial Trust, formed specifically for this purpose.

It is always our endeavor to ensure that our business should create a positive environmental and societal impact that would accelerate progress and transform lives. We believe our actions should lead towards creating a stronger, equitable and inclusive society. To create a significant impact in the lives of people, our CSR programs are mainly focused on two broad segments of basic human needs:

1. **Education** – Through our educational programs we have been able to touch the lives of people in Northern and Eastern India. We focus on catering to the underprivileged children and empowering them to lead a better life, through our school - "Swami Vivekananda Arunoday Vidyalay" (SVAV).

SVAV, is a formal school recognised by the UP state board, is directly managed and run under the aegis of Sri Hara Kasturi Memorial Trust. This school works as a catalyst in spreading education and empowers the economically weak households to improve their social habits and conditions.

2. **Health Care** – We believe that overall progress of any nation grossly depends upon good health and wellness. Our free healthcare services for prevention of diseases among the poor and needy and for their well-being is one of the steps taken towards building up a healthy society. Our health care program team consists of MBBS Doctor, Ayurvedic Doctor, compounders and qualified lab assistant. Currently our health care program is limited to parts of Northern India only.

### Education

#### The School initiative – Swami Vivekananda Arunoday Vidyalay (SVAV)

Swami Vivekananda said, "We want that education by which character is formed, strength of mind is increased, the intellect is expanded and by which one can stand on one's own feet."

At Merino we believe that children are our future and holistic education of children will bring about the much-needed change – A world where every child is enlightened and empowered with education and spiritual wisdom to take on the challenges of life. By reaching out to the underprivileged and young minds, SVAV looks forward to unfolding thousands of young ideas, dreams and their fulfilment at their finest.

Investment in education can have a long lasting and sustainable impact on its citizen. It is the only long-term solution to the problem and challenges faced by humanity in general and India in particular.

This co-educational school opened new avenues of learning for the children from economically weaker families. Established in 2013, the school started with just 10 girls and 5 boys in Class-1.

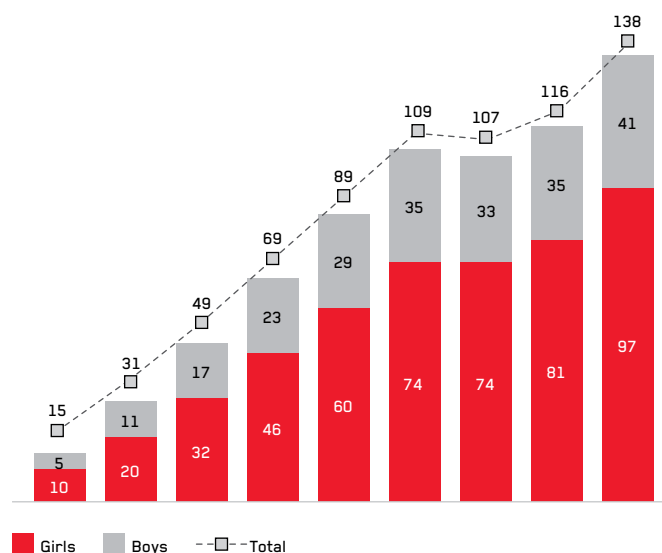
At the end of academic year 2021-22, the school enrolls students up to Class-7, with a strength 97 girls and 41 boys and a team of 26 teaching, non-teaching and contractual staff. As we are growing organically for the academic year 2022-2023 the school management has decided to add Class-8 into its fold, which will take our students strength to 158.

The pandemic has affected the educational system not only in India but across the globe. School closures not only impact the students, teachers, and families, but have far-reaching economic and societal consequences.

The lockdown, has made us realise the fact that digital or online education, is still not a solution, especially for the schools catering to the most disadvantaged segments. The families who survive on day to day basis have multiple challenges to face, and their priorities are different. In spite of such challenges, our team of teachers tried to keep the interest of children in studies, alive. Each and every child they connected by taking online classes, or calling and explaining them individually over phone.

We have got the recognition of our school till 8<sup>th</sup> Grade under the UP State Board, however, we have plans to take the school till 10<sup>th</sup> Grade and are working toward getting the affiliation from the Central Board of Secondary Education (CBSE).

#### Yearwise growth of students



**New Admissions to Class-1:** The two successive academic years 2020-21 and 2021-22 witnessed the pandemic, leading to unprecedented lockdown. The closure of schools led to academic loss 6 to 7 months each academic year. However, we made no compromise in the selection process. Out of over 300 applications received we shortlisted and selected 20 students and they all have gone through various stages of selection, such as, personal interview, written test, demonstration classes and finally home visit by senior officials to assess their economic status coupled with academic bent of mind and their adaptability to the school environment.



■ On 18<sup>th</sup> & 19<sup>th</sup> August 2021 Demo Classes held for selection of the new batch of 20 students for the academic year 2021-2022



■ Demo Class in progress



■ Vidyarambha Sanskar - Havan in progress

**Vidyarambha Sanskar:** The academic session for the new batch of Class-1 students always starts with Vidyarambha Sanskar, which means, start of their educational journey and imbibing the culture of learning. This is a traditional ritual in which the students offer prayers and conduct havan (offerings to fire). The pandemic caused a delay of over 5 months for starting the new session. After the lockdown was relaxed we could do the Vidyarambha Sanskar only on 4<sup>th</sup> September. Havan was organised and the children offered prayer to the Goddess of Knowledge, Maa Saraswati, after which the School Bag, books and stationeries were handed over to the students.

#### **Tie-up with Ramanujan College:**

Shri Hara Kasturi Memorial Trust (HKMT) and Ramanujan College signed an MoU on 27<sup>th</sup> September 2021 to build the capacity of faculties and staff of HKMT, so that they can provide quality education to the underprivileged children enrolled with Swami Vivekananda Arunoday Vidyalay (SVAV), Hapur and also with the Yogakshema Scholarship Program, currently being implemented in Kolkata, West Bengal. The MoU was signed with the objective of achieving the following:

- Capacity Building of Teachers
- Capacity Building of Students
- Extension activities for both the institutions to benefit their teachers, students and the society at large.



■ Discussion between Ramanujan College and Sri Hara Kasturi Memorial Trust teams before MoU signing



■ Sri Prakash Lohia, Trustee – Sri Hara Kasturi Memorial Trust & MD, Merino Industries Ltd. and Prof. (Dr.) S P Aggarwal, Principal – Ramanujan College, signing MoU

### Two Days Workshop held at Ramanujan College for Students & Teachers of SVAV:

As a part of the MoU a two days' workshop was organised by Ramanujan College at their premises. The objective was to give an exposure to the SVAV Students and Teachers about the institute and also to develop a bonding and understanding about each other, especially the students. Separate sessions for teachers and students ran parallelly. The training for teachers covered various aspects of teaching, such as, Teaching Pedagogy, Open Source Tools for teaching and assessment, E-Content Development, Ethics and Happiness, Open Educational Resources, etc. For the students, it covered English Communication Skills, Activity Based Learning, Quiz on Science, Maths, Environment and History, Origami Craft, etc. 43 students from Classes VI to VIII and 15 teachers participated in the Two-Day Workshop.



■ Students learning Mandala Art during the Day 2 of the Workshop



■ SVAV Team Members along with the faculties of Ramanujan College during the Workshop

### Events and cultural celebrations at SVAV:

India's languages, religions, dance, music, architecture, food and customs differ from place to place within the country. Indian culture is the heritage of social norms, ethical values, traditional customs and beliefs that are associated our day to day life. Hence, it is important for the students to learn about these cultures and values. Though the pandemic tried to play spoilsport and the lockdown resulted in closure of schools, would found alternative ways to make children learn the importance of various international days and cultural events. During the school closure we celebrated the events on-line and when the schools opened up we celebrated the events in person.

- **World Environment Day** - On June 5, World Environment Day was celebrated online, at SVAV with great enthusiasm. Online activities were organised by the teachers to spread awareness among students and their families about the need to protect the environment and the ways to do it. On that day the children did plantation at their respective homes, fed the birds, made articles out of waste, wrote slogans on save water.



■ Plantation at home on World Environment Day



■ International Yoga Day

- **International Yoga Day** – International Yoga Day was celebrated on June 21. The event was held online, during which the Physical Education Teacher guided the students and teachers online, to perform different asanas. Students shared their photos and videos and also made charts, wrote slogans and performed asanas and recorded their live performances on Zoom app.
- **Guru Purnima** – Guru or teacher has always been considered akin to God in the Hindu culture. Guru Purnima is the day to celebrate and pay our gratitude to our Gurus. This Sanskrit word literally translates to 'the one who frees us of ignorance'. On July 24, 2021, Guru Purnima was celebrated in the school with intense zeal and zest where the students recited Guru Ashtakam.



■ Guru Purnima Celebration, Students reciting Guru Ashtakam



■ Independence Day Celebration, Students performing Yoga

- **Independence Day** – The staff and students of SVAV celebrated 15<sup>th</sup> August in the school with great enthusiasm. On this special occasion, the national flag was hoisted by the Head girl and Head Boy of the school. The General Manager – Operations of Trust and the Principal addressed the students and urged them to take pride in being an Indian and fulfilling one’s duty with responsibility. This was followed by a musical rendition by the school choir which sang patriotic songs and students performing yoga.
- **Raksha Bandhan** - Raksha Bandhan is one of the most endearing ways to celebrate the bond between brothers and sisters. To strengthen this bond, SVAV conducted a ‘Rakhi –making’ competition. Students from all classes participated in the competition and made colourful rakhis.
- **Janmashtami celebration** - Krishna Janmashtami marks the birth of Lord Krishna. To mark the occasion Janmashtami was celebrated with great joy. The students performed a skit which beautifully depicted friendship of Lord Krishna and his childhood friend Sudama. Another attraction of the event was breaking of the treasure filled Matki (the pot).



■ Janmashtami Celebration, Students performing Krishna Sudama Skit



■ Boys & Girls making Human Pyramid to break the Treasure Pot

- **Teacher's Day celebration** - A function was held in the school premises to celebrate one of the dearest programs of school life, The Teacher's day. The students organised a small function which included activities like skits, speeches, role play etc.
- **Ram Navami Celebration** – Ram Navami is celebrated to mark the birth of Lord Rama and it also indicates the victory of good over evil. On October 10, on this occasion students showcased the victory of goodness over evil through various paintings and posters.
- **Diwali Celebration** – To mark the occasion, on November 03, 2021, Inter house Diwali competition was organised with great enthusiasm in the school. The students of five Houses made rangolis on this auspicious occasion. The entire presentation filled the heart of all present in the school with the spirit of Diwali. The students also made lanterns and decorated diyas.
- **Republic day celebration** – 26<sup>th</sup> January, is another day which makes us feel proud about our country's constitution, which propagates unity in diversity. During the occasion, students parade and flag hoisting took place. The school Head girl and Head Boy hoisted the national flag. This was followed by some speeches on patriotism and Singing the national anthem.



■ Diwali Celebration – Rangoli Making

- **Chhoti holi celebration** - Holi is also known as the festival of colours. It is the most colourful and vibrant festival. At the school we celebrated Holi with splash of colours. The atmosphere was filled with fun and fervor as students celebrated this vibrant festival. Keeping in mind the safety of students and following the green practices, the school arranged for safe organic herbal Holi colours. The academic courtyard was an amalgamation of enthused students who also sprinkled colours on teachers and the teachers also blessed the students with colours.



■ Chhoti Holi Celebration at SVAV

### Educational Scholarship Programs

**Scholarship to Graduate Students:** This scholarship program is currently being implemented in Northern India, at Hapur, Uttar Pradesh. We are committed to hand hold the students who have graduated from SVAV till they complete their Higher Secondary. Financial assistance (school fees and books) and academic support through structured coaching is provided to students graduating from SVAV to help them complete their education till 12<sup>th</sup> standard and ensure their academic standards are maintained along with fulfilling their nutritional needs. During the academic year 2021-22, 28 Students (19 girls + 9 boys), were imparted structured coaching and have also been provided with all financial support and guidance to continue their education in well-established private secondary schools outside SVAV.

### Yogakshema – Scholarship for bright and needy students:

The term 'Yogakshemam Vahamayam' is from the Bhagvad Geeta and has a deeper meaning, it means, "To those whose minds are always absorbed in Me, I provide what they lack and preserve what they already possess."

Through the Yogakshema Scholarship Program we are trying to identify and support young and bright students who have the spark in them. Currently this program implemented in Eastern part of India, in Kolkata, West Bengal. Yogakshema was launched in September 2018 to help the poor and disadvantaged but meritorious students. The scholarship is offered for two years to those students who have scored over 80% in their 10<sup>th</sup> Board Examination. These students are offered a scholarship @ of

₹ 4000/- per month to help them complete class XI and class XII, and covers the expenses for their studies, some nutritional needs, and a Medclaim policy for the family.

From the 2<sup>nd</sup> batch of 20 students (11 female + 9 males) who joined the our Yogakshemam Scholarship Program in 2019, completed their two years in 2021. All the 20 students successfully completed their Higher Secondary examination. Their performances in HSC examination are as follows:

- No. of students scored above 90% and above - 04 Students
- No. of students scoring between 80% to 90% - 15 Students
- No. of students scoring below 80% - 1 Student (scored 78%)

**Support for Accommodation** - To continue their higher studies 3 female scholars requested for financial help to have accommodation in Kolkata as they live 100 Kms away from Kolkata. Hence the trust, as a special case, provided the required support and helped them to get two accommodations at ₹ 6000/- monthly rent each. One accommodation is being shared between two scholars Barnali Mondal and Soma Das. Barnali is doing her Graduation in Geography (Honours) and Soma Das is doing the B.Sc (Physics). The other scholar Ms. Nayan Mitra is also doing her Graduation in Geography (Honours) has been provided a family accommodation as they were evicted from their rented accommodation, owing to non-payment of rent, as her mother lost her job due to the pandemic.



■ Rented accommodation - Barnali Mandal and Soma Das

**Pre-recorded Digital Content for Physics** - Dr. Dipak Ghosh, the Emeritus Professor of Jadavpur University, Kolkata helped to develop digital content for Physics as per the Higher Secondary Syllabus, so that it can be floated on YouTube and can be used by anyone for free. 90 digital sessions were required to complete the course. The pandemic led to delay in its completion, however, 90% of content has already been completed. The students found it very useful and have also given their valuable inputs for making it more effective.

**'Abhi'- Student's own Inhouse Magazine** - To encourage students, express their talents, Yogakshema program has started a quarterly in-house magazine named 'Abhi'. Till date 4 issues got published, the scholars have been taking immense interest in it. They contribute stories, poems, features of specific topics and excellent drawings. The image on the cover page of 2<sup>nd</sup> and the 4<sup>th</sup> issue of Abhi has been drawn by one of the scholars, Ms. Barnali Mandal.

**Yogakshema Students Meet** - The students of Yogakshema 2019 - 2021 and 2020 - 2022 batch were invited at the head office on 9<sup>th</sup> May and 10<sup>th</sup> October respectively. Discussions on various aspects related to studies were held.

**The New Batch of Yogakshema 2021** - Due to the pandemic, the West Bengal State Board Secondary Examination could not be held and the results were declared on the basis of their percentile. Therefore, for the 2021 entrance examination was introduced for selecting students Yogakshema scholarship. Twenty students were selected as per the obtained marks but ten of them did not continue. Hence, for the 2021 batch only 10 scholars are being supported.



■ Yogakshema - 2021 batch

**Qualifying in National Eligibility cum Entrance Test (NEET):** Sri Manik Kumar Mandal a scholar of 2018 Yogakshema batch has qualified in NEET examination in 2021 and got himself enrolled for the M.B.B.S. course in Sagar Dutta Medical College.

## Health Care

### Sankat Mochan Abhiyaan - Phase-II

The unprecedented surge in the number of covid cases during 2<sup>nd</sup> wave, once again disrupted the entire health care system of our country. Thus, to reduce the burden on the hospitals, and to support the district administration, Sri Hara Kastrui Memorial Trust sponsored by Merino Industries Ltd. tied up with **Hillary Clinton Nursing School** functioning under the auspice of **Vinod Gupta Charitable Foundation** to train and engage young volunteers to support Covid patients and also in the governments vaccination drive. The training was for four months duration, which comprised of the following:

- 1 month's classroom training at Swami Vivekananda Arunoday Vidyalay, Hapur.
- 1 month's practical training in Government Community Health Centre, Hapur.
- 2 month's practical training at two private hospitals, Arogya Hospital & Devnandini Hospital, Hapur. Out of the 20 volunteers opted for the course, 16 completed the course successfully. Out of which 6 went for their higher studies 4 volunteers got absorbed by Arogya Hospital and rest six were engaged in the government vaccination drive.



■ Volunteers engaged in vaccinating eligible candidates

We also continued with our Awareness Campaign and maintaining sanitisation of our factory and school premises. With our constant efforts 100% of our eligible employees have taken their required vaccination doses. Within the factory and in our school premise entry without mask is not allowed.

**Touch free toilets, doors & water dispensers** - To ensure touch-free operations we have installed 21 foot operated sanitiser mounts, 15 foot operated water dispensers, 6 foot operated wash basin and 4 sensor based wash basins. Apart from that we have also installed 18 foot operated door openers.

### Shri Prem Chand Lohia Health Centre' (SPCLHC) - Caring for lives

Health care facilities such as, OPD services, Treatment of TB Patients and Ayurvedic treatment to local people are provided through 'Shri Prem Chand Lohia Health Centre' (SPCLHC). Seeing the prevalence of TB cases in Hapur, Merino Group through SPCLHC has joined hands with the Dept. of Tuberculosis, Govt. of India, to eradicate TB. Currently the centre is providing TB treatment in about 42 villages of Hapur District, in Uttar Pradesh.



■ Dispensary opened for general public after the lockdown

Due to the pandemic, we had to close down the dispensaries however, after the relaxation of lockdown we opened up our dispensary at MIL Factory. At present our 3 dispensaries are operational. Our health care program is managed and supported by 1 MBBS Doctor, 1 Ayurvedic Doctor, 1 Pharmacist, 2 staff and 1 ward boy. The team provides general OPD for patients and for treatment of TB in particular. During the period 4862 out patients were treated and 1,23,092 units of medicines were distributed. During the period for 777 TB Patient's sputum were diagnosed, 339 TB Patients were treated and 11 Patients were supported with diet.

**Setting up Oxygen Plant at District Government Hospital, Hapur:**

Seeing the growing need and the scarcity of Oxygen supply, Merino extended its helping hand to the local Government. It has set up a PSA Medical Oxygen Plant at the Government Hospital, Pilkhuwa, that would cater to 100 patients per day. The plant was commissioned on July 28, 2021. Gen. V K Singh, Minister of State for Road Transport and Highways and Civil Aviation, Government of India. The plant has a capacity of producing 30 Nm<sup>3</sup> / hour, with an Oxygen purity of 93% - 95%.



■ Gen. V K Singh inaugurating the Oxygen Plant at Government Hospital, Pilkhuwa, Hapur.



# Sustainability Report 2021-2022



■ (Dec 2018, Merino Hapur Unit 2)



■ (May 2022, Merino Hapur Unit 2)

## 1. Our Inspiration

Swami Vivekananda's values, virtues, his quotes and speeches are the guiding force behind Merino's Mission & Vision. And while all his words of wisdom inspire Merino's working; the following have very profound impact on its Sustainability program named '**Nirmal**'.

- Arise, awake and stop not till the goal is reached.
- A man is not poor without money. But a man is really poor without a **dream and ambition**.

Commitment to Sustainability program '**Nirmal**' also helps Merino in fulfilling its Mission of "Universal Weal through Trade & Industry" across its businesses and geographic presence.

Being a Business entity, Trade and Industry are Merino's means to create wealth for its Stakeholders including Nature. The word Universal stands for the entire World - the gamut of Stakeholders, Nature being one of these. The word Weal ensures that the wealth is created without harming any Stakeholder.

The word '**Nirmal**' has been carefully chosen for the Sustainability Program as it means Pure or 'Devoid of Impurities'. Through '**Nirmal**' program, Merino strives relentlessly to protect constituents of nature.

The Nature or the Living World is made up of Five Great Elements as per ancient Indian wisdom, these are:

- I. **भूमि** - Bhumi meaning Earth
- II. **आंपः** - Aapah meaning Water
- III. **अग्निः** - Analah meaning Fire/Energy
- IV. **वायुः** - Vayuh meaning Air
- V. **आकाशः** - Khah meaning Space

Our conscious, sincere and continuous efforts are to keep the Nature pure and clean by taking care of above mentioned Elements while doing our bit of Purusartha (पुरुषार्थ) that is, "an object of human pursuit".

Merino group is convinced that the sustainable actions and outcomes create long term values by achieving a balance between economic, environmental, and social performances.

Merino is an enterprise with diverse businesses that include manufacturing of Laminates (LPL & HPL), Value Added Surface Materials, Rest Room Cubicles and Solutions, Agro Products and IT Services. Hence the challenges of addressing objectives of Sustainability remain unique.

## 2. Objectives, Strategies and Focus areas

Key **Objectives** of **Nirmal** Program are:

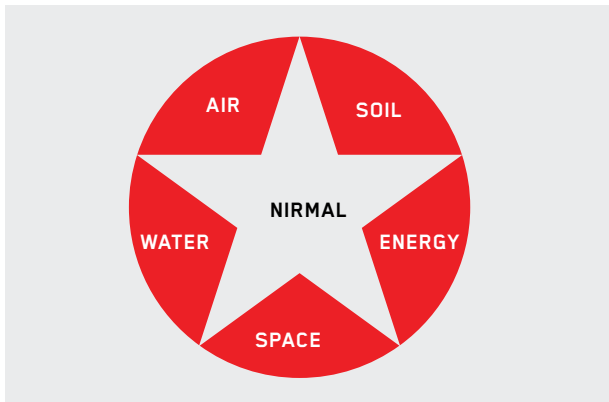
- Achieve and maintain compliance to the Statutory requirements as stipulated by the competent authorities from time to time for the geographies that Merino focuses
- Anticipate emerging Statutory requirements, proactively prepare and selectively achieve compliance in the larger interest of the stakeholders ahead of Statutory compliances
- Keep an eye on global developments/other industries/competitors/customer needs and wherever feasible leverage from or implement these. Learn from other experience instead of re-inventing of wheel.
- Achieve global standards in verification, assessment and certification on tangible parameters related to Sustainability index.
- Align with SDG (Sustainable Development Goals). These recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth - all while tackling climate change and working to preserve our oceans and forests - Source UN website .
- Establish ourselves as benchmark in the industry in terms of focus and commitment to environment protection and sustainability

Program **Nirmal** remains driven by the following broad **Strategies** :

- Sustained sponsorship by Merino leadership team
- To be treated as a High Priority Mission mode holistic and integrated initiative
- Excellence through continuous innovation
- Develop, maintain and leverage from synergistic approach between Industry, Academia, Govt. and Research/Scientific Community

- Reduce dependence on Fossil fuel
- Identify Subject Matter Experts, engage and leverage from their domain knowledge and best practices in vogue

#### Focus Areas



Merino leadership strongly believes that the environment encircles the social and economic well-being. So, the factors sustaining environment have profound impact on business and society. This has inspired Merino group to follow the policy of Environment first.

### 3. Eco system and Partners/Associations

These include:

1. Central and State level Pollution Control Boards (CPCB, GPCB, UPPCB, TNPCB)
2. Commission for Air Quality Management for NCR (CAQM)
3. International Standards Organisation (ISO)
4. Confederation of Indian Industry (CII)
5. Federation of Indian Chambers and Commerce (FICCI)
6. Indian Agricultural Research Institute (IARI)
7. National Bamboo Mission (NBM)
8. Visvesvaraya National Institute of Technology (VNIT, Nagpur)
9. Indian Federation of Green Energy (IFGE)

For the year under review, Merino consolidated its relationship with Visvesvaraya National Institute of Technology (VNIT, Nagpur) to assist and complement Merino's in-house expertise and experience in multiple areas that include:

- to assess carbon footprint for third party verification and accreditation as per ISO standards
- creating products of higher economic value out of any process wastes
- management of soil health
- Developing approaches for circular agriculture

## 4. Achievements and progress

### I. Energy

#### Approach

Merino has formulated a three-pronged approach for effective energy management.

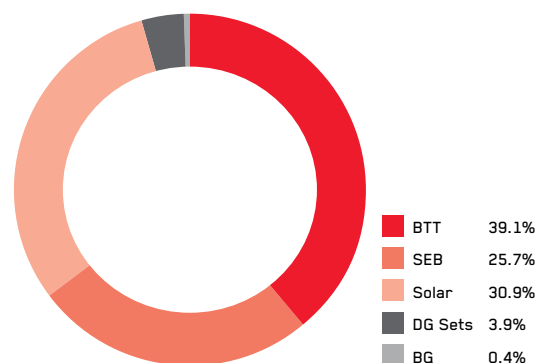
- 1) Energy Source- Focused approach for the energy source that fulfils our objectives of ecological sustenance and indigenous availability. Here major focus is on in-house energy production by using biogenic fuel like saw dust, rice husk & Co-generation biogas; and on solar system.
- 2) Efficiency- Constant efficiency upgradation through upgraded electrical tools, appliances, machineries or improved technology in operations, utilities, and lightening systems.
- 3) Conservation- Promoting an environmentally friendly work culture & direct savings or reduced consumption of energy through provision of natural light in all establishments, saving electricity through automation and humane responsibilities.

### 1.1 Performance in FY2021-22

#### Renewable sources constitute around 70% of Total energy requirements in Merino

Constant engagement is the key attribute of sustainable practices. Merino now fulfils 70% of its total energy requirement from renewable and green sources through its years of proactive efforts. Merino Industries have biomass-based turbines technology (BTT) and biogas (BG) that contribute 39.4% of the total energy requirement and solar power (Solar) accounts for 31%.

#### Energy Mix of Merino



Merino has both conventional sources of energy like fossil-based Diesel-Generators (DG Sets), State Electricity Boards (SEBs) and renewable /alternate energy resources namely, Solar, Biomass based turbines (TG) and Biogas plants (BG). However, over the time the group has increased the focus to fulfil most of the energy demand from renewable sources, that are, from biomass and solar.

## 1.2 Solar is preferred choice for power in Merino



■ Rooftop Solar in Hapur Unit-1



■ Ground mounted Solar by MIL Rohad in Budak



■ Rooftop Solar, Dahej

Solar power is the key to a clean energy in future. We have constantly emphasised on this by implementing installations of various solar systems/plants to power the group's growing power requirement.



■ Rooftop Solar, Rohad



■ Rooftop Solar, Hapur

The group has installed around 9.43 MW solar system/plants that helps to generate 12.4 million kWh units of electrical energy during 2021-22 for production, utilities, and lighting needs of four factories of Merino. This makes up for around 31% of the total energy requirement of all plants of the group.

Merino has installed 1.98 MW solar system (rooftop) in manufacturing unit at Rohad plant and another 5.5 MW ground mounted solar system with tracker in Budak, Hissar (Haryana). These together take care of 89% of the energy needs of MIL Rohad factory.

### 1.3 Energy Intensity

Energy Intensity defined by energy requirements (Giga Joules) per crores of revenue has been with every passing year. This shows the commitment of the group to align with resource conservation and lower carbon footprint along with economic growth.

	Energy Intensity : GJ/ ₹ Crores of Revenue
FY2019	1.58
FY2020	1.12
FY2021	1.00
FY2022	0.89

### 1.4 Key Initiatives taken for energy conservation during 2021-22

- Replacement of inefficient motors with IE3 motors and conventional fans with BLDC Fans at various locations for Energy Conservation.
- Replacement of Cooling Tower Fans from aluminum blades to light-weight FRP blades, automation for Heating Cooling System, Old Loader Units has been replaced by New Loader Units and installations of new Energy efficient LED Lamps as luminaries across the factories have helped to conserve the energy.
- Installations of Vertical Order Picker and Laminate Racking system at sorting section, to minimise the material movement in factory premises, thereby reducing the total energy consumption by different material handling equipment.
- Energy Efficient HVAC systems in press and dryer section in place of split AC to reduce electricity consumptions.
- Incinerator with heat recovery system to be incorporated with thermic fluid heater and the waste heat to be used in 35

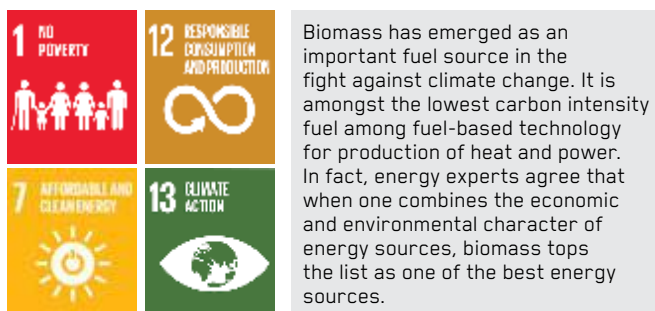
Lkcal/Hr. Thermic fluid heater thus reduces the consumption of fuel by 5000 Kg/Day.

- Peel Cutting Blade assembly has been replaced by Ni-chrome wire assembly for that would save energy upto 1763 KWH/month.
- Old Loader Unit has been replaced by New Loader Unit and by that we increased the productivity as well as we can save upto 429 Kwh/Year.
- Placing the 4MT Vertical Order Picker and Laminate Racking system at sorting section, to minimise the material movement in factory premises, thereby reducing the total energy consumption by different material handling equipment.

### 1.5 SDG impacts through Merino's Energy Management

Merino Industries have committed to contribute under United Nations defined Government of India's mission on Sustainable Development Goals (SDGs) by direct positive interventions. MIL Energy Management in terms of procurement of renewable fuels, conservation and efficiency gains are some of direct positive interventions. It is helping under following SDGs :

1. Livelihood,
2. Affordable & Clean Energy,
3. Responsible Consumption and Production,
4. Climate Change



Combustible agricultural materials such as rice husk and biomass such as sawdust are used to generate heat in furnaces. This heat produces steam and power through turbines. This has created substantial value as energy harnessed from biomass is inexpensive as compared to coal and oil, costing about 33% less than fossil fuels.



■ Biomass Based Turbine, Hapur



■ Biomass Based Steam power system, Rohad

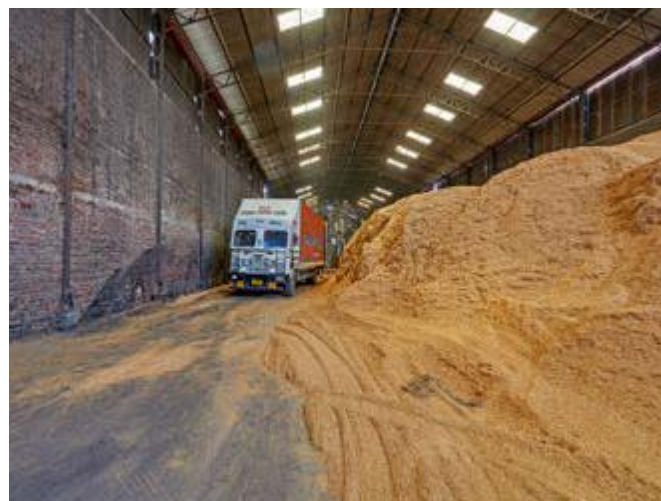


■ Biogas System, Hapur

This not only helps in reducing carbon footprint but also creates sustainable livelihood options for people who manage these wastes in around 100 KM perimeter of the Merino Factory in Hapur (Uttar Pradesh) & Rohad (Haryana).

Rice Husk and Saw dusts, being the green fuel is our key fuel source at the Merino manufacturing units. The power generated through the biomass turbines accounted for around 72 percent of total energy requirement of the two manufacturing units in Hapur. Merino has harnessed 15.8 million kWh of electrical energy annually from biomass during 2021-22.

We understand the source of energy, gain in efficiencies and conservation practices ultimately determine and help us in reduced carbon footprint. The use of biomass and solar energy as fuel sources have helped in lowering carbon footprints. This has ensured Merino to have low carbon footprint in the product manufacturing. The study conducted by Visvesvaraya National Institute of Technology (VNIT), Nagpur for assessment of carbon and water footprint of industrial activities of Merino in Hapur using ISO 14044:2006 methodology for Life Cycle Assessment (LCA) & compliance to ISO 14064:2006 for Green House Gas (GHG) evaluation, shows that 4.34 kg CO<sub>2</sub> equivalent to per laminate sheet production or 1.55 is the value of Global Warming Potential (GWP) intensity per KG of laminates production by Merino Industries and 1.05 kg CO<sub>2</sub> equivalent to per kilogram of potato flakes production are GHG emissions in Hapur production facilities.



■ Green Fuel Storage

### 1.6 GHG Emissions Intensity

The continuous decline in GHG emission intensity with every passing year, shows the commitment of the group to contain the carbon footprint along with the economic growth.

	tCO <sub>2</sub> e/ ₹ lakhs of Revenue
FY2019	689
FY2020	551
FY2021	463
FY2022	293

### II. Water

#### Approach

Merino Industries follows the 5R approach, that are, Reduce, Recycle, Reuse, Replenish and Restore for water management.

Ground water is the dominant source of water supply in the Merino establishments other than Dahej. A holistic approach had been undertaken for water management in and around the manufacturing units with focus on conservation of ground water in addition to recycle/reuse and replenishments/restorations. These constructive efforts can be classified into three key actionable:

- 1) Focused practices to reduce water consumption,
- 2) Recycle and reuse of water,
- 3) Replenishing and restoration of water sources.

## II.1 Water Conservation/Reduced Water Consumption

Saving water is the call of the hour. Maximise the use of every drop of water and save every drop wherever possible are the twin concept, Merino has adopted across all operations at manufacturing units across India.

The group has installed 200 and 250 CHM Adiabatic Cooling Towers. Replacing the conventional cooling tower with the upgraded Adiabatic Cooling Tower has helped us in saving more than 30,000 KL annually in Hapur factory. Our flash steam recovery system further helps us to save around 15 per cent of water used in steams.

All the manufacturing units of our group have moderated water consumption per unit of laminate produced. This is possible through increase in water efficiency by use of upgraded technology and tools to optimise water use.



■ RO plant for water filtration & recycling in MIL, Hapur

### II.1.2 Key initiatives taken during 2021-22

- Incorporation of 111 TR Air cool chiller for cooling zone of all the Impregnator would reduce water consumption for Evaporator.
- 3.5 kph ETP installed to clean industry effluent and reduced the use of fresh water for gardening by 30KLD in Dahej factory.
- oStore and reuse of solar cleaning water system as a result the usage of raw water is reduced for cleaning by 20KL/month.

## II.2 Recycle and Reuse of Water through ETP and STP

Another key aspect of our water management efforts is recycling of waste and unused water discharged from our manufacturing units. This is diligently implemented at all our manufacturing facilities using ETPs (Effluent Treatment Plants) and STPs (Sewerage Treatment Plants). The capacity of ETP and STP are of 250 and 70 KLD respectively in Hapur plants. These are helping to treat and recycling of over 100,000 KL of water annually in the Hapur premises.

The Rohad plant has installed capacity of ETP and STP of 50 and 100 KL per day respectively. It helps to make over 50,000 KL of reusable water annually from waste/used water in the premises. Similarly, with the use of STPs in the manufacturing premises of Hosur and Dahej, the Company reuses over 10,000 KL of water annually.

## II.3. Replenishing and restoration of water sources: marching towards Zero Liquid Discharge (ZLD) and double recharge

Merino has taken several initiatives to replenish and restore the ground water by setting up rainwater harvest systems at all establishments of the group. The rainwater harvest system is an effective way to naturally restore and replenish the ground water tables. Merino has installed rainwater harvest system with reservoir capacity of over 1,00,000 liters at Hosur.



■ The Raghunathpur pond by Merino for ground-water table recharge through rainwater



■ The Achheja Gaon pond by Merino for ground-water recharge

The group has built reservoirs and installed ground water recharge system in and around the factory premises. Three such ponds have been developed to recharge ground water at Hapur. One pond in Rohad. These are effective to restore over 8,00,000 KL of water cumulatively in a year.



■ Rain water & ground water restoration, Rohad

Constant engagement and a holistic water conservation plan means that Merino is on the track to achieve its twin goals of zero discharge system and double recharge (recharging double of what we consume in our premises).

#### II.4 Water Intensity and Stewardship

The continuous decline in water intensity with every passing year, shows the commitment of the Merino leadership to reduce the water intake but same time expand the economic growth.

	Water Intensity : KL/ ₹ lakhs of Revenue
FY2019	4.2
FY2020	2.9
FY2021	3.0
FY2022	2.1

Source : Water Databank of MIL

#### II.5 Water Neutrality

Merino is progressing towards achieving the water neutrality by

- (1) reducing water use by making the new build as water efficient as possible
- (2) installing water reuse systems, such as rainwater harvesting or grey water recycling and
- (3) offsetting any remaining demand in the existing establishments local area by putting natural reservoirs like ponds.

Almost 70% of water neutrality is achieved by Merino by 31<sup>st</sup> of March 2022.

#### II.6 SDG impacts through Water Management of Merino

MIL Water Management by Focused practices to reduce water consumption, Recycle and reuse of water and Replenishing and restoration of water sources. It is helping under following SDGs :

1. Clean Water and Sanitation
2. Life Below Water

6

CLEAN WATER AND SANITATION

14

LIFE BELOW WATER

Biomass has emerged as an important fuel source in the fight against climate change. It is amongst the lowest carbon intensity fuel among fuel-based technology for production of heat and power. In fact, energy experts agree that when one combines the economic and environmental character of energy sources, biomass tops the list as one of the best energy sources.

#### III. Waste Management with the principle of circular economy

##### Approach

Recycle and Creating positive value out of wastes

A close look at nature reveals that nothing goes waste. Incorporating this philosophy, Merino has focused on reducing waste generation and further reusing these wastes through adoption of innovative ways to create value. Updating to technologically advanced machineries and implementation of raw material conservation practices has brought about a paradigm shift in waste management as the Company moves steadily towards its long-term goal of

zero waste. In fact, Merino is working to have Waste Recycle Positive Status means 'Creating positive value out of wastes.

Merino industries have adopted many innovative methods to reuse wastes. To start with, there is a system in place to collect all wastes and segregate into various categories

like hazardous (non-recyclable), non-hazardous (recyclable), organic, non-organic, liquid and solid. This helps to properly plan the reuse of recyclable wastes and carefully dispose the hazardous ones.

### III.1 Wastes Management- Wastes Recycled or Reused by Merino

Wastes Management- Wastes Recycled or Reused							
	Wastes Type	Source	Disposal Method	Treatment & Reuse	Units	2020-21	2021-22
A	Non-Hazardous						
A.1	Paper wastes	Storage/Defects/Process	Recyclers	Sells in Secondary Market	MT	1,529.6	1,621.8
A.2	Solid Scrapes (process wastes) Steel, Aluminum, Plastic, Bopp, Wooden waste etc.	Storage/Defects/Process	Recyclers	Sells in Secondary Market	MT	3,966.1	4,747.8
A.3	Chemical Bags	Storage	PCB Approved Vendor	Sells in Secondary Market	MT	6.4	5.9
A.4	Plywood Wastes	Cutting	Incinerator	Complete combustion for energy	MT	264.0	251.8
A.5	Slurry/Sludge	STP	Dry Cake/Solid	Horticulture & Landfill	MT	5,804.2	5,459.8
A.6	Waste Water /Distillate	Rejected from 3 <sup>rd</sup> RO	Evaporation	Evaporation through incinerator	KL	8,077.3	8,102.6
B	Hazardous						
B.1	Used/old Oil	DG Sets/Vehicles	Authorised Recyclers	Sells	KL	20.1	18.1
B.2	Discarded Batteries	DG Sets/Vehicles	Authorised Recyclers	Sells	Nos	116	169
B.3	Laminates Sanding/trimming wastes	Sanding/Cutting process	Incinerator	Complete Combustion for energy	MT	5,152.2	5,361.9
B.4	Wastepaper containing resin	Dryer/Press	Incinerator	Complete Combustion for energy	MT	97.1	123.4
B.5	Fly ash	HWG, TFH & Incinerator ash	landfilling and brick making	Bricks for internal roads/premises	MT	5,999.9	6,019.6

Source: Wastes Disposal Databank of MIL

- Combustible process wastes from manufacturing like residue of paper materials, laminates, panel products etc., are used in furnaces to generate heat used for drying the biomass (key source of energy in Merino).
- Ash generated from boilers and incinerators along with ash from NTPC power plant are used for manufacturing bricks and tiles. These are used for internal pavements inside the premises.
- Organic wastes from processes and canteens as well are converted into manures through bio-conversion processes like use of bacteria or other micro-organisms. The manures obtained from organic wastes are used for plants/ plantations in Merino establishments.

### III.2. Treatment and reuse of wastes of potato flakes plant in Merino Industries

The potato flakes plant (PFP) is no different from the other facilities in waste management implementation. Wastes produced in different forms like liquids, semi solids are

properly segregated, treated and reused. Liquid waste and sludge are processed in the effluent treatment plant (ETP). In ETP, the waste goes through USABR anaerobic decomposition process to produce biogases which are then channeled for electricity generation or is used for cooking purpose directly. This is further treated with aerobic decomposition process. Post this treatment, the released water is used for plantation, washing potatoes and flushing systems. Thus, this whole process helps in recycling of water and energy generation.

The decomposed (mineralised) slurry from the bio-gas plants is used as fertiliser in gardens, crops or plantation fields. Solid waste from potato peels and unused potatoes is collected and converted into compost. This compost is an effective manure for enrichment of soil in agricultural land. The annual production of compost from the potato flakes plant is around 50 metric tons.





■ Bio compost and Biogas unit, Hapur

#### III.3.1 Valuable Chemicals from Potato peel

The VEGIT plant of Merino produces a myriad of potato ready mix products which generates a significant amount of peel waste. A novel process developed by VNIT uses the potato peel waste (PPW) to make valuable products. A green method is devised to separate clean peel and residual starch slurry. The peel is used to extract valuable products like polyphenols and dietary fibers thus creating wealth from waste. The starch slurry is used to generate energy by anaerobic digestion thus resulting into ZERO waste.

#### III.3.2 Valuable Chemicals from Citrus peel

In order to create an additional source of revenue for the farmers, roadside fruit juice vendors, VNIT Nagpur and Merino Industries Limited ( Hapur UP) have jointly developed and demonstrated waste citrus bio refinery. A bio refinery is analogous to a petroleum refinery unlike crude oil, biomass, in present case waste oranges, are converted into bio-products pectin, fibres, essential oil, cellulose etc.

The project is funded by SEED Division of Department of Science and Technology GOI (DST/SSTP/ 2018/76 ) while Merino is the industrial partner for scale up studies.

#### III.3.3 Valuable Chemicals from pomegranate peel

In order to create valuable products from pomegranate peels VNIT Nagpur and Merino Industries Limited ( Hapur UP) have jointly developed and demonstrated waste pomegranate peel utilisation unit. Ellegic acid is extracted from the waste peel.

#### III.4. Patent for Unique microbial consortium for rapid degradation of agricultural waste

MIL in close working with VNIT academy faculty have received the Patent (No- 360956) on Inoculant for rapid degradation of agricultural waste and method of use in 2021.

This is about inventing the Unique microbial consortium for rapid degradation of agricultural waste with C/N more than 50. Microbial consortium multiplies rapidly in an indigenous media formulation and is capable of degrading lignin, cellulose and hemicellulose. It reduces the overall C/ N ratio to 12-14 within two weeks. This Microbial consortium is useful for degradation of agri residue like paddy straw, sugarcane trash, bamboo cotton stalk and any other biomass with C/N more than 50

Based on this technology MIL is producing 1.5 ton per day soil nutrient based on digested paddy straw. The soil nutrient meets the FCO standards, rich with Organic carbon (more than 14%) and nutrients (sentient and insentient).

#### III.5 Novel Agriculture Practice

The biomass ash produced by burning of rice husk and saw dust in a cogeneration unit is rich with Potash and Phosphorus. VNIT has developed a unique microbial consortium to regulate pH, EC of the bioash and make P and K bio available. Merino is conducting extensive field trials on use of biomass ash treated with this microbial culture. Preliminary trend of results conveys replacement of 25% chemical fertiliser by biomass ash (1t/acre).

#### III.6 A model Small Dairy Farm

A systems thinking approach is used by VNIT to identify the variables influencing a SDF and develop a general framework – RAMHI (resources, alternate revenue, manpower, herd and infrastructure) comprising endogenous and exogenous variables. A representative SDF as a case study was developed at Merino where RAMHI was implemented. Implementation of RAMHI gradually improves the economic benefits of a SDF. The key performing indicators like average milk produced/day; milk revenue/fodder cost; number of

successful artificial insemination (AI) of herd/number of AI of herd; milking cow/dry cow; and milking cow/total cow, increased substantially in three successive years. This model is replicable at different parts of the country.

#### IV. Care for emission and air quality

##### Approach

Merino diligently adheres to maintain lower emission than stipulated under manufacturing activities to bring about a positive and real change.



■ Air Quality Monitoring in Hapur Factory

An important aspect of industrial emission is ozone depleting gases (ODG) that get released in the atmosphere. At Merino, we have addressed to mitigate this through proper knowledge, training and technological upgradation.

Chlorinated Fluorocarbon (CFC) refrigerants have been replaced by the technologically advanced hydrofluorocarbons (eg R-410A) refrigerant in over 400 tons of refrigeration (TR) systems annually. This has helped to mitigate equivalent amount of ODG from the environment. Merino's plants at Rohad, Hosur and Dahej have complete refrigeration facilities based on Non-CFC refrigerants.

Based on our sustainable practices, waste at our facilities is directly converted into useful gases and composts without greenhouse gas emission into the environment. This has significantly improved the air quality in and around our establishments. Further use of biomass and solar energy as fuel sources have helped in lowering carbon footprints.

The transformation of biomass (and its embodied "biogenic" carbon) into products has brought about effective carbon sequestration as these products effectively stores CO<sub>2</sub> over

#### IV.1 Key initiatives

- Wet scrubbers installed in our lamination plants at Hapur, Rohad and Dahej help to contain the air pollutants. These are in addition to electrostatic precipitators and bag filters in manufacturing units to control emission.
- The chillers in the production units for process and comfort cooling operate on the latest technology and are more environmentally friendly than the conventional cooling system.
- Selected natural plants known for natural air purifying attributes are being placed in inside and outside of work-stations



■ Natural plants as air purifier in factory work-stations

a period. Thus, the use of biomass contributes to reduction of CO<sub>2</sub> level in the atmosphere and addresses the key issue of global warming.

#### IV.2 SDG impacts through Air Emissions Control and Care for quality air

MIL Air emissions and quality focused practices have helped to maintain the factory premises particulate matters below the outside ambiances. It is helping under following SDGs :

1. Good Health and Well-Being
2. Decent Work and Economic Growth



Care for air quality in factory ambiances and work-stations in addition to control emissions by making investments in upgraded technology, equipment and real time basis monitoring system have helped Merino to directly showing the commitment for relevant Sustainable Development Goals.

### Approach

Actions for soil conservation, improvements in soil health, plantations and resilient agriculture.

#### V.1. Soil Care by enriching soils with natural composts/ manures

There is the need of hour to bring improvements in soil health using organic inputs. Taking a constructive step towards soil biological health and its conservation, Merino is engaged in enriching carbon content of soil using bio manures and desired soil health management practice. The group produces quality vermicompost to the tune of 200,000 kg annually. The vermicompost besides enriching soil health also minimises dependence on the chemical fertilisers on around 80 hectare of farming lands.

Therefore, the development of soil crop/soil specific and cost-effective organic manure customised with major and micro-nutrients and bio agents/catalysts are under progress by Merino with collaboration with VNIT. This shall be as per the quality standards defined under FCO, Govt of India for improving and sustaining physical, chemical and biological health of soil.

Overall, the ecofriendly farming practices at Merino help in achieving the carbon sequestration of around 16,000 kilo tons of CO<sub>2</sub> equivalent annually as environmental care along with sustaining the soil health.



■ Vermicompost Beds under Bamboo Forestry of Merino



■ Vermicomposts by Merino

#### V.2. Green Cover, Afforestation/Agroforestry by Merino

We know we depend on trees/plants for our survival, from the air we breathe to the wood we use. Besides providing habitats for animals and livelihoods for humans, these also offer watershed protection, prevent soil erosion and mitigate climate change.



■ A clean & green lane inside the factory



■ Soil covers with grasses or greenery, Rohad



■ Green cover, Dahej



■ Biodiversity with Green covers, Hapur



■ Rohad



■ Hapur

- Merino has brought afforestation and the expansion of agroforestry under its centerstage of green dive activities.
- All establishments of Merino are taking targets to increase green cover inside and outside its premises. In year 2021-22, over 10,000 trees sapling are paced into its premises across India
- Under its agroforestry, more than 2,000 popular trees and bamboos over 5 acres of land are grown up.
- These green activities like plantations, farming and agroforestry do the carbon sink or carbon sequestration. Together around 14,000 tons of CO<sub>2</sub> equivalent GHG has been effectively removed annually through Merino's green initiatives.



■ Sapling for Farmers, Halol



■ Nursery and Aeroponics to distribute sapling, Hapur

### V.2.1 Miyawaki in Merino

Merino has taken many of positive initiatives to have afforestation inside all its establishments. Adoption of 'Miyawaki Method' to grow forests at fast pace inside the manufacturing campus in Hapur is one of such endeavors.



■ Miyawaki forest between two blocks, Hapur



■ Miyawaki forest along factory shades

### V.3. Sustainable agriculture

Sustainable farming and soil conservation form the ethos of our agricultural division at Merino. Leveraging the domain knowledge of national agricultural institutes like ICAR and State Universities experts, we have implemented a host of projects to develop SAP (Standardised Agronomic Practices) for our catchment area.

The primary goal of these initiatives has been to promote locally adaptable farm practices, need based usage of agricultural inputs to sustain soil health and crop ecology and to increase income of huge number of farmers associated with Merino group.



■ Agricultural fields and factory of Merino, Hapur

### V.5 SDG impacts of Soil and Green Cover Initiatives

MIL focused approach and drives for producing and using organic manures, plantation drives, practices of resilient agriculture and partnership with farmers for non-chemical agroforestry are helping under following SDGs :

1. Responsible consumption and production
2. Life on land
3. Climate Change
4. Partnerships for the goals



Merino has firm believe that essentially, all life depends upon the soil. There can be no life without soil and no soil without life; they have evolved together. Positive intervention through promoting the organic manures, green covers, resilient agricultural practices and tree plantations are key steps to achieve the soil conservation and soil health and hence contributing for SDGs.

### 5. Aspirations and the journey ahead

These include:

1. Become a net zero (Scope 1 and 2) organisation by 2025
2. Over 25 lakhs to 100 lakhs of sapling under Agro-forestry model to be planted every year in collaboration of farmers under Merino Green Drive
3. Achieve ZLD at all the units within 2 yrs.
4. Increase overall renewable energy contribution to 80% (from current 70%) in one year
5. IOT enablement of measurement and monitoring of resource consumption at all locations by 2025



# Independent Auditor's Report

To the Members of Merino Industries Limited

## Report on the Financial Statements Opinion

We have audited the accompanying financial statements of **Merino Industries Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that

## Independent Auditor's Report

an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2013;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report;





- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 40 (a) to the financial statements;
  - b. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses if any, on long term contracts including derivative contracts;
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d.
    - i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - iii. Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
  - e. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **Singhi & Co.**  
**Chartered Accountants**  
Firm Registration No.302049E

**B. L. Choraria**  
**Partner**

Place: Noida (Delhi NCR)  
Dated: August 17, 2022

Membership No. 022973  
UDIN: 22022973APEFOP3559

## Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Merino Industries Limited of even date)

- i. In respect of the Company's Property, Plant & equipment:
- a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant & equipment.
  - B. The Company is maintaining proper records showing full particulars of intangible assets.
  - b. The company has a phased programme of physical verification of its property, plant and equipment, which in our opinion, is reasonable having regard to the size of the company and the nature of its property, plant and equipment. Management has physically verified certain property, plant and equipment during the year and as informed to us, no material discrepancies were noticed as compared to books of account.
  - c. On the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for freehold land as given below.

Description of item of property	Gross carrying value (₹ in lakh)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since date	Reason for not being held in the name of the company
Land	12.20	Merino Export private Limited	No	April 01, 2019	Land transferred under business combination, Payment for stamp duty under approval
	370.51	H N Lohia & Sons	No	April 01, 2019	Land transferred under business combination, Payment for stamp duty under approval
	76.49	Karatoya Agencies	No	April 01, 2019	Land transferred under business combination, Payment for stamp duty under approval
	96.17	Century Laminating Company Limited	No	July 27, 2007	Under process
Building	0.76	Century Laminating Company Limited	No	Dec 18, 1992	Under process

- d. The Company has not revalued its property, plant and equipment during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
  - e. According to information and explanations given by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company
- ii. a. Inventories (except stock stored in cold storage with third parties and stock in-transit) were physically verified during the year by the management. In respect of inventory stored with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable, and no material discrepancies were noticed on physical verification.
- b. During the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from various banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such bank, the variances found between the books of accounts and the statements are stated below

Quarter	Particular	As per bank statement	As per Balance sheet	Short/ (Excess)	Reasons
June 2021	Inventory	32,272.00	32,283.32	11.32	
March 2022	Inventory	35,620.91	44,567.83	8,946.92	1. Goods in transit accounted at the year end. 2. Stock valuation impact in compliance of applicable Indian Accounting Standards.
	Trade Receivable	21,972.67	13,994.51	(7,978.16)	1. Debtors reversed due to reversal of sales in compliance of applicable Indian Accounting Standards. 2. Subsequent scheme credits passed on to customer. 3. Provisions & written off bad debtors. 4. Effect of Forex gain/loss on restatement of foreign customer.
	Trade Payable	16,690.02	20,767.86	4,077.84	1. Creditors advances were not considered. 2. Booking of Goods in transit at the year end. 3. Booking of expenses in compliance of accrual accounting concepts.

(Rupees in lakh)

- iii. a. During the year the Company has not provided loans, advances in the nature of loans or provided security to companies, firms, Limited Liability Partnerships or any other parties. The company has given guarantee, detail of which is as follows
- | (Rupees in lakh)  |           |
|---|-----------|
| Particulars   | Guarantee |
| <b>Aggregate amount of guarantee given during the year</b>                    |           |
| - Other   | 1,000.00  |
| <b>Balance outstanding as at balance sheet date in respect of above case:</b> |           |
| - Other   | 1,000.00  |
- b. In our opinion, the terms and conditions of giving guarantee are not, prima facie, prejudicial to the company's interest.
- c. the company has not given loans and advance in the nature of loan, therefore provisions of clause 3(iii) (c) to 3(iii)(f) of the Order are not applicable to the company.
- iv. The company has complied with the provisions of section 185 of the act in respect of guarantee given. However, the company has not made any investment or given loan as specified under section 185 and 186 of the act.
- v. The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and hence provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder with regard to the deposits accepted from the public are not applicable to the company.
- vi. The company is required to maintain cost records pursuant to the rules made by the central government for the maintenance of cost records under sub-section (1) of section 148 of the Act. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. (a) According to the records of the Company, the Company is generally regular in depositing material undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, Goods and Service Tax, custom duty, Income tax, Cess and other statutory dues applicable to it with the appropriate authorities. There were no undisputed outstanding statutory dues as at the year - end for a period more than six months from the date they became payable.

- (b) There are dues referred to in sub-clause (a) above have not been deposited on account of disputes as stated below:

(Rupees in lakh)				
Nature of Dues	Amount Involved	Amount paid under Protest	Forum where the dispute is pending	Period
Income Tax excluding Interest	1.50	-	CIT (Appeals)	A.Y 2007-08
Post Order	264.98	51.12	CIT (Appeals)	A.Y 2012-13
	365.93	223.19	CIT (Appeals)	A.Y 2012-13
	772.22	304.44	CIT (Appeals)	A.Y 2013-14
	30.09	4.52	CIT (Appeals)	A.Y 2014-15
	1,831.18	228.00	Income Tax Appellate Tribunal	A.Y 2014-15
	208.62	41.72	CIT (Appeals)	A.Y 2015-16
	546.32	-	Income Tax Appellate Tribunal	A.Y 2016-17
	859.79	-	CIT (Appeals)	A.Y 2017-18
	938.96	-	CIT (Appeals)	A.Y 2018-19
	146.92	-	Assessing Officer	A.Y 2019-20
	230.22	35.19	CIT (Appeals)	A.Y 2017-18
	12.27	-	CIT (Appeals)	A.Y 2018-19
Goods and Service tax including penalty and excluding interest	10.74	0.36	Appellate Authority	2019-20, 2021-22
Central Sales tax excluding penalty and interest	26.01	13.01	Additional Commissioner	2014-15
	186.19	51.00	Deputy Commissioner	2015-18
	26.07	28.64	Appellate Tribunal	2011-12
Sales Tax excluding penalty and interest	4.31	-	Assessing Officer	2014-15, 2016-18
	10.98	7.50	Deputy Commissioner	2015-18
	9.90	-	Joint Commissioner	2015-16
Entry Tax excluding penalty and interest	0.74	-	Deputy Commissioner	2015-18
	15.51	25.20	High Court	2001-02, 2002-03

## Annexure 'A' to the Independent Auditor's Report

(Rupees in lakh)

Nature of Dues	Amount Involved	Amount paid under Protest	Forum where the dispute is pending	Period
Service Tax including penalty, excluding interest	45.87	-	Assistant Commissioner	2003-12, 2015-17
	2.63	0.46	CESTAT	2009-10, 2015-17
	15.30	-	Commissioner	2015-17
	2.80	-	Additional Commissioner	2005-06
Excise duty including penalty, excluding interest	68.92	13.46	Assistant Commissioner	2000-07, 2012-13, 2014-15
	93.21	-	Additional Commissioner	1988-89, 2005-06, 2009-10
	1,560.73	10.00	Commissioner	2005-11, 2015-17
	137.19	-	High Court	2015-16
	82.80	10.00	Supreme Court	1991-92, 1992-93
	3,010.02	-	Supreme Court	2009-16
Custom Duty excluding penalty and interest	1.45	-	Assistant Commissioner	2012-13
	9.55	3.50	Commissioner	2004-05
	14.32	5.00	Commissioner	2002-03

- viii. According to the information and explanation given to us, there were no transactions which have not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- ix. a. The Company has not defaulted in repayment of loan or other borrowings or in the payment of interest thereon to any lender.
- b. The company has not been declared wilful defaulter by any bank or financial institution or other lenders
- c. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- d. On an overall examination of financial statements of the Company, no funds raised on short-term basis has been used for long-term purposes by the Company
- e. The company do not have any subsidiary, associate, or joint venture therefore provisions of clause 3(ix)(e) of the Order are not applicable to the company.
- f. The company do not have any subsidiary, associate, or joint venture therefore provisions of clause 3(ix)(f) of the Order are not applicable to the company.
- x. a. The company has not raised moneys by way of initial public offer during the year. Therefore, the provision of clause 3(x)(a) of the order are not applicable to the company.
- b. The company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Therefore, the provision of clause 3(x)(b) of the order are not applicable to the company
- xi. a. Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b. We have not come across any instance of fraud which is required to be reported under sub-section 12 of section 143 of the Companies Act, 2013 to be filed by us in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government
- c. As reported towards by the management, there are no whistle blower complaint received by the company during the year
- xii. The Company is not a Nidhi Company. Therefore, the provision of clause 3(xii) of the order are not applicable to the company.
- xiii. Based on our examination of the books and records of the Company, all transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- b. The reports of internal auditors issued for the period till Dec'21 received upto the date of Financial Statement has been considered by us.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provision of clause 3(xv) of the order are not applicable to the company.



- xvi. a. Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provision of clause 3(xvi)(a) of the order are not applicable to the company
- b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provision of clause 3(xvi)(b) of the order are not applicable to the company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provision of clause 3(xvi)(c) of the order are not applicable to the company.
- d. According to the representations given by the management, the Group has no CIC as part of the Group. Therefore, the provision of clause 3(xvi)(d) of the order are not applicable to the company.
- xvii. The Company has not incurred any cash losses during the year and in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- xx. a. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) (a) of the Order is not applicable to the company.
- b. The company has no ongoing projects therefore provisions of clause 3(xx)(b) of the Order are not applicable to the company.
- xxi. The Company does not have subsidiary, associate, or joint venture. Therefore, the provisions of clause 3(xxi) of the order are not applicable to the Company.

For **Singhi & Co.**  
**Chartered Accountants**  
Firm Registration No.302049E

**B. L. Choraria**  
**Partner**

Place: Noida (Delhi NCR)  
Dated: August 17, 2022

Membership No. 022973  
UDIN: 22022973APEFOP3559

# Annexure 'B' to the Independent Auditor's Report

## Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Merino Industries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their

operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls,



material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control

with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Singhi & Co.**  
**Chartered Accountants**  
Firm Registration No.302049E

**B. L. Choraria**  
**Partner**  
Membership No. 022973  
UDIN: 22022973APEFOP3559

Place: Noida (Delhi NCR)  
Dated: August 17, 2022

# Balance Sheet

as at March 31, 2022

(Rupees in Lakhs, unless otherwise stated)

Particulars	Notes	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3(a)	47,816.25	48,055.27
(b) Right of use assets	3(a)	8,819.71	3,298.30
(c) Capital work-in-progress	3(b)	14,093.48	1,635.79
(d) Intangible assets under development	3(c)	2.42	10.12
(e) Other intangible assets	3(d)	49.88	83.88
(f) Financial assets			
(i) Investments	4	31,261.28	32,567.65
(ii) Loans	5	28.73	57.76
(iii) Others	6	624.34	326.93
(g) Other non-current assets	7	1,384.36	393.66
<b>Total non-current assets</b>		<b>104,080.46</b>	<b>86,429.36</b>
<b>(2) Current assets</b>			
(a) Inventories	8	42,790.24	34,539.38
(b) Biological assets other than bearer plants	9	1,081.00	722.40
(c) Financial assets			
(i) Investments	10	5,413.22	5,652.41
(ii) Trade receivables	11	16,528.35	15,161.19
(iii) Cash and cash equivalents	12	3,233.19	2,350.27
(iv) Other bank balances	13	5,683.35	40.32
(v) Loans	14	162.33	75.05
(vi) Others	15	930.64	760.16
(d) Current tax asset (Net)	16	2,800.90	2,557.59
(e) Other current assets	17	4,194.71	2,845.83
<b>Total current assets</b>		<b>82,817.93</b>	<b>64,704.60</b>
<b>Total assets</b>		<b>186,898.39</b>	<b>151,133.96</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	1,127.94	1,127.94
(b) Other equity	19	114,994.59	102,484.58
<b>Total equity</b>		<b>116,122.53</b>	<b>103,612.52</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	6,576.36	3,871.05
(ii) Other financial liabilities	21	3.39	4.49
(iii) Lease liabilities		1,903.55	575.29
(b) Deferred tax liabilities (net)	22	2,779.23	2,815.87
(c) Other non-current liabilities	23	78.21	84.30
<b>Total non-current liabilities</b>		<b>11,340.74</b>	<b>7,351.00</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	24	22,934.40	12,399.97
(ii) Trade payables	25		
Total outstanding dues of micro enterprises and small enterprises		1,921.11	1,252.60
Total outstanding dues of creditors other than micro enterprises and small enterprises		22,037.12	17,265.20
(iii) Other financial liabilities	26	7,482.19	4,995.76
(iv) Lease Liabilities		660.03	279.15
(b) Other current liabilities	27	3,523.22	2,448.51
(c) Provisions	28	877.05	672.31
(d) Current tax liabilities (Net)	29	-	856.94
<b>Total current liabilities</b>		<b>59,435.12</b>	<b>40,170.44</b>
<b>Total liabilities</b>		<b>70,775.86</b>	<b>47,521.44</b>
<b>Total equity and liabilities</b>		<b>186,898.39</b>	<b>151,133.96</b>

General information and Significant Accounting Policies are given in notes numbered 1 and 2. The accompanying notes numbered 1 to 58 are an integral part of the Financial Statements.

As per our report of even date attached.

For **Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

**B.L. Choraria**

Partner

Membership Number: 022973

Place: Noida (Delhi NCR)

Date: 17<sup>th</sup> August, 2022

For and on behalf of the Board of Directors of Merino Industries Limited

**Rup Chand Lohia**

Executive Chairman

DIN: 00063290

Place: Bangalore

**Sachin Selot**

Chief Financial Officer

Place: New Delhi

Date: 17<sup>th</sup> August, 2022

**Prakash Lohia**

Managing Director

DIN: 00063274

Place: Hapur (U.P)

**Bala Ji**

Company Secretary

M. No.: F9919

Place: New Delhi





# Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(Rupees in Lakhs, unless otherwise stated)

Particulars	Notes	2021-22	2020-21
<b>INCOME</b>			
Revenue from operations	30	174,789.53	129,688.30
Other income	31	4,834.74	4,197.51
<b>Total Income</b>		<b>179,624.27</b>	<b>133,885.81</b>
<b>EXPENSES</b>			
Cost of materials consumed	32	94,797.96	57,626.58
Purchases of stock-in-trade		4,910.33	6,727.39
Changes in inventories of finished goods, stock-in-trade, work-in-progress and biological assets	33	(3,680.97)	904.63
Employee benefits expense	34	20,797.12	16,345.69
Finance costs	35	1,319.92	1,816.97
Depreciation and amortisation expenses	36	6,280.68	5,668.62
Other expenses	37	37,691.33	27,103.75
<b>Total expenses</b>		<b>162,116.37</b>	<b>116,193.63</b>
<b>Profit before tax</b>		<b>17,507.90</b>	<b>17,692.18</b>
<b>Tax Expenses</b>			
- Current Tax	38	4,308.00	4,129.03
- Deferred Tax		(22.59)	377.32
<b>Total tax expenses</b>		<b>4,285.41</b>	<b>4,506.35</b>
<b>Profit for the year from continuing operations</b>		<b>13,222.49</b>	<b>13,185.83</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or (loss)</i>			
Remeasurements of post-employment benefit obligations		(61.85)	266.71
Changes in fair value of FVOCI equity instruments		6.04	3.89
Deferred tax relating to those items		14.05	(69.48)
<b>Total Other Comprehensive income for the year, net of tax</b>		<b>(41.76)</b>	<b>201.12</b>
<b>Total Comprehensive income for the year</b>		<b>13,180.73</b>	<b>13,386.95</b>
<b>Earnings per equity share</b>			
	39		
Basic earnings per share		118.28	117.95
Diluted earnings per share		118.28	117.95

General information and Significant Accounting Policies are given in notes numbered 1 and 2. The accompanying notes numbered 1 to 58 are an integral part of the Financial Statements.

As per our report of even date attached.

For **Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

**B.L. Choraria**

Partner

Membership Number: 022973

Place: Noida (Delhi NCR)

Date: 17<sup>th</sup> August, 2022

For and on behalf of the Board of Directors of Merino Industries Limited

**Rup Chand Lohia**

Executive Chairman

DIN: 00063290

Place: Bangalore

**Sachin Selot**

Chief Financial Officer

Place: New Delhi

Date: 17<sup>th</sup> August, 2022

**Prakash Lohia**

Managing Director

DIN: 00063274

Place: Hapur (U.P)

**Bala Ji**

Company Secretary

M. No.: F9919

Place: New Delhi

# Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2022

(Rupees in Lakhs, unless otherwise stated)

Particulars	2021-22	2020-21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax as per statement of profit and loss:	17,507.90	17,692.18
Adjustment for:		
Depreciation and amortisation expenses	6,280.68	5,668.62
Loss/(profit) on sale/disposal of property, plant and equipment (Net)	(13.21)	118.02
Fair value changes of derivative measured at FVTPL [Loss/(Gain)]	(196.86)	(214.24)
Finance costs	1,319.92	1,816.97
Bad debts and advances written off	65.49	113.02
Unrealised foreign exchange loss/(gain) (Net)	(106.85)	(500.03)
Loss/(profit) on sale of investment measured at FVTPL (Net)	(176.21)	(95.17)
Fair value changes of financial assets measured at FVTPL	(894.58)	(1,166.61)
Interest Income from financial asset	(1,514.65)	(1,295.66)
Dividend income from long term investments measured at FVTPL	(30.51)	(16.83)
Recovery of Bad Debts	(16.84)	(25.43)
Income due to amortisation of government grants	(6.09)	(6.09)
Provisions/liabilities no longer required written back (Net)	(17.63)	(166.73)
<b>Operating profit before working capital changes</b>	<b>22,200.56</b>	<b>21,922.02</b>
Adjustments for:		
Trade receivables	(1,394.21)	2,452.76
Non-current/current financial and other assets	(7,311.08)	2,621.80
Inventories	(8,250.86)	9,392.75
Biological assets other than bearer plants	(358.60)	(64.19)
Trade Payables	5,496.40	(335.21)
Non-current/current financial and other liabilities/provisions	2,480.36	690.50
<b>Cash generated from operations</b>	<b>12,862.57</b>	<b>36,680.43</b>
Net direct taxes paid	(5,408.25)	(3,608.96)
<b>Net Cash from operating activities</b>	<b>7,454.32</b>	<b>33,071.47</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of property, plant & equipment	(17,049.88)	(4,299.39)
Purchase of intangible assets	(27.57)	(18.30)
Proceeds from sale of property, plant & equipment/intangible assets	289.69	137.92
Purchase of investment	(8,549.07)	(4,980.85)
Proceeds from sale of investment	5,780.02	2,251.02
Interest income	1,109.13	865.10
Dividend income	30.51	16.83
Investment in fixed deposits	(15,352.49)	(24,893.07)
Maturity of fixed deposits	21,133.81	4,123.33
<b>Net cash flow used in investing activities</b>	<b>(12,635.86)</b>	<b>(26,797.41)</b>



# Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2022

(Rupees in Lakhs, unless otherwise stated)

Particulars	2021-22	2020-21
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from long-term borrowings	4,562.86	-
Repayment of long term bank borrowings	(2,478.15)	(2,748.41)
Increase/(decrease) in secured short term borrowings	(3,902.89)	2,314.09
Increase/(decrease) in un-secured short term borrowings	11,998.32	(4,500.00)
Proceeds from unsecured loan from related parties	4,295.00	-
Repayment of unsecured loan from related parties	(1,856.00)	(2,801.26)
Proceeds from Loan given to related parties (net)	-	3,198.03
Payment against lease liabilities	(4,614.44)	(588.38)
Payment for shares pursuant to Business Combination	-	(20.00)
Interest paid	(1,269.76)	(1,712.00)
Dividend paid	(670.48)	(244.40)
<b>Net cash from financing activities</b>	<b>6,064.46</b>	<b>(7,102.33)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>882.92</b>	<b>(828.27)</b>
Cash and cash equivalents at the beginning of the year	2,350.27	3,178.54
Cash and cash equivalents at the end of the year	3,233.19	2,350.27

## Disclosure requirement as per IND AS 7

Change in Liability arising from financing activities	31 <sup>st</sup> March 2021	Cash Flow	Non-Cash Changes		31 <sup>st</sup> March 2022
			Others	Foreign Exchange	
Long-Term Borrowings	6,424.85	2,084.71	-	52.60	8,562.16
Short-Term Borrowings	9,846.17	13,088.23	-	-	22,934.40
Lease liability	854.44	(869.33)	2,578.47	-	2,563.58

General information and Significant Accounting Policies are given in notes numbered 1 and 2. The accompanying notes numbered 1 to 58 are an integral part of the Financial Statements.

As per our report of even date attached.  
For **Singhi & Co.**  
Chartered Accountants  
Firm Registration Number: 302049E

**B.L. Choraria**  
Partner  
Membership Number: 022973

Place: Noida (Delhi NCR)  
Date: 17<sup>th</sup> August, 2022

For and on behalf of the Board of Directors of Merino Industries Limited

**Rup Chand Lohia**  
Executive Chairman  
DIN: 00063290  
Place: Bangalore

**Sachin Selot**  
Chief Financial Officer

Place: New Delhi  
Date: 17<sup>th</sup> August, 2022

**Prakash Lohia**  
Managing Director  
DIN: 00063274  
Place: Hapur (U.P)

**Bala Ji**  
Company Secretary  
M. No.: F9919  
Place: New Delhi

# Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2022

(Rupees in Lakhs, unless otherwise stated)

## A. Equity share capital

Particulars	Notes	Amount
<b>As at 1<sup>st</sup> April 2020</b>		708.32
Add: Share issued pursuant to Business Combination	18	419.72
Less: Cancellation of shares pursuant to Business Combination	18	0.10
<b>As at 31<sup>st</sup> March 2021</b>		<b>1,127.94</b>
Changes in equity share capital during the year 2021-22	18	-
<b>As at 31<sup>st</sup> March 2022</b>		<b>1,127.94</b>

## B. Other equity

Particulars	Notes	Shares allotment pending under Business Combination	Statutory Reserve	Capital Reserve	Capital Redemption reserve	Securities Premium Reserve	General Reserve	FVOCI - equity instruments	Retained earnings	Total other equity
<b>Balance as at 1<sup>st</sup> April 2020</b>	19	419.72	233.59	(1,675.56)	3.16	359.62	11,277.66	4.54	78,914.51	89,537.23
Profit for the year		-	-	-	-	-	-	-	13,185.83	13,185.83
Other comprehensive income/(Expenses) (net of tax)		-	-	-	-	-	-	1.55	199.58	201.13
<b>Total comprehensive income for the year</b>		-	-	-	-	-	-	<b>1.55</b>	<b>13,385.41</b>	<b>13,386.96</b>
Shares issued pursuant to the Business Combination		(419.72)	-	-	-	-	-	-	-	(419.72)
Transfer to/(from) general reserve/(retained earnings)		-	-	-	-	-	1,318.59	-	(1,318.59)	-
Adjustment pursuant to Business Combination		-	-	-	-	(19.90)	-	-	-	(19.90)
<b>Balance as at 31<sup>st</sup> March 2021</b>	<b>19</b>	<b>-</b>	<b>233.59</b>	<b>(1,675.56)</b>	<b>3.16</b>	<b>339.72</b>	<b>12,596.25</b>	<b>6.09</b>	<b>90,981.33</b>	<b>102,484.58</b>

# Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2022

(Rupees in Lakhs, unless otherwise stated)

Particulars	Notes	Shares allotment pending under Business Combination	Statutory Reserve	Capital Reserve	Capital Redemption reserve	Securities Premium Reserve	General Reserve	FVOCI - equity instruments	Retained earnings	Total other equity
<b>Balance as at 1<sup>st</sup> April 2021</b>	19	-	233.59	(1,675.56)	3.16	339.72	12,596.25	6.09	90,981.33	102,484.58
Profit for the year		-	-	-	-	-	-	-	13,222.49	13,222.49
Other comprehensive income/(Expenses) (net of tax)		-	-	-	-	-	-	4.52	(46.28)	(41.76)
<b>Total comprehensive income for the year</b>		-	-	-	-	-	-	<b>4.52</b>	<b>13,176.21</b>	<b>13,180.73</b>
Transfer to/(from) general reserve/(retained earnings)		-	-	-	-	-	1,322.25	-	(1,322.25)	-
Final dividend on Equity Shares for the year 2020-21		-	-	-	-	-	-	-	(670.72)	(670.72)
<b>Balance as at 31<sup>st</sup> March 2022</b>	<b>19</b>	<b>-</b>	<b>233.59</b>	<b>(1,675.56)</b>	<b>3.16</b>	<b>339.72</b>	<b>13,918.50</b>	<b>10.61</b>	<b>102,164.57</b>	<b>114,994.59</b>

General information and Significant Accounting Policies are given in notes numbered 1 and 2. The accompanying notes numbered 1 to 58 are an integral part of the Financial Statements.

As per our report of even date attached.

For **Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

**B.L. Choraria**

Partner

Membership Number: 022973

Place: Noida (Delhi NCR)

Date: 17<sup>th</sup> August, 2022

For and on behalf of the Board of Directors of Merino Industries Limited

**Rup Chand Lohia**

Executive Chairman

DIN: 00063290

Place: Bangalore

**Prakash Lohia**

Managing Director

DIN: 00063274

Place: Hapur (U.P)

**Sachin Selot**

Chief Financial Officer

Place: New Delhi

Date: 17<sup>th</sup> August, 2022

**Bala Ji**

Company Secretary

M. No.: F9919

Place: New Delhi

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## 1. General Information

Merino Industries Limited ("the Company") is a public limited company domiciled in India, and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at 5, Alexandra Court, 60/1, Chowringhee Road, Kolkata - 700020, India. The Company is engaged in manufacturing and marketing of Decorative Laminates, Prelam Boards, Furniture, Potato Flakes, Acrylic Solid Surface and Agricultural Produce.

## 2. Summary of significant accounting policies

### 2.1 Basis of preparation

#### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rule 2015, as amended by the Companies (Indian Accounting Standards) (Amendment) Rules 2016, other relevant provisions of the Act and other accounting principles generally accepted in India. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

#### (ii) Historical cost convention

The financial statements have been prepared as a going concern on accrual basis and under the historical cost convention except for the following assets and liabilities which have been measured at their fair value or revalued amounts:

- Certain financial assets and liabilities measured at their fair value (refer note no. 2.5 accounting policy regarding financial instruments);
- Defined benefit plans - plan assets measured at their fair value.
- Biological assets other than bearer plants.

### 2.2 Property, Plant and Equipment and Depreciation

- (a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- (b) Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss.

- (c) Capital work in progress is stated at cost and includes pre-operative expenses, project development expenses, etc.
- (d) The Company depreciates property, plant and equipment over their useful lives as prescribed by schedule II of the Act. In case the cost of a part of a property, plant and equipment is significant to the total cost of the asset, and useful life of that part is different from the remaining useful life of the asset, depreciation is provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers. The management believes that the useful lives of the components best represent the period over which the management expects to use those components.
- (e) Leasehold land is amortised over the period of lease. Cost of improvements on leasehold land is amortised over the remaining period of lease or estimated useful life, whichever is lower.
- (f) Machinery spares having useful life of more than one year and the carrying value of which exceeds "Higher of ₹ 5 Lakhs or 5% of Gross Value of particular asset", are capitalised and depreciated over the lives of the spares/related asset.

### 2.3 Intangible Assets and Amortisation

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and net accumulated impairment losses, if any.

Intangible Assets are amortised on a straight line basis over a period of three to five years from the date of capitalisation.

### 2.4 Impairment Loss

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through their continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss



# Notes to the Financial Statements

as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

## 2.5 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to, or deducted from, the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

### Financial assets

#### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of these financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets measured at fair value

Financial assets are measured at "Fair value through other comprehensive income" (FVOCI) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present any change in fair value of equity investments, which are not held for trading, in other comprehensive income. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

(Rupees in Lakhs, unless otherwise stated)

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at 'Fair value through the statement of profit and loss' (FVTPL).

#### Impairment of financial assets

The Company assesses on a forward looking basis the 'Expected credit losses' (ECL) associated with its assets carried at amortised cost and FVOCI debt instruments. The Company recognises loss allowance for ECL on financial asset.

The Company applies, for trade receivables only, the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

### Financial liabilities and equity instruments

#### Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

## De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

## Derivative financial instruments

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks that arise from its exposure to foreign exchange and interest rate fluctuations.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

## Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 2.6 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as expenses in Statement of Profit and Loss in the period in which they are incurred.

## 2.7 Inventories

Inventories are stated at lower of cost and estimated net realisable value. Cost is determined on moving weighted average basis in case of raw materials, stores and spares and stock-in-trade and generally on annual weighted average basis in other cases. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## 2.8 Foreign Currency Transactions

### Functional and presentation currency

The financial statements of the Company are presented in Indian rupees (INR), which is the functional currency of the Company and the presentation currency for the financial statements.

### Transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rates prevailing on the Balance Sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transaction. Exchange differences arising on settlement of transactions and / or restatement are dealt with in the Statement of Profit and Loss.

## 2.9 Biological assets

On initial recognition and at the end of each reporting period, the biological assets are measured at fair value less cost to sell. Harvested biological assets (i.e. agriculture produce) are transferred to inventory at fair value less costs to sell when harvested. Cost approximates fair value when little biological transformation has taken place since the costs were originally incurred or the impact of biological transformation on price is not expected to be material. Gains and losses arising on initial recognition of both biological assets and agricultural produce and any subsequent changes in fair value are recognised in the statement of Profit and loss in the period in which they arise.

## 2.10 Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

### Sale of goods and services

Revenue from sale of goods/services is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. customer loyalty points). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration.



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## (i) Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at the inception of the contract and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers, volume rebates. Volume rebates give rise to variable consideration.

## (ii) Volume rebates

The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

### Loyalty points programme

The Company has a loyalty points programme, which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. The Company's role is only to arrange for another entity to provide the goods and hence, records revenue at the net amount.

When estimating the stand-alone selling price of the loyalty points, the Company considers the likelihood that the customer will redeem the points. The Company updates its estimates of the points that will be redeemed on a yearly basis and any adjustments to the contract liability balance are charged against revenue.

### Contract balances

#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage

of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2.5 Financial instruments – initial recognition and subsequent measurement.

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or renders its obligations for services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract."

### Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

## 2.11 Revenue Recognition – Other Items

**Interest:** Interest income is generally recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable when there is a reasonable certainty to realisation.

**Dividend:** Dividend income is recognised when the right to receive the dividend is established.

**Insurance Claim:** Insurance claims are accounted for on settlement/realisation basis by considering uncertainties in realisation.

Other items are recognised on accrual basis.

## 2.12 Employee Benefits

### (a) Short-term Employee Benefits :

The undiscounted amounts of short-term Employee Benefits (i.e. benefits payable within one year) are recognised in the period in which employee renders the service.

### (b) Post Employment Benefit Plan:

**Provident Fund:** Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

**Gratuity:** The Company provides gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on respective employee's salary and the tenure of employment. The Company's liability is actuarially determined on the basis of year-end actuarial valuation (using the Projected Unit Credit Method) and is funded. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in other comprehensive income.

**(c) Other Long-term Employment Benefits (unfunded):**

Other long-term employee benefits are actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

## 2.13 Taxation

Taxes on income comprise current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

## 2.14 Government Grants

- (i) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- (ii) Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- (iii) Government grants relating to the purchase of property, plant and equipment are included in other liabilities as deferred income and are credited to statement of profit and loss on a straight-line basis over the remaining useful life of the related asset.

## 2.15 Leases

### Where the Company is a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. At the inception of a contract, the Company makes an assessment as to whether a contract is a lease. A contract is, or contains, a lease when it conveys the right to control the usage of an asset covered by the contract for a time period in exchange for consideration. To evaluate as to whether a contract provides the right to control the usage of an asset covered in the contract, the Company evaluates as to whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU" assets) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value leases. Lease rentals for short-term leases and all leases of low value assets are considered on accrual basis as an expense in profit or loss.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets/ investment property. Lease income on an operating lease is recognised in the Statement of Profit and Loss on accrual basis over the lease term. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

## 2.16 Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments, if any, with original maturities of three months or less.

## 2.17 Earnings Per Share (EPS)

Basic EPS amount is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earning considered in ascertaining the Company's EPS is the net profit/(loss) for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. Diluted EPS amounts are computed by dividing the net profit attributable to the equity share holders by the weighted average number of equity shares outstanding during the year, and the weighted average number of equity shares that would be issued to give effect to the dilutive potential.

## 2.18 Provisions and Contingent Liabilities

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at Balance Sheet date and are not discounted to its present value.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**Contingent Assets:** Contingent assets are not recognised in the financial statements but disclosed, where an inflow of economic benefit is probable.

## 2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting made to the chief operating decision maker.

The board of directors of the Company has been identified as being the chief operating decision maker. Refer note 50 for segment information presented.

## 2.20 Dividends

The final dividend on shares is recorded as liability on the date of approval by the shareholders and interim dividend is recorded as liability on the date of declaration by the Company's Board of Directors.

## 2.21 Royalty Income

Royalty income is accounted for as per the terms of the agreement entered into with the parties involved.

## 2.22 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date

# Notes to the Financial Statements

and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, 'Income Taxes' and Ind AS 19, 'Employee Benefits', respectively. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit & Loss in the period in which they are incurred.

## Business Combination under Common Control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts.

## 2.23 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale.

## 2.24 Rounding off of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh of rupees as per the requirement of Schedule III, to the Act, unless otherwise stated.

## 2.25 Standards Issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time

(Rupees in Lakhs, unless otherwise stated)

to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1<sup>st</sup>, 2022, as below:

### Ind AS 103 (Business Combination) – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

### Ind AS 16 (Property, Plant and Equipment)- Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

### Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

### Ind AS 109 (Financial Instruments)- Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## **Ind AS 109 (Financial Instruments) and Ind AS 107 (Financial Instruments: Disclosures)- Interest rate Benchmark Reform Phase 2**

The amendment focuses on the potential financial reporting issues that may arise when interest rate benchmarking reforms are either reformed or replaced. The key reliefs provided by the Phase 2 amendments are:

- Changes to contractual cash flows - When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the profit and loss statement.
- Hedge accounting - The hedge accounting reliefs will allow most Ind AS 39 or Ind AS 109 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded. The amendments do not have significant impact on the financial statements.

## **Ind AS 41 (Agriculture)- Annual Improvements to Ind AS (2021)**

An entity does not include any cash flows for financing the assets or re-establishing biological assets after harvest. The amendment is essentially a clarification & the Company does not expect the amendment to have any significant impact in its financial statements. The disclosures as required are presented in Note-9"

## **2.26 Critical estimates and judgments**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different from those originally assessed.

### **(i) Estimation of defined benefit obligation**

Refer note 46 for details of critical estimates in computation of defined benefit obligation.

### **(ii) Estimated fair value of unlisted securities**

Refer note 2.5 for details of critical estimates in estimation of fair value of unlisted securities.

### **(iii) Estimated useful life of tangible assets**

Refer note 2.2 for details of critical estimates in useful life of tangible assets.

### **(iv) Estimation of contingent liabilities**

Refer note 40 for details of critical estimates of contingent liabilities.

# Notes to the Financial Statements

(Rupees in lakh, unless otherwise stated)

## 3 (a) Property, Plant and Equipment

Particulars	Land											Total				
	Leasehold acquisition and development expenses (Refer (a)(i) below)	Freehold Land	Buildings on Leasehold Land	Buildings on Freehold Land	Culverts	Roads	Plant and Machinery	Electrical Fittings	Laboratory Equipment	Furniture and Fittings	Computers & Data Processing Units		Office Equipment	Vehicles	Total	Right of use Land and Buildings
<b>Balance as at 31<sup>st</sup> March, 2020</b>	3.95	7,336.83	4,718.18	6,034.10	64.93	910.17	39,153.74	1,931.03	141.70	1,078.86	1,163.35	669.49	1,472.08	64,678.41	4,715.03	69,393.44
Additions	-	-	24.18	162.01	90.77	125.09	3,128.18	41.82	62.69	65.46	108.18	82.51	15.32	3,906.21	62.56	3,968.77
Disposals	-	-	-	-	-	497.74	13.82	12.43	1.54	1.54	13.53	5.81	49.08	593.95	192.06	786.01
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>3.95</b>	<b>7,336.83</b>	<b>4,742.36</b>	<b>6,196.11</b>	<b>155.70</b>	<b>1,035.26</b>	<b>41,784.18</b>	<b>1,959.03</b>	<b>191.96</b>	<b>1,142.78</b>	<b>1,259.00</b>	<b>746.19</b>	<b>1,438.32</b>	<b>67,990.67</b>	<b>4,585.53</b>	<b>72,576.20</b>
Additions	1,258.58	-	71.68	947.42	-	10.49	1,990.11	348.55	30.04	211.58	252.00	142.03	188.69	5,451.17	6,382.78	11,833.95
Disposals	-	28.34	-	22.76	-	-	278.56	1.92	2.00	30.92	109.11	40.99	71.10	585.70	59.20	644.90
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>3.95</b>	<b>8,567.07</b>	<b>4,814.04</b>	<b>7,120.77</b>	<b>155.70</b>	<b>1,045.75</b>	<b>43,495.73</b>	<b>2,305.66</b>	<b>220.00</b>	<b>1,323.44</b>	<b>1,400.89</b>	<b>847.23</b>	<b>1,555.91</b>	<b>72,856.14</b>	<b>10,909.11</b>	<b>83,765.25</b>
<b>Accumulated Depreciation</b>																
<b>As at 31<sup>st</sup> March 2020</b>	1.60	-	661.16	702.39	5.31	325.17	11,162.42	424.62	39.38	258.30	788.73	355.82	584.07	15,308.97	690.60	15,999.57
Charge for the year	0.39	-	215.25	256.33	2.18	113.57	3,539.58	194.41	15.58	111.92	204.92	121.88	188.43	4,964.44	616.60	5,581.04
Disposals	-	-	-	-	-	-	280.09	8.45	6.35	0.67	13.27	4.53	24.65	338.01	19.97	357.98
<b>As at 31<sup>st</sup> March 2021</b>	<b>1.99</b>	<b>-</b>	<b>876.41</b>	<b>958.72</b>	<b>7.49</b>	<b>438.74</b>	<b>14,421.91</b>	<b>610.58</b>	<b>48.61</b>	<b>369.55</b>	<b>980.38</b>	<b>473.17</b>	<b>747.85</b>	<b>19,935.40</b>	<b>1,287.23</b>	<b>21,222.63</b>
Charge for the year	0.39	-	209.21	263.92	5.19	104.45	4,015.91	201.14	18.86	117.92	186.48	109.21	186.68	5,419.36	802.17	6,221.53
Disposals	-	-	-	4.11	-	-	83.20	0.67	0.84	18.88	108.44	38.80	59.84	314.88	-	314.88
<b>As at 31<sup>st</sup> March 2022</b>	<b>2.38</b>	<b>-</b>	<b>1,085.62</b>	<b>1,218.53</b>	<b>12.68</b>	<b>543.19</b>	<b>18,354.62</b>	<b>811.05</b>	<b>66.53</b>	<b>468.59</b>	<b>1,056.42</b>	<b>543.58</b>	<b>874.69</b>	<b>25,039.88</b>	<b>2,089.40</b>	<b>27,129.28</b>
<b>Net carrying amount</b>																
<b>As at 31<sup>st</sup> March, 2020</b>	<b>2.95</b>	<b>7,336.83</b>	<b>4,057.02</b>	<b>5,331.71</b>	<b>59.62</b>	<b>585.00</b>	<b>27,991.32</b>	<b>1,506.41</b>	<b>102.32</b>	<b>820.56</b>	<b>374.62</b>	<b>313.67</b>	<b>888.01</b>	<b>49,369.44</b>	<b>4,024.43</b>	<b>53,393.87</b>
<b>As at 31<sup>st</sup> March, 2021</b>	<b>1.96</b>	<b>7,336.83</b>	<b>3,865.95</b>	<b>5,237.39</b>	<b>148.21</b>	<b>596.52</b>	<b>27,362.27</b>	<b>1,348.45</b>	<b>143.35</b>	<b>773.23</b>	<b>277.62</b>	<b>273.02</b>	<b>690.47</b>	<b>48,055.27</b>	<b>3,288.30</b>	<b>51,353.57</b>
<b>As at 31<sup>st</sup> March, 2022</b>	<b>1.57</b>	<b>8,567.07</b>	<b>3,728.42</b>	<b>5,902.24</b>	<b>143.02</b>	<b>502.56</b>	<b>25,141.11</b>	<b>1,494.61</b>	<b>153.47</b>	<b>854.85</b>	<b>342.47</b>	<b>303.65</b>	<b>681.22</b>	<b>47,816.25</b>	<b>8,819.71</b>	<b>56,635.97</b>

(i) Development expenditure of ₹ 23.45 occurred on leasehold land taken on 13<sup>th</sup> December 1994 under a lease of 30 years has been amortised over the period of Lease. Remaining life of the leasehold land is 2 years.

(ii) Right of use – Leasehold land with acquisition value of ₹ Nil (31<sup>st</sup> March, 2021; ₹ 1,101.95) have been mortgaged for availing term loans from HSBC Limited and freehold land with carrying value of ₹ 588.11 (31<sup>st</sup> March, 2021; ₹ 588.11) have been mortgaged for availing working capital loan from Axis Bank Consortium.

(iii) Property Plant and Equipment given as security for borrowings (Refer Note No 43)

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

(iv) PPE – Detail of Immovable Property pending to be transferred in the name of the Company as per below:

Description of item of property	Gross carrying value as on 31 <sup>st</sup> March 2022	Gross carrying value as on 31 <sup>st</sup> March 2021	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since date	Reason for not being held in the name of the company
Land	12.20	12.20	Merino Export private Limited	No	1 <sup>st</sup> April, 2019	Land transferred under business combination arrangement between Merino export private Limited & Merino industries limited from appointed date 1 <sup>st</sup> April 2019. Payment for stamp duty to transfer the title in the name of Merino industries limited is under approval with DM Hapur( UP), India.
	-	2152.27	Merino panel products limited	No	1 <sup>st</sup> April, 2019	-
	370.51	370.51	H N Lohia & Sons	No	1 <sup>st</sup> April, 2019	H N Lohia & sons merged with the Merino export private limited & Title transfer process is in court. Now Land transferred under business combination arrangement between Merino export private Limited & Merino industries limited from appointed date 1 <sup>st</sup> April 2019. Payment for stamp duty to transfer the title in the name of Merino industries limited is under approval with DM Hapur( UP), India.
	76.49	76.49	Karatoya Agencies	No	1 <sup>st</sup> April, 2019	Karatoya Agencies merged with the Merino export private limited & Title transfer process is in court. Now Land transferred under business combination arrangement between Merino export private Limited & Merino industries limited from appointed date 1 <sup>st</sup> April 2019. Payment for stamp duty to transfer the title in the name of Merino industries limited is under approval with DM Hapur( UP), India.
	96.17	96.17	Century Laminating Company Limited	No	27 <sup>th</sup> July, 2007	Land title bearing erstwhile name Century Laminating Company Limited. Change in title name Merino Industries Limited is in process.
Building	0.76	0.76	Century Laminating Company Limited	No	18 <sup>th</sup> December, 1992	Building title bearing erstwhile name Century Laminating Company Limited. Change in title name Merino Industries Limited is in process.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## 3(b) Capital work-in progress :

### (i) CWIP aging schedule:

Particulars	Amount in CWIP as at 31 <sup>st</sup> March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*:	13,717.75	202.26	103.40	57.30	14,080.71
Projects temporarily suspended:	10.87	-	1.90	-	12.77
<b>Total</b>	<b>13,728.62</b>	<b>202.26</b>	<b>105.30</b>	<b>57.30</b>	<b>14,093.48</b>

\* Includes capital goods-in-transit of ₹ 3,755.40 (Refer note 43).

Particulars	Amount in CWIP as at 31 <sup>st</sup> March 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*:	799.64	581.12	234.26	8.74	1,623.76
Projects temporarily suspended:	12.03	-	-	-	12.03
<b>Total</b>	<b>811.67</b>	<b>581.12</b>	<b>234.26</b>	<b>8.74</b>	<b>1635.79</b>

\* Includes capital goods-in-transit of ₹ 50.60 (Refer Note 43)

### (ii) CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, Completion schedule is as per the following:

Particulars	As at 31 <sup>st</sup> March 2022, to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress:</b>					
Project - S01000540	68.70	-	-	-	68.70
Project - LD1000004	172.66	-	-	-	172.66
Project - LD1000062	57.71	-	-	-	57.71
Project - LD1000113	152.50	-	-	-	152.50
Other Projects*	317.99	-	-	-	317.99
<b>Projects temporarily suspended:</b>					
Other Projects*	12.77	-	-	-	12.77
<b>Total</b>	<b>782.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>782.33</b>

\*Individual projects less than ₹ 50 have been clubbed together in other projects.

Particulars	As at 31 <sup>st</sup> March 2021, to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress:</b>					
Project - F01000065	649.55	-	-	-	649.55
Project - LD1000004	-	156.16	-	-	156.16
Other Projects*	323.66	177.81	-	-	501.47
<b>Projects temporarily suspended:</b>					
Other Projects*	-	12.03	-	-	12.03
<b>Total</b>	<b>973.21</b>	<b>346.00</b>	<b>-</b>	<b>-</b>	<b>1,319.21</b>

\*Individual projects less than ₹ 50 have been clubbed together in other projects.

## 3(c) Intangible assets under development

### (i) Intangible assets under development aging schedule:

Particulars	Amount in CWIP as at 31 <sup>st</sup> March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:	2.42	-	-	-	2.42
Projects temporarily suspended:	-	-	-	-	-
<b>Total</b>	<b>2.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.42</b>



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Particulars	Amount in CWIP as at 31 <sup>st</sup> March 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress :	-	10.12	-	-	10.12
Projects temporarily suspended :	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>10.12</b>	<b>-</b>	<b>-</b>	<b>10.12</b>

(ii) Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, Completion schedule is as per the following:

Particulars	As at 31 <sup>st</sup> March 2022, to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:	-	-	-	-	-
Projects temporarily suspended:	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	As at 31 <sup>st</sup> March 2021, to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:	-	-	-	-	-
Other Projects*	10.12	-	-	-	10.12
Projects temporarily suspended:	-	-	-	-	-
<b>Total</b>	<b>10.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.12</b>

\*Individual projects less than ₹ 50 have been clubbed together in other projects.

### 3 (d) Other intangible assets

Particulars	Computer Software (Acquired item)	Total
<b>Balance as at 31<sup>st</sup> March, 2020</b>	588.33	588.33
Additions	8.18	8.18
Disposals	3.14	3.14
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>593.37</b>	<b>593.37</b>
Additions	25.15	25.15
Disposals	173.10	173.10
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>445.42</b>	<b>445.42</b>
<b>Accumulated Depreciation</b>		
<b>As at 31<sup>st</sup> March 2020</b>	425.06	425.06
Charge for the year	87.57	87.57
Disposals	3.14	3.14
<b>As at 31<sup>st</sup> March 2021</b>	<b>509.49</b>	<b>509.49</b>
Charge for the year	59.15	59.15
Disposals	173.10	173.10
<b>As at 31<sup>st</sup> March 2022</b>	<b>395.54</b>	<b>395.54</b>
<b>Net Carrying amount</b>		
<b>As at 31<sup>st</sup> March, 2020</b>	<b>163.27</b>	<b>163.27</b>
<b>As at 31<sup>st</sup> March, 2021</b>	<b>83.88</b>	<b>83.88</b>
<b>As at 31<sup>st</sup> March, 2022</b>	<b>49.88</b>	<b>49.88</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 4: Investments – Non-current

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Investments in Equity Instruments measured at FVOCI</b>		
<b>– Quoted</b>		
<b>Bank of Baroda</b>		
31 <sup>st</sup> March 2022: 10,000* (31 <sup>st</sup> March 2021: 10,000*) equity shares of ₹ 2 each fully paid up	11.16	7.41
<b>Greenply Industries Limited</b>		
31 <sup>st</sup> March 2022: 1,000* (31 <sup>st</sup> March 2021: 1,000*) equity shares of ₹ 1 each fully paid up	2.20	1.71
<b>Greenlam Industries Limited</b>		
31 <sup>st</sup> March, 2022: 1,000* (31 <sup>st</sup> March, 2021: 200* shares of ₹ 5/- each) equity shares of ₹ 1/- each fully paid up	3.63	1.87
<b>Star Paper Mills Limited</b>		
31 <sup>st</sup> March, 2022: 100* (31 <sup>st</sup> March, 2021: 100*) equity shares of ₹ 10/- each fully paid up	0.16	0.12
<b>– Unquoted</b>		
<b>Merinoply and Chemicals Limited (refer (a) below)</b>		
31 <sup>st</sup> March 2022: 164,006 (31 <sup>st</sup> March 2021: 164,006 [82,003*]) equity shares of ₹ 10 each fully paid up	17.50	17.50
Less: Provision for diminution in book value of investments	(17.50)	(17.50)
<b>Kitply Industries Limited*</b>		
31 <sup>st</sup> March, 2022: 100* (31 <sup>st</sup> March, 2021: 100*) equity shares of ₹ 10/- each fully paid up	-	-
<b>Sanghi Polyesters Ltd</b>		
31 <sup>st</sup> March, 2022: 500* (31 <sup>st</sup> March, 2021: 500*) equity shares of ₹ 10/- each fully paid up	0.20	0.20
Less: Provision for diminution in book value of investments	(0.20)	(0.20)
<b>KUNAL Engineering Co. Ltd</b>		
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 250*) equity shares of ₹ 10 each fully paid up	-	0.18
Less: Provision for diminution in book value of investments	-	(0.18)
<b>KHSL Industries Ltd</b>		
31 <sup>st</sup> March, 2022: 1,000* (31 <sup>st</sup> March, 2021: 1,000*) equity shares of ₹ 10/- each fully paid up	0.20	0.20
Less: Provision for diminution in book value of investments	(0.20)	(0.20)
<b>Investment in mutual funds measured at FVTPL</b>		
<b>– Quoted</b>		
<b>Aditya Birla Sunlife Short Term Opportunities Fund</b>	72.13	68.88
31 <sup>st</sup> March 2022: 188,388.487 (31 <sup>st</sup> March 2021: 188,388.487*) units		
<b>IDFC Corporate Bond Fund</b>	144.95	138.40
31 March 2022: 921234.454 (31 <sup>st</sup> March 2021 : 921234.454*) units		
<b>ICICI Prudential Bond Fund-Growth</b>	-	137.24
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 444,818.092*) units		
<b>IDFC Bond Fund-Medium Term Plan-Growth</b>	-	136.15
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 372,510.235*) units		
<b>Aditya Birla Sunlife Mutual fund-Fixed term plan – series PN-Regular Growth</b>	-	301.97
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 2,500,000*) units		
<b>HSBC FTS Growth Tenure</b>	-	306.41
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 2,500,000*) units		
<b>ICICI Prudential Fixed Maturity Plan Series 82</b>	-	311.71
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 2,500,000*) units		
<b>IDFC Banking and PSU Debt Fund-REG(G)</b>	634.80	610.01
31 <sup>st</sup> March 2022: 3,171,396.781 (31 <sup>st</sup> March 2021: 3,171,396.781*) units		
<b>Axis Banking and PSU Debt Fund</b>	518.68	498.97
31 <sup>st</sup> March 2022: 24,228.967 (31 <sup>st</sup> March 2021: 24,228.967*) units		
<b>Axis Focused 25 Fund Growth (AFGPG)</b>	235.43	204.68
31 <sup>st</sup> March 2022: 546,112.393 (31 <sup>st</sup> March 2021: 546,112.393*) units		
<b>Kotak India Growth Fund Series 5-Growth (Regular Plan)</b>	-	145.87
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 1,002,523*) units		
<b>Axis Ftp Series 97 – 1,116 Days-Growth (Wigppg)</b>	-	117.62
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 1,000,000*) units		
<b>HDFC FMP 1,372 Days, September 2018 (1)-Regular-Growth</b>	198.35	190.33
31 <sup>st</sup> March 2022: 1,500,000 (31 <sup>st</sup> March 2021: 1,500,000*) units		
<b>ICICI PRU – Equity Savings Fund</b>	32.31	29.90



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
31 <sup>st</sup> March 2022: 187,837.764 (31 <sup>st</sup> March 2021: 187,837.764*) units		
<b>ICICI PRU – Balanced Advantage Fund</b>	1,437.22	270.68
31 <sup>st</sup> March 2022: 2,900,529.3210 (31 <sup>st</sup> March 2021: 611,837.505*) units		
<b>L &amp; T Triple Ace Bond Fund</b>	254.13	241.93
31 <sup>st</sup> March 2022: 425,920.681 (31 <sup>st</sup> March 2021: 425,920.681*) units		
<b>Mirae Asset Large Cap Fund – Regular Growth Plan</b>	431.57	365.18
31 <sup>st</sup> March 2022: 557,486.66 (31 <sup>st</sup> March 2021: 557,486.66*) units		
<b>Mirae Asset Focused Fund-Regular Plan Growth</b>	185.63	153.20
31 <sup>st</sup> March 2022: 972,877.658 (31 <sup>st</sup> March 2021: 972,877.658*) units		
<b>Edelweiss Flexi Cap Fund-Regular Plan-Growth</b>	347.01	285.29
31 <sup>st</sup> March 2022: 1,517,036.545 (31 <sup>st</sup> March 2021: 1,517,036.545*) units		
<b>Aditya Birla Sun Life Flexi Cap Fund – Growth-Rp</b>	80.05	66.01
31 <sup>st</sup> March 2022: 7,047.837 (31 <sup>st</sup> March 2021: 7,047.837*) units		
<b>Kotak Emerging Equity Fund – Growth (Regular Plan)</b>	144.21	115.90
31 <sup>st</sup> March 2022: 201,983.889 (31 <sup>st</sup> March 2021: 201,983.889*) units		
<b>Kotak Flexicap Fund – Growth (Regular Plan)</b>	288.60	249.67
31 March 2022: 555307.903 (31 <sup>st</sup> March 2021: 555,307.903*) units		
<b>Axis Short Term Fund – Regular Growth</b>	-	711.32
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 2,977,076.884*) units		
<b>Axis Ultra Short Term Fund – Regular Growth</b>	-	500.34
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 4,278,556.524*) units		
<b>ICICI Prudential Short Term Fund – Growth</b>	-	1,225.64
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 2,672,371.58*) units		
<b>ICICI Prudential Banking and PSU Debt Fund – Growth</b>	-	206.07
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 824,897.085*) units		
<b>Kotak Dynamic Bond Fund – Regular Plan – Growth</b>	-	204.52
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 705,407.218*) units		
<b>Kotak Banking and PSU Debt Funds – Growth</b>	-	123.14
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 244,740.161*) units		
<b>SBI Banking &amp; PSU Fund Regular Growth</b>	-	243.61
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 9,939.401*) units		
<b>Aditya Birla Sunlife Flexi Cap Fund – Growth – Direct Plan</b>	100.85	82.44
31 <sup>st</sup> March 2022: 8,162.939 (31 <sup>st</sup> March 2021: 8,162.939*) units		
<b>UTI Liquid Cash Plan – Regular Plan – Growth</b>	-	0.40
31 <sup>st</sup> March 2022: Nil (31 <sup>st</sup> March 2021: 12.056*) units		
<b>UTI Flexi Cap Fund – Regular Plan Growth</b>	136.58	118.09
31 <sup>st</sup> March 2022: 55,753.219 (31 <sup>st</sup> March 2021: 55,589.156*) units		
<b>Axis Treasury Advantage Fund – Regular Plan Growth</b>	0.06	-
31 <sup>st</sup> March 2022: 2.5470 (31 <sup>st</sup> March 2021: Nil) units		
<b>Axis Bluechip Fund – Regular Plan Growth</b>	842.45	-
31 <sup>st</sup> March 2022: 1,881,308.9580 (31 <sup>st</sup> March 2021: Nil) units		
<b>ICICI Prudential Equity Savings Fund – Cumulative</b>	321.68	-
31 <sup>st</sup> March 2022: 1,870,230.678 (31 <sup>st</sup> March 2021: Nil) units		
<b>Kotak Balanced Advantage Fund – Growth – Regular Plan</b>	538.15	-
31 <sup>st</sup> March 2022: 3,735,103.961 (31 <sup>st</sup> March 2021: Nil) units		
<b>Kotak Pioneer Fund Growth – Regular Plan</b>	167.59	-
31 <sup>st</sup> March 2022: 935,811.788 (31 <sup>st</sup> March 2021: Nil) units		
<b>Edelweiss Balanced Advantage Fund-Regular Growth</b>	265.84	-
31 <sup>st</sup> March 2022: 747,570.277 (31 <sup>st</sup> March 2021: Nil) units		
<b>SBI Focused Equity Fund Regular Growth</b>	141.99	-
31 <sup>st</sup> March 2022: 61,626.589 (31 <sup>st</sup> March 2021: Nil) units		
<b>Axis Balanced Advantage Fund-Regular Growth</b>	472.72	-
31 <sup>st</sup> March 2022: 3,354,995.746 (31 <sup>st</sup> March 2021: Nil) units		
<b>Mirae Aest Midcap Fund – Regular Plan – Growth</b>	345.08	-
31 <sup>st</sup> March 2022: 1,678,074.174 (31 <sup>st</sup> March 2021: Nil) units		
<b>Nippon India Mutual Fund ETF Nifty BeES</b>	95.58	-
31 <sup>st</sup> March 2022: 50,000 (31 <sup>st</sup> March 2021: Nil) units		
<b>Nippon India Mutual Fund ETF Junior BeES</b>	43.94	-
31 <sup>st</sup> March 2022: 10,000 (31 <sup>st</sup> March 2021: Nil) units		

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Investment in Alternative Investment fund measured at FVTPL</b>		
– Unquoted		
<b>Aventus Absolute Return Fund – Class A6</b>	625.69	589.07
31 <sup>st</sup> March 2022: 50,055.4291 (31 <sup>st</sup> March 2021: 50,055.4291*) units		
<b>Tata Capital Healthcare Fund II</b>	121.36	75.49
31 <sup>st</sup> March 2022: 50,000 (31 <sup>st</sup> March 2021: 50,000*) units		
<b>Blume Ventures Fund 1X</b>	169.34	65.00
31 March 2022: 1,00,000 (31 March 2021: 65000* ) units		
<b>ICICI Prudential Compact Fund</b>	418.06	382.07
31 <sup>st</sup> March 2022: 314,325.22 (31 <sup>st</sup> March 2021: 314,325.22*) units		
<b>SC Credit Trust – SC Credit Fund</b>	211.35	211.96
31 <sup>st</sup> March 2022: 20.4023 (31 <sup>st</sup> March 2021: 20.4023*) units		
<b>Alteria Capital India Fund - I</b>	102.02	106.41
31 <sup>st</sup> March 2022: 90,589.58 (31 <sup>st</sup> March 2021: 111,200.00*) units		
<b>IIFL India Private Equity Fund Series 1A – Class A</b>	103.24	131.19
31 <sup>st</sup> March 2022: 1,000,570.356 (31 <sup>st</sup> March 2021: 1,000,570.356*) units		
<b>Kotak Optimus Moderate Scheme Class A</b>	123.18	111.11
31 <sup>st</sup> March 2022: 94.544 (31 <sup>st</sup> March 2021: 94.544*) units		
<b>Kotak Optimus Aggressive Scheme Class A</b>	240.30	211.07
31 <sup>st</sup> March 2022: 174.2219 (31 <sup>st</sup> March 2021: 174.2219*) units		
<b>Trifecta Venture Debt Fund – III</b>	91.10	-
31 <sup>st</sup> March 2022: 86,460 (31 <sup>st</sup> March 2021: Nil) units		
<b>White Oak India Select Equity Fund – CLASS-A</b>	222.37	-
31 <sup>st</sup> March 2022: 1,206,594.1764 (31 <sup>st</sup> March 2021: Nil) units		
<b>IIFL Special Opportunities Fund Series – B</b>	267.84	-
31 <sup>st</sup> March 2022: 2,129,826.5530 (31 <sup>st</sup> March 2021: Nil) units		
<b>Inflexor Technology Fund</b>	32.83	-
31 <sup>st</sup> March 2022: 35 (31 <sup>st</sup> March 2021: Nil) units		
<b>Kotak Pre IPO Opportunities Fund</b>	139.24	-
31 <sup>st</sup> March 2022: 12,989.804 (31 <sup>st</sup> March 2021: Nil) units		
<b>Kotak India Renaissance Fund-I</b>	210.16	-
31 <sup>st</sup> March 2022: 20,408.12 (31 <sup>st</sup> March 2021: Nil) units		
<b>Sixth Sense India Opportunities III</b>	118.00	-
31 <sup>st</sup> March 2022: 11,000 (31 <sup>st</sup> March 2021: Nil) units		
<b>Investment in Alternative Investment fund measured at Amortised cost</b>		
– Unquoted		
<b>India Real Estate Investment Fund</b>	122.54	82.88
31 <sup>st</sup> March 2022: 1,20,519 (31 <sup>st</sup> March 2021: 82,878*) units		
<b>Aventus Structured Credit Fund – II</b>	40.00	-
31 <sup>st</sup> March 2022: 40 (31 <sup>st</sup> March 2021: Nil) units		
<b>Investment in Portfolio Management Service measured at FVTPL</b>		
– Unquoted		
Marcellus Investment Managers (P) Limited**	597.61	125.81
White Oak Capital Management Consultants LLP**	238.43	203.05
Marcellus Curation Portfolio Investment Plan	696.72	-
Unify Blended PMS	315.86	-
<b>Investment in Bond measured at FVTPL</b>		
– Quoted		
State Bank of India SR I 7.72 BD Perpetual	509.75	-
Mindspace Business Parks Real Estate Investment Trust**	8.32	6.60
<b>Investment in Promissory Note measured at Amortised cost</b>		
– Unquoted		
Artison Agrotech Private Limited*	10.00	10.00
Less: Provision for diminution in book value of investments*	(10.00)	(10.00)
<b>Investment in Non Convertible debenture measured at Amortised cost (Secured)</b>		
– Quoted		
<b>Aseem Infrastructure Finance Limited</b>	300.24	-
31 <sup>st</sup> March 2022: 30 (31 <sup>st</sup> March 2021: Nil) units		

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Investments in fixed deposit measured at amortised cost</b>		
Fixed deposit (refer (b) below)**	15,856.82	21,505.54
Interest accrued on fixed deposits (refer (b) below)	884.18	387.72
	<b>31,261.28</b>	<b>32,567.65</b>
<b>Aggregate amount of quoted investments</b>	9,313.04	8,379.28
<b>Aggregate amount of unquoted investments</b>	21,976.14	24,216.46
<b>Aggregate amount of impairment in value of investments</b>	27.90	28.09

\* Includes Investments acquired through Business Combination, pending transfer in the name of the Company

\*\* Includes Investments pending transfer in the name of Company on 31<sup>st</sup> March, 2021

# The stated figure Nil represents value less than ₹ 0.01

## Note-

(a) Merinopoly and Chemicals Limited went into liquidation. Investment is carried at NIL value. Cost of investment was ₹ 17.50 (31<sup>st</sup> March 2021: ₹ 17.50)

(b) Fixed Deposit amounting ₹ 210 (31<sup>st</sup> March 2021: ₹ 210) along with interest accrued thereon is placed against long term borrowing. (Refer Note 43)

## Note 5: Loans - Non-current

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
Loans to employees	28.73	57.76
	<b>28.73</b>	<b>57.76</b>

## Note 6: Others - Non-current

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
Security deposits	489.01	324.60
Share application money	132.00	-
Fixed deposit having maturity more than one year pledged with custom and excise authority	3.33	2.33
	<b>624.34</b>	<b>326.93</b>

## Note 7: Other - Non-current assets

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
Capital advances	1,335.67	337.57
Prepaid Expense	37.87	45.47
Security Deposit	10.82	10.62
	<b>1,384.36</b>	<b>393.66</b>

## Note 8: Inventories

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(At lower of cost and net realisable value)</b>		
<b>Raw materials</b>	23,318.98	18,906.32
[includes materials-in-transit 31 <sup>st</sup> March 2022: ₹ 3,841.40 (31 <sup>st</sup> March 2021: ₹3,918.96)]		
<b>Work-in-progress</b>	1,381.80	1,066.20
[includes materials-in-transit 31 <sup>st</sup> March 2022: ₹ 17.05 (31 <sup>st</sup> March 2021: ₹ Nil)]		
<b>Stock in Trade</b>	1,517.65	1,377.37
[includes materials-in-transit 31 <sup>st</sup> March 2022: ₹ 54.63 (31 <sup>st</sup> March 2021: ₹ 102.10)]		
<b>Finished goods</b>	13,515.72	10,649.23
[includes materials-in-transit 31 <sup>st</sup> March 2022: ₹ 4,805.91 (31 <sup>st</sup> March 2021: ₹ 2,703.70)]		
<b>Stores and spares</b>	3,056.09	2,540.26
[includes materials-in-transit 31 <sup>st</sup> March 2022: ₹ 72.88 (31 <sup>st</sup> March 2021: ₹ 195)]		
	<b>42,790.24</b>	<b>34,539.38</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

(a) Inventories are hypothecated to secure the short term and long term borrowings (Refer Note No 43)

(b) Write down of inventories to net realisable value relating to stores and spares amounted to ₹ 424.98 (31<sup>st</sup> March, 2021 ₹234.65).

## Note 9: Biological assets other than bearer plants

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Potato seed</b>		
Opening value of biological assets	721.30	652.33
Cost incurred during the year	1,078.34	721.30
Harvested potatoes transferred to inventories and sold during the year	(721.31)	(652.33)
<b>Closing value of biological assets – Potato Seed</b>	<b>1,078.33</b>	<b>721.30</b>
<b>Crops</b>		
Opening value of biological assets	1.10	5.88
Cost incurred during the year	31.09	22.05
Purchases	6.67	1.16
Harvested crops transferred to inventories and sold during the year	(35.70)	(25.09)
Harvested crops transferred to inventories	(0.49)	(2.90)
<b>Closing value of biological assets – Crops</b>	<b>2.66</b>	<b>1.10</b>
<b>Biological Assets Total</b>	<b>1,081.00</b>	<b>722.40</b>

(a) The Company has two category of biological assets i.e. potato seeds and annual crops.

The potato seeds up to the stage of G3 are considered as biological assets by the Company. These biological assets take few months for further biological transformation post which it is stored in cold storage till the next generation cycle. As on balance sheet date, there is insignificant biological transformation. Hence those biological assets of the Company are valued at cost.

The company determines the fair values of its products when they significantly achieve the attributes of intended biological transformation. When the biological assets attain the stage - ready for consumption (agriculture produce) it is considered as inventory at fair value on that date. Agricultural produce is the harvested product of the entity's biological assets.

The quantity of potato seed stock (biological assets) as at 31<sup>st</sup> March 2022 was 4,933.33 M.Tons (31<sup>st</sup> March 2021: 3,898.59 M.Tons).

The annual crops were insignificant to the Company's operations.

(b) Inventories are hypothecated to secure short-term and long-term borrowings (Refer Note No 43)

## Note 10: Investments

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>- Unquoted</b>		
<b>Investments in fixed deposit measured at amortised cost</b>		
Fixed deposit	5,025.20	5,157.80
Interest accrued on fixed deposits	388.02	494.61
	<b>5,413.22</b>	<b>5,652.41</b>
<b>Aggregate amount of unquoted investments</b>	<b>5,413.22</b>	<b>5,652.41</b>

(a) 31<sup>st</sup> March 2022: Nil (31<sup>st</sup> March 2021: Includes investment acquired through Business Combination, pending transfer in the name of the company).

(b) Fixed Deposit amounting ₹ 500.00 (31<sup>st</sup> March 21: ₹ Nil) along with interest accrued thereon is pledged against credit facility drawn by Kasturi Bai Gopi Babu Cold Storage. (Refer Note 43, 51 & 54).



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 11: Trade receivables

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Unsecured</b>		
Considered good	16,029.61	14,799.38
Credit impaired	346.71	265.25
	<b>16,376.32</b>	<b>15,064.63</b>
Less: Impairment allowance	346.71	265.25
	<b>16,029.61</b>	<b>14,799.38</b>
<b>Secured</b>		
Considered good	498.74	361.81
	<b>16,528.35</b>	<b>15,161.19</b>

- (a) Trade receivables are hypothecated to secure the short term and long term borrowings (Refer Note 43)
- (b) Includes receivable from related parties - 31<sup>st</sup> March 2022: ₹ 14.56 (31<sup>st</sup> March 2021: ₹ 6.70) (Refer Note 51)
- (c) Movement in Impairment Allowance is as follows:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Opening	265.25	277.67
Addition during the year	158.90	111.82
Deletion during the year	(77.44)	(124.24)
Closing	346.71	265.25

These are carried at amortised cost

## Trade receivables aging Schedule

As at 31 <sup>st</sup> March 2022	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
<b>Undisputed</b>								
(i) Considered good	-	10,932.76	5,310.71	121.44	41.61	25.60	96.22	16,528.34
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	8.77	0.11	98.27	18.41	117.16	242.72
<b>Disputed</b>								
(i) Considered good	-	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	2.21	43.49	58.29	103.99
<b>Total</b>	<b>-</b>	<b>10,932.76</b>	<b>5,319.48</b>	<b>121.55</b>	<b>142.09</b>	<b>87.50</b>	<b>271.67</b>	<b>16,875.06</b>
Less: Impairment allowance								346.71
<b>Total Trade receivables</b>								<b>16,528.35</b>

As at 31 <sup>st</sup> March 2021	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
<b>Undisputed</b>								
(i) Considered good	-	9,218.62	5,176.88	199.68	235.74	202.44	127.83	15,161.19
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	0.02	14.27	5.12	24.37	32.95	72.72	149.44
<b>Disputed</b>								
(i) Considered good	-	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	2.21	43.53	15.69	54.37	115.81
<b>Total</b>	<b>-</b>	<b>9,218.63</b>	<b>5,191.15</b>	<b>207.02</b>	<b>303.65</b>	<b>251.08</b>	<b>254.91</b>	<b>15,426.44</b>
Less: Impairment allowance								265.25
<b>Total Trade receivables</b>								<b>15,161.19</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 12: Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Cash and cash equivalents:</b>		
Cash on hand	12.84	8.28
Foreign Currency on hand	4.52	1.37
Fixed Deposit having maturity less than 3 months	2,464.98	1,663.73
<b>Balances with banks:</b>		
On current accounts	106.48	248.99
On cash credit accounts	644.37	427.90
	<b>3,233.19</b>	<b>2,350.27</b>

## Note 13: Other bank balances

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Margin Money Deposit [Refer (a) below]	13.87	19.10
On dividend accounts [Refer (b) below]	21.46	21.22
Fixed Deposits with original maturity of more than three months but less than 12 months [Refer (c) below]	5,648.02	-
	<b>5,683.35</b>	<b>40.32</b>

- (a) Margin money given towards bank guarantee (Refer note no. 43)
- (b) Earmarked for payment of unpaid/unclaimed dividends.
- (c) Fixed Deposit amounting ₹ 570.13 (31<sup>st</sup> March 21: ₹ Nil) along with interest accrued thereon is pledged against credit facility drawn by Kasturi Bai Gopi Babu Cold Storage. (Refer Note 43, 51 & 54).

## Note 14: Loans

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
Loans to Employees	162.33	75.05
	<b>162.33</b>	<b>75.05</b>

No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person.

## Note 15: Others

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Security Deposits	169.96	238.70
Less: Provision for doubtful security deposit	(7.50)	-
Dividend receivable	-	3.10
Insurance claim receivable	-	218.93
Interest accrued on deposits and others	32.65	17.00
Derivative assets	279.79	83.09
Others receivables [Refer (a) below]	455.32	195.48
Receivable from statutory/government authorities	0.42	3.86
	<b>930.64</b>	<b>760.16</b>

- (a) Includes 31<sup>st</sup> March 2022: ₹ Nil (31<sup>st</sup> March 2021: ₹ 23.77) receivable from Merino Consulting Services Limited on account of Business Combination.



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 16: Current tax asset (Net)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Advance Income tax (Net of provision)	2,800.90	2,557.59
(includes deposit under protest ₹ 888.73 (31 <sup>st</sup> March, 2021: ₹ 888.17))		
	<b>2,800.90</b>	<b>2,557.59</b>

## Note 17: Other current assets

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Export incentives receivable	284.34	568.84
Assets held for sale [Refer (a) below]	60.80	60.80
Advances to suppliers	339.61	499.34
Advances to suppliers - credit impaired	16.43	3.23
Less: Impairment Allowance	(16.43)	(3.23)
Prepaid expenses	1,153.68	519.34
Stamps on hand	0.08	0.41
Balance with statutory/government authorities	1,933.01	778.60
Advances with statutory authorities against disputed dues	338.32	335.15
Advances recoverable in cash or kind	86.18	66.55
Less: Provision for doubtful advances	(1.31)	-
Advance with LIC for defined benefit plan (Net)	-	16.80
	<b>4,194.71</b>	<b>2,845.83</b>

(a) Management is in process to dispose off certain plant and machineries classified as Current Assets Held for Sales and carried at estimated net realisable value aggregating ₹ 60.80 (31<sup>st</sup> March 2021: ₹ 60.80)

## Note 18: Equity share capital

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>AUTHORISED</b>		
1,97,50,000 (31 <sup>st</sup> March 2021: 1,97,50,000) Equity Shares of ₹ 10/- each	<b>1,975.00</b>	<b>1,975.00</b>
<b>ISSUED</b>		
<b>Opening</b>		
1,13,75,179 (31 <sup>st</sup> March 2021: 71,79,000) Equity Shares of ₹ 10/- each	1,137.52	717.90
Less: Cancelled through Business Combination		
NIL (31 <sup>st</sup> March 2021: 1,000) Equity Shares of ₹ 10/- each	-	0.10
Add: Equity Shares of ₹ 10/- each issued in pursuant of Business Combination		
NIL (31 <sup>st</sup> March 2021: 41,97,179) Equity Shares of ₹ 10/- each	-	419.72
<b>As at 31<sup>st</sup> March 2022</b>	<b>1,137.52</b>	<b>1,137.52</b>
<b>SUBSCRIBED AND PAID-UP</b>		
<b>Opening</b>		
1,11,78,679 (31 <sup>st</sup> March 2021: 69,82,500) Equity Shares of ₹ 10/- each fully paid up	1,117.87	698.25
Less: Cancelled through Business Combination		
Nil (31 <sup>st</sup> March 2021: 1,000) Equity Shares of ₹ 10/- each	-	0.10
Add: Issued in pursuant to Business Combination		
Nil (31 <sup>st</sup> March 2021: 41,97,179) Equity Shares of ₹ 10/- each	-	419.72
<b>As at 31<sup>st</sup> March 2022</b>	<b>1,117.87</b>	<b>1,117.87</b>
Add: Forfeited Equity Shares:		
Amount paid-up on 1,96,500 (31 <sup>st</sup> March 2021: 1,96,500) Equity Shares	10.07	10.07
	<b>1,127.94</b>	<b>1,127.94</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## (a) Reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balance outstanding at the beginning of the year	11,178,679	6,982,500
Less: Cancellation through Business Combination	-	1,000
Add: Shares issued under Business Combination	-	4,197,179
<b>Balance outstanding at the end of the year</b>	<b>11,178,679</b>	<b>11,178,679</b>

## (b) Rights, preference and restrictions attached to shares issued:

The company has only one class of equity shares having a par value of ₹ 10/- each. Each equity shareholder is entitled to one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

## (c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

Name of the shareholders	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Number of shares	% held	Number of shares	% held
Mrs. Sita Devi Lohia	1,846,639	16.52	-	-
Mr. Champalal Lohia*	1,276,091	11.42	1,276,091	11.42
Mr. Rup Chand Lohia	1,229,651	11.00	885,390	7.92
Mrs. Tara Devi Lohia	1,163,847	10.41	-	-
Mrs. Praveena Lohia	980,486	8.77	-	-
Ms. Ruchira Lohia	732,126	6.55	732,026	6.55
Mr. Prakash Lohia	-	-	1,188,002	10.63
Mr. Madhusudan Lohia	-	-	995,299	8.90
	<b>7,228,840</b>	<b>64.67</b>	<b>5,076,808</b>	<b>45.42</b>

Nil represents less than 5%.

\*Probate of will of Mr. Champalal Lohia is still awaited to transfer the shares in the name of legal heirs.

## (d) Details of shares held by the promoters in the Company:

Promoter Name	As at March 31, 2022			As at March 31, 2021		
	Number of shares	% of shares	% increase/(decrease) during the year	Number of shares	% of shares	% increase/(decrease) during the year
Mrs. Sita Devi Lohia	1,846,639	16.52	566.91	276,895	2.48	69.46
Mr. Prakash Lohia	475,481	4.25	(59.98)	1,188,002	10.63	109.89
Prakash Lohia (HUF)	68	0.00	-	68	0.00	100.00
Mrs. Neera Lohia	183,321	1.64	(60.00)	458,302	4.10	53.41
Mr. Madhusudan Lohia	396,005	3.54	(60.21)	995,299	8.90	37.92
Mrs. Mita Lohia	136	0.00	-	136	0.00	100.00
Ms. Vani Lohia	3,390	0.03	-	3,390	0.03	100.00
Mr. Mihir Man Lohia	1,356	0.01	(60.00)	3,390	0.03	100.00
Mr. Champalal Lohia	1,276,091	11.42	-	1,276,091	11.42	246.39
Champalal Lohia (HUF)	68	0.00	-	68	0.00	100.00
Mrs. Tara Devi Lohia	1,163,847	10.41	186.46	406,285	3.63	68.51
Mr. Bikash Lohia	189,158	1.69	(51.14)	387,128	3.46	60.90
Mrs. Shashi Lohia	20,505	0.18	-	20,505	0.18	100.00
Mr. Deepak Lohia	146,132	1.31	(60.47)	369,673	3.31	(30.93)
Ms. Usha Lohia	203,392	1.82	-	203,392	1.82	27.12
Mrs. Sheela Lohia	305,871	2.74	2.85	297,393	2.66	153.10
Ms. Ruchira Lohia	732,126	6.55	0.01	732,026	6.55	43.97
Mr. Rupchand Lohia	1,229,651	11.00	38.88	885,390	7.92	331.69
Mr. Rupchand Lohia (HUF)	68	0.00	-	68	0.00	100.00
Mrs. Praveena Lohia	980,486	8.77	285.39	254,412	2.28	41.50

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Promoter Name	As at March 31, 2022			As at March 31, 2021		
	Number of shares	% of shares	% increase/(decrease) during the year	Number of shares	% of shares	% increase/(decrease) during the year
Mr. Prasan Lohia	207,982	1.86	(40.04)	346,893	3.10	100.09
Mr. Prasan Lohia (HUF)	68	0.00	-	68	0.00	100.00
Mrs. Meghna Lohia	70,023	0.63	(74.42)	273,721	2.45	3.47
Mr. Abhiroop Lohia	35,011	0.31	(82.65)	201,763	1.80	0.88
Ms. Anuja Lohia	35,011	0.31	(33.84)	52,915	0.47	5.83
Mr. Manoj Lohia	141,993	1.27	(59.34)	349,201	3.12	63.03
Manoj Lohia (HUF)	68	0.00	-	68	0.00	100.00
Mrs. Vandana Lohia	87,533	0.78	(74.45)	342,582	3.06	14.84
Ms. Pragya Lohia	34,500	0.31	(61.02)	88,500	0.79	4.73
Ms. Prekshi Lohia	84,000	0.75	-	84,000	0.75	5.00
Mrs. Uma Singhi & Mr. Madan Mohan Singhi (Jointly)	80,068	0.72	-	80,068	0.72	100.00
Mr. Madan Mohan Singhi & Mrs. Uma Singhi (Jointly)	25,800	0.23	(0.39)	25,900	0.23	100.00
Mrs. Nayantara Agrawal (Lohia)	81,118	0.73	-	81,118	0.73	1.40
Mr. Govind Mundra/Mrs. Asha Mundra	2,200	0.02	-	2,200	0.02	-
Mr. Govind Mundra	7,800	0.07	-	7,800	0.07	-
Mr. Nripen Kumar Dugar	600	0.01	-	600	0.01	-
Mrs. Asha Mundhra	80,068	0.72	-	80,068	0.72	0.09
Ms. Radhika Lohia	50,678	0.45	(74.75)	200,678	1.80	0.34
Mr. Anurag Lohia	100,678	0.90	(66.52)	300,678	2.69	0.23
Ms. Priyanka Lohia	300,000	2.68	-	300,000	2.68	100.00
Mr. Madan Mohan Singhi	100	0.00	100.00	-	-	(100.00)
Mrs. Uma Singhi	-	-	-	-	-	(100.00)
Kasturi Bai Gopi Babu Cold Storage Pvt. Ltd.	67,800	0.61	-	67,800	0.61	(100.00)
	<b>10,646,890</b>	<b>95.24</b>	<b>0.02</b>	<b>10,644,534</b>	<b>95.22</b>	<b>65.10</b>

## Note 19: Other equity

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Reserves and surplus:</b>		
<b>Shares allotment pending under Business Combination</b>		
Balance at the beginning of the year	-	419.72
Nil (31 <sup>st</sup> March 2021: 41,97,179) Equity Shares of ₹ 10/- each fully paid up		
Less: Shares issued pursuant to the Business Combination	-	419.72
Nil (31 <sup>st</sup> March 2021: 41,97,179) Equity Shares of ₹ 10/- each fully paid up		
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Securities premium reserve</b>		
Balance as at the beginning of the year	339.72	359.62
Less: Adjustment through Business Combination	-	19.90
<b>Balance as at the end of the year</b>	<b>339.72</b>	<b>339.72</b>
<b>Capital reserve</b>		
Balance as at the beginning of the year	(1,675.56)	(1,675.56)
Addition during the year	-	-
<b>Balance as at the end of the year</b>	<b>(1,675.56)</b>	<b>(1,675.56)</b>
<b>Capital Redemption reserve</b>		
Balance as at the beginning of the year	3.16	3.16
Addition during the year	-	-
<b>Balance as at the end of the year</b>	<b>3.16</b>	<b>3.16</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Statutory reserve</b>		
Balance as at the beginning of the year	233.59	233.59
Addition during the year	-	-
<b>Balance as at the end of the year</b>	<b>233.59</b>	<b>233.59</b>
<b>General reserve</b>		
Balance as at the beginning of the year	12,596.25	11,277.66
Add: Transferred from surplus in statement of profit and loss	1,322.25	1,318.59
<b>Balance as at the end of the year</b>	<b>13,918.50</b>	<b>12,596.25</b>
<b>Retained earnings</b>		
Balance as at the beginning of the year	90,981.33	78,914.51
Add: Profit for the year	13,222.49	13,185.83
<b>Amount available for appropriation</b>	<b>104,203.82</b>	<b>92,100.34</b>
Less : Appropriations:		
Final dividend on Equity Shares for the year 2020-21	670.72	-
Transfer to General reserve	1,322.25	1,318.59
	<b>1,992.97</b>	<b>1,318.59</b>
<b>Other comprehensive income</b>		
Remeasurements of post-employment benefit obligations (net of tax)	(46.28)	199.58
<b>Balance as at the end of the year</b>	<b>102,164.57</b>	<b>90,981.33</b>
<b>Total (I)</b>	<b>114,983.98</b>	<b>102,478.49</b>
<b>Other reserves:</b>		
<b>Equity Instruments through Other Comprehensive Income</b>		
Opening balance	6.09	4.55
Add: Changes in fair value of FVOCI equity instruments	6.04	3.89
Deferred tax	(1.52)	(2.35)
<b>Total (II)</b>	<b>10.61</b>	<b>6.09</b>
<b>Total Other Equity (I + II)</b>	<b>114,994.59</b>	<b>102,484.58</b>

## Nature and purpose of other reserves

### Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is to be utilised in accordance with the provisions of the Act.

### Statutory reserve

This Reserve has been transferred to the Company in the course of business combinations and it represents profits transferred before declaration of dividend by the Company as per the requirement of the Reserve Bank of India (RBI) for NBFC. The same can be utilised in accordance with the RBI Act, 1934.

### Capital reserve

This reserve represents the difference between value of net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

### Capital Redemption reserve

This Reserve has been transferred to the Company in the course of business combinations and can be utilised in accordance with the provisions of the Companies Act, 2013.

### General reserve

General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc. This represents free reserve.

### FVOCI equity investments

The Company has elected to recognise changes in the fair value of investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments through other reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 20: Borrowings – Non-current

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Secured</b>		
<b>Term Loan</b>		
<b>From Banks</b>		
Indian Rupee Loans [Refer (a) below]	4,937.86	1,375.00
Foreign Currency Loan [Refer (b) below]	3,624.30	5,049.85
	<b>8,562.16</b>	<b>6,424.85</b>
Less:- Current maturities of long term debt (Payable with in a year)		
Indian Rupee Loans [Refer (a) below]	375.00	1,000.00
Foreign Currency Loan [Refer (b) below]	1,610.80	1,553.80
	<b>1,985.80</b>	<b>2,553.80</b>
	<b>6,576.36</b>	<b>3,871.05</b>

### (a) Repayment terms and nature of securities given for Indian Rupee Loan from Banks:

Bank	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	Nature of Securities	Repayment Terms
The Hong Kong and Shanghai Banking Corporation Limited	375.00	875.00	Exclusive Charge on the Solar Plant Situated at Budak Village Distt. Hissar Haryana and additionally secured by fixed deposits placed with HSBC from time to time including any interest accrued thereon and any renewals there on from time to time upto an aggregate of ₹ 210 Lakhs.	Repayable in twelve equal quarterly instalments with moratorium period of two year. Interest is payable monthly @ 7.259 % p.a. The balance amount of the loan of ₹ 375 is repayable in three equal quarterly instalments of ₹ 125 each. Last instalment is due on 21 <sup>st</sup> November, 2022.
The Hong Kong and Shanghai Banking Corporation Limited	-	500.00	Exclusive charge on movable and immovable property, plant and equipment of the Dahej project of the Company. Second pari passu charge on entire current assets of the Company both present and future.	Repayable in sixteen equal quarterly instalments with moratorium period of one year. Interest was payable monthly @ 7.99 % p.a. Last instalment of the loan was paid on 22 <sup>nd</sup> September, 2021.
Axis Bank Limited	4,562.86	-	Exclusive charge on both movable and immovable property, plant and equipment of Halol project of the Company. Second pari passu charge by way of hypothecation of the entire stock of goods, consumable and stores, other current assets and book debts of the Company both present and future.	Sanctioned Loan Amount is ₹ 32,500. Repayable in eleven equal quarterly instalments of ₹ 2,708 starting from 1 <sup>st</sup> April, 2024 to 1 <sup>st</sup> October, 2026 and last instalment of ₹ 2,712 is due in January, 2027. Interest is payable monthly @ 5.75 % p.a. The loan has been drawn partially as on 31 <sup>st</sup> March 2022.
	<b>4,937.86</b>	<b>1,375.00</b>		

### (b) Repayment terms and nature of securities given for Foreign Currency Term Loan from bank:

Bank	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	Nature of Securities	Repayment Terms
Citibank N . A	3,624.30	5,049.85	Exclusive charge on specific fixed assets of Project 2 at Dahej, Gujarat. Pari passu charge on land and buildings and other movable fixed assets at Dahej. Second pari passu charge on the entire current assets of the Company.	Repayable in sixteen equal quarterly instalments starting from 23 <sup>rd</sup> July, 2020. Interest is payable in every three months at 8.04% p.a on fully hedged basis. The balance amount of the loan of ₹3624.30 is repayable in nine equal quarterly instalments of ₹402.70 each on fully hedged basis. Last instalment will be due on 23 <sup>rd</sup> April, 2024.
	<b>3,624.30</b>	<b>5,049.85</b>		

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

(c) Outstanding balances of loan as indicated in (a) & (b) above is inclusive of current maturities of such loan as disclosed in Note 24.

**(d) Registration of charges or satisfaction with Registrar of Companies**

(i) There are certain charges yet to be satisfied with Registrar of Companies.

Bank Name	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	Reasons
Axis Bank Limited	5,800.00	5,800.00	Process has been initiated to obtain NOC from Bank for filing Satisfaction of Charge with Registrar of Companies.
Kotak Mahindra Bank Limited	2,300.00	-	Pursuant to business combination facility merged with the company. Process has been initiated to obtain NOC from Bank for filing Satisfaction of Charge with Registrar of Companies.
Uttar Pradesh Financial Corporation	1.18	1.18	This charge was last modified on 12 <sup>th</sup> February 1986 & was repaid in full. The company is in discussion with UPFC for satisfaction of charge.
Union Bank of India	25.00	25.00	Charge was last modified on 12 <sup>th</sup> October 1982 being an old case the company is in discussion with Bank for satisfaction of Charge with Registrar of Companies.
The Hong Kong and Shanghai Banking Corporation Limited	-	6,000.00	Excess charge created. Satisfied on 22 <sup>nd</sup> October 2021.

(ii) There are certain charges yet to be created with Registrar of Companies.

Bank Name	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	Reasons
The Hong Kong and Shanghai Banking Corporation Limited	375.00	875.00	
Axis Bank Limited	2,900.00	2,900.00	Pursuant to business combination facility merged with the company. Execution of documents is in process with the Bank to create charge with Registrar of Companies.
Standard Chartered Bank	1,500.00	1,500.00	
Kotak Mahindra Bank Limited	2,300.00	2,300.00	
IDBI Bank	300.00	300.00	

**Note 21: Other financial liabilities - Non-current**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Employee benefit payables	3.39	4.49
	<b>3.39</b>	<b>4.49</b>

**Note 22: Deferred tax liabilities (net)**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Deferred Tax Liabilities</b>		
Difference between written down value of block of assets as per income tax laws and book written down value of the property, plant and equipment	2,706.43	2,841.11
Investments in Equity Shares	3.87	2.35
Investments in Mutual funds	465.23	363.53
Derivative assets	8.66	-
Others	15.30	-
	<b>3,199.49</b>	<b>3,206.99</b>
<b>Deferred Tax Assets</b>		
Disallowance of expenses allowable for tax purpose on payment basis	380.17	251.57
Others	40.09	139.55
	<b>420.26</b>	<b>391.12</b>
	<b>2,779.23</b>	<b>2,815.87</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Movements in deferred tax liabilities

Particulars	Property, plant and equipment	Financial assets at fair value through profit or loss	Financial assets at fair value through OCI	Disallowance	Others	Total
<b>As at 31<sup>st</sup> March, 2020</b>	2,751.71	53.54	(13.48)	(294.38)	(128.31)	2,369.08
Charged/(Credited):						
to profit and loss	89.40	382.19	-	42.81	(137.09)	377.31
to other comprehensive income	-	-	69.48	-	-	69.48
<b>As at 31<sup>st</sup> March, 2021</b>	<b>2,841.11</b>	<b>435.73</b>	<b>56.00</b>	<b>(251.57)</b>	<b>(265.40)</b>	<b>2,815.87</b>
Charged/(Credited):						
to profit and loss	(134.68)	57.33	-	(128.60)	183.36	(22.59)
to other comprehensive income	-	-	(14.05)	-	-	(14.05)
<b>As at 31<sup>st</sup> March, 2022</b>	<b>2,706.43</b>	<b>493.06</b>	<b>41.95</b>	<b>(380.17)</b>	<b>(82.04)</b>	<b>2,779.23</b>

## Note 23: Other non-current liabilities

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Deferred government grants	78.21	84.30
	<b>78.21</b>	<b>84.30</b>

## Note 24: Borrowings

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Secured</b>		
<b>Working Capital Loans (Refer (a) below)</b>		
<b>From Banks:</b>		
Overdraft/Cash credit	4.99	397.09
Rupee packing credit loan	2,700.00	6,150.00
Working Capital Demand Loan	2,506.67	2,074.46
<b>Current maturities of long-term debt (Refer Note 20)</b>	<b>1,985.80</b>	<b>2,553.80</b>
<b>Others (Refer (b) below)</b>		
Bills discounted with bank	712.50	637.50
	<b>7,909.96</b>	<b>11,812.85</b>
<b>Unsecured</b>		
<b>Working Capital Loans</b>		
<b>From Banks:</b>		
Working Capital Demand Loan	2,500.00	-
Rupee Packing Credit Loan	9,498.32	-
<b>Others:</b>		
From related parties (Refer (c) & (d) below)	3,026.12	587.12
	<b>15,024.44</b>	<b>587.12</b>
	<b>22,934.40</b>	<b>12,399.97</b>

(a) Working Capital Loans are secured by way of:

- Primary Security: Hypothecation of the trade receivables and inventories of the Company on pari-passu basis, both present and future.
- Collateral Security: Second Charge on the entire property, plant and equipment of the Company including capital work in progress except those assets charged exclusively to other banks, both present and future, on Pari Passu basis, with other consortium banks.

(b) Bills discounting facilities are secured by first loss default guarantee issued by the Company in favor of respective bank up to a ceiling of 7.5% (7.5% as on 31<sup>st</sup> March 2021) of the sanctioned limits.

(c) Loan from Merino Properties Private Limited ₹ 2,439 (31<sup>st</sup> March 2021: ₹ Nil) are unsecured, repayable on demand bearing interest rate 10.50%

(d) The unsecured loan includes a sum of ₹ 587.12 (exclusive of Interest accrued ₹ 60.20) devolved on the company by operation of law consequent to merger of Residual Business of Merino Exports (P) Ltd ("MEXPL") since dissolved without winding up vide ("NCLT Order") the National Company Law Tribunal, Kolkata Bench. The Company has repaid the loan amount along with interest to the depositor in the Financial Year 2022-23 and applied for Compounding to the Reserve Bank of India ("RBI") on 27<sup>th</sup> June, 2022, pending settlement. Compounding penalties/fine, if any, will be accounted for as and when final order will be received from RBI.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 25: Trade payables

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	1,921.11	1,252.60
- Total outstanding dues of creditors other than micro enterprises and small enterprises	22,037.12	17,265.20
	<b>23,958.23</b>	<b>18,517.80</b>

## Trade payables aging schedule

As at March 31, 2022	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	1,659.67	243.75	13.70	3.98	-	1,921.11
(ii) Others	-	16,158.29	5,659.07	76.53	83.95	16.97	21,994.81
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	4.21	38.09	42.31
<b>Total</b>	<b>-</b>	<b>17,817.97</b>	<b>5,902.82</b>	<b>90.23</b>	<b>92.14</b>	<b>55.06</b>	<b>23,958.23</b>

As at March 31, 2021	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	1,106.00	141.44	5.16	-	-	1,252.60
(ii) Others	-	9,482.55	7,550.54	120.95	53.74	15.12	17,222.89
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	4.21	-	38.09	42.31
<b>Total</b>	<b>-</b>	<b>10,588.55</b>	<b>7,691.98</b>	<b>130.33</b>	<b>53.74</b>	<b>53.21</b>	<b>18,517.80</b>

## Note 26: Other financial liabilities

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Interest accrued but not due on borrowings	131.31	81.15
Liabilities for purchase of capital assets	2,190.97	338.36
Derivative Liability	-	0.15
Employee benefits payable	1,699.87	1,484.03
Deposits from Customers & Suppliers	791.67	750.46
Contract liability against loyalty points & others	1,151.14	891.18
Refund liability against periodical schemes	527.75	432.12
Unpaid Dividend *	21.46	21.22
Other payables**	968.02	997.09
	<b>7,482.19</b>	<b>4,995.76</b>

\* There is no amount due and outstanding as at year end to be credited to Investor Education and Protection Fund under Sub-section 5 of Section 124 of the Act.

\*\*Includes ₹ Nil (31<sup>st</sup> March 2021: ₹ 64.61) payable to Merino Properties Private Limited pursuant to Business Combination.

## Note 27: Other current liabilities

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Liabilities under litigation	158.43	158.57
Advances from customers/Contract Liabilities	2,679.43	1,660.72
Statutory dues	685.36	629.22
	<b>3,523.22</b>	<b>2,448.51</b>





# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 28: Provisions

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Provision for employee benefits		
Leave obligations	770.12	664.31
Defined benefit obligations (gratuity)	98.93	-
Contingent provision against Standard Assets	8.00	8.00
	<b>877.05</b>	<b>672.31</b>

## Note 29: Current tax liabilities (Net)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Provision for income tax (Net of advance tax and TDS)	-	856.94
	<b>-</b>	<b>856.94</b>

## Note 30: Revenue from operations

Particulars	2021-22	2020-21
<b>(i) Sale of products</b>		
Domestic	119,726.31	89,848.09
Export	53,358.24	38,010.27
	<b>173,084.55</b>	<b>127,858.36</b>
<b>(ii) Sale of services</b>		
Income from job work(Including Inter Unit services)	430.17	330.77
<b>(iii) Other operating revenues</b>		
Export incentives	308.86	687.49
Scrap sales	947.83	703.29
Others	18.12	108.39
<b>Revenue from operations</b>	<b>174,789.53</b>	<b>129,688.30</b>

## Note 30.1: Disclosure as per Ind As 115

### 1: Revenue from contracts with customers:

#### 1.1: Disaggregated revenue information:

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Segment:	2021-22				
	Laminates	Panel Product & Furniture	Potato Flakes	Others	Total
Type of goods or service					
Sale of goods	129,843.17	29,760.09	6,075.61	7,405.68	173,084.55
Sale of services (including inter-unit services)	400.05	30.12	-	-	430.17
Others	615.28	166.82	48.88	134.98	965.96
<b>Total revenue from contracts with customers</b>	<b>130,858.50</b>	<b>29,957.03</b>	<b>6,124.49</b>	<b>7,540.66</b>	<b>174,480.68</b>
India	88,260.20	22,611.67	2,740.04	7,510.53	121,122.44
Outside India	42,598.30	7,345.36	3,384.45	30.13	53,358.24
<b>Total revenue from contracts with customers</b>	<b>130,858.50</b>	<b>29,957.03</b>	<b>6,124.49</b>	<b>7,540.66</b>	<b>174,480.68</b>
<b>Timing of revenue recognition</b>					
Goods transferred at a point in time	130,458.45	29,926.91	6,124.49	7,540.66	174,050.51
Services transferred over time	400.05	30.12	-	-	430.17
<b>Total revenue from contracts with customers</b>	<b>130,858.50</b>	<b>29,957.03</b>	<b>6,124.49</b>	<b>7,540.66</b>	<b>174,480.68</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Segment:	2020-21				
	Laminates	Panel products and furniture	Potato Flakes	Others	Total
Type of goods or service					
Sale of goods	93,281.87	21,420.81	6,737.12	6,418.56	127,858.36
Sale of services (including inter-unit services)	293.27	37.50	-	-	330.77
Others	623.45	115.31	39.60	33.32	811.68
<b>Total revenue from contracts with customers</b>	<b>94,198.59</b>	<b>21,573.62</b>	<b>6,776.72</b>	<b>6,451.88</b>	<b>129,000.81</b>
India	62,836.43	17,380.61	4,373.68	6,399.82	90,990.54
Outside India	31,362.16	4,193.01	2,403.04	52.06	38,010.27
<b>Total revenue from contracts with customers</b>	<b>94,198.59</b>	<b>21,573.62</b>	<b>6,776.72</b>	<b>6,451.88</b>	<b>129,000.81</b>
<b>Timing of revenue recognition</b>					
Goods transferred at a point in time	93,905.32	21,536.12	6,776.72	6,451.88	128,670.04
Services transferred over time	293.27	37.50	-	-	330.77
<b>Total revenue from contracts with customers</b>	<b>94,198.59</b>	<b>21,573.62</b>	<b>6,776.72</b>	<b>6,451.88</b>	<b>129,000.81</b>

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (Note 50):

Segment revenue:	2021-22				
	Laminates	Panel products and furniture	Potato Flakes	Others	Total
External customers	132,602.40	30,355.75	6,297.34	10,368.78	179,624.27
Inter-segment	8,382.30	-	-	-	8,382.30
	<b>140,984.70</b>	<b>30,355.75</b>	<b>6,297.34</b>	<b>10,368.78</b>	<b>188,006.57</b>
Inter-segment adjustment and elimination	(10,126.20)	(398.72)	(172.85)	(2,828.12)	(13,525.89)
<b>Total revenue from contracts with customers</b>	<b>130,858.50</b>	<b>29,957.03</b>	<b>6,124.49</b>	<b>7,540.66</b>	<b>174,480.68</b>

Segment revenue:	2020-21				
	Laminates	Panel products and furniture	Potato Flakes	Others	Total
External customers	95,094.30	21,813.07	6,879.35	10,099.10	133,885.82
Inter-segment	6,114.67	-	-	-	6,114.67
	<b>101,208.97</b>	<b>21,813.07</b>	<b>6,879.35</b>	<b>10,099.10</b>	<b>140,000.49</b>
Inter-segment adjustment and elimination	(7,010.38)	(239.45)	(102.63)	(3,647.22)	(10,999.68)
<b>Total revenue from contracts with customers</b>	<b>94,198.59</b>	<b>21,573.62</b>	<b>6,776.72</b>	<b>6,451.88</b>	<b>129,000.81</b>

## 1.2 Contract balances

Particulars	As at	As at
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
Trade receivable	16,528.35	15,161.19
Contract liabilities/Advance from customer	2,679.43	1,660.72
Contract liability against loyalty points	1,151.14	891.18
Refund liability against periodical schemes	527.75	432.12

Trade receivables are non-interest bearing and are generally on terms of upto 90 days.

Contract liabilities include short-term advances received from customers against future supply of goods.

**Set out below is the amount of revenue recognised from:**

The sum included in contract liabilities at the beginning of the year	<b>1,619.20</b>	<b>1,356.70</b>
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# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## 1.3: Reconciling the amount of revenue recognised in the statement of Profit and Loss with contracted price:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Revenue as per contracted price	179,462.39	132,409.39
<b>Adjustments:</b>		
Discounts, rebates and schemes	4,491.70	2,304.66
Loyalty points	490.01	1,103.92
<b>Revenue from contract with customers</b>	<b>174,480.68</b>	<b>129,000.81</b>

## 1.4: Performance obligation

Information about the Company's performance obligations are:

The performance obligation is satisfied upon delivery/confirmation of the products & services.

## Note 31: Other income

Particulars	2021-22	2020-21
(i) Interest Income from financial assets		
- On bank and other deposits	1,495.15	871.20
- On loans to others	3.28	377.62
- On Others	16.22	46.84
(ii) Claims from insurance company	215.54	390.74
(iii) Provisions/liabilities no longer required written back (Net)	17.63	166.73
(iv) Profit on sale of property, plant and equipment	84.12	33.87
(v) Recovery of bad debts	16.84	25.43
(vi) Fair value changes of financial assets measured at FVTPL	894.58	1,166.61
(vii) Fair value changes of derivative measured at FVTPL [Gain/(Loss)]	196.86	214.24
(viii) Profit/(Loss) on sale of investment measured at FVTPL (Net)	176.21	95.17
(ix) Net gain on foreign currency transactions and translations	1,593.71	713.67
(x) Dividend income from long term investments measured at FVTPL	30.51	16.83
(xi) Miscellaneous Income	94.09	78.56
	<b>4,834.74</b>	<b>4,197.51</b>

## Note 32: Cost of materials consumed

Particulars	2021-22	2020-21
<b>Raw Materials Consumed</b>		
Opening Stock	18,906.32	27,357.93
Purchases during the year	99,434.23	53,352.19
	<b>118,340.55</b>	<b>80,710.12</b>
Less: Cost of materials sold	223.61	4,177.22
	<b>118,116.94</b>	<b>76,532.90</b>
Less: Closing Stock	23,318.98	18,906.32
	<b>94,797.96</b>	<b>57,626.58</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 33: Changes in inventories of finished goods, stock-in-trade, work-in-progress and biological assets

Particulars	2021-22	2020-21
<b>Opening Stock</b>		
Finished Goods	10,649.23	10,978.85
Stock in Trade	1,377.37	1,885.20
Work-in-progress	1,066.20	1,197.57
Biological Assets*	722.40	658.21
	<b>13,815.20</b>	<b>14,719.83</b>
<b>Less: Closing Stock</b>		
Finished Goods	13,515.72	10,649.23
Stock in Trade	1,517.65	1,377.37
Work-in-progress	1,381.80	1,066.20
Biological Assets*	1,081.00	722.40
	<b>17,496.17</b>	<b>13,815.20</b>
	<b>(3,680.97)</b>	<b>904.63</b>

\* Includes change in fair value of biological assets on account of harvested biological assets transferred to inventory at fair value amounting to ₹ 787.77 (31<sup>st</sup> March 2021: ₹ 469.56).

## Note 34: Employee benefits expense

Particulars	2021-22	2020-21
Salaries, Wages, Bonus etc.	19,075.47	14,962.64
Contribution to Provident and Other Funds*	1,266.45	1,043.75
Workmen and Staff Welfare	455.20	339.30
	<b>20,797.12</b>	<b>16,345.69</b>

## Note 35: Finance costs

Particulars	2021-22	2020-21
Interest expense	1,210.06	1,609.92
Interest on shortfall in payment of advance tax	16.59	123.07
Other borrowing costs	93.27	83.98
	<b>1,319.92</b>	<b>1,816.97</b>

## Note 36: Depreciation and amortisation expenses

Particulars	2021-22	2020-21
Depreciation and amortisation of property, plant and equipment	5,419.36	4,964.46
Amortisation of Intangible assets	59.15	87.57
Amortisation of right of use asset	802.17	616.59
	<b>6,280.68</b>	<b>5,668.62</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 37: Other expenses

Particulars	2021-22	2020-21
Consumption of stores and spare Parts	3,262.70	2,738.67
Power and fuel	8,258.24	5,549.05
Job Work Charges	189.90	124.54
Short-term and low value lease rentals (Refer Note 42)	1,077.64	567.56
Rates and taxes	237.59	192.37
Repairs to :		
Buildings	308.00	110.21
Plant and machinery	376.55	369.34
Others	876.67	678.65
Legal and professional	1,229.59	1,369.53
Vehicle upkeep	786.61	598.19
Carriage outward	9,082.55	4,592.08
Packing and forwarding	3,294.78	2,417.70
Installation Expenses	231.60	243.30
Royalty Fees	69.18	53.77
Insurance	819.50	661.01
Commission	1,050.87	792.74
Printing and stationery	53.10	67.47
Postage and courier	121.35	93.59
Advertisement and business promotion	2,592.55	2,258.81
Travelling	875.69	483.61
Communication	220.37	216.00
Bad Debts and advances written off	65.49	113.02
Payments to the Auditors [Refer (a) below]	36.77	47.28
Bank charges and commission	115.18	88.46
Loss on sale/disposal of property, plant and equipment	70.91	151.89
CSR expenditure [Refer Note 45]	312.00	391.25
Charity and Donation	5.66	1.98
Agricultural Expenses	859.60	685.47
Miscellaneous expenses	1,210.69	1,446.21
	<b>37,691.33</b>	<b>27,103.75</b>

### (a) Amount paid/payable to the auditors (excluding GST)

Particulars	2021-22	2020-21
<b>As Statutory Auditors:</b>		
Statutory Audit Fees	28.10	28.66
Tax Audit Fees	5.00	-
Other matters	0.15	15.60
Reimbursement of Expenses	1.50	1.73
	<b>34.75</b>	<b>45.99</b>
<b>As Cost Auditors:</b>		
Audit Fees	1.00	0.92
Reimbursement of Expenses	0.02	0.02
	<b>1.02</b>	<b>0.94</b>
<b>As Secretarial Auditors:</b>		
Audit Fees	1.00	0.35
	<b>1.00</b>	<b>0.35</b>
	<b>36.77</b>	<b>47.28</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 38: Tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax position.

### (a) Income tax expense

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Current tax</b>		
Current tax on profits for the year	4,308.00	4,129.03
<b>Total current tax expense</b>	<b>4,308.00</b>	<b>4,129.03</b>
<b>Deferred tax</b>		
Deferred tax for the year	(22.59)	377.32
<b>Total deferred tax expense</b>	<b>(22.59)</b>	<b>377.32</b>
<b>Income tax expense</b>	<b>4,285.41</b>	<b>4,506.35</b>

### (b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Profit before tax	17,507.90	17,692.18
<b>Tax at the rate of 25.168% (2020-21 – 25.168%)</b>	<b>4,406.39</b>	<b>4,452.77</b>
<b>Reasons for differences are indicated below</b>		
Expenditure disallowed under income tax	281.70	230.90
Income not considered for tax laws	(269.52)	(50.49)
Agricultural (income)/loss	(169.09)	(136.99)
Items on which tax applicable at differential rates	(1.37)	(0.24)
Others	37.30	10.40
<b>Total income tax expense/(credit)</b>	<b>4,285.41</b>	<b>4,506.35</b>

## Note 39: Earnings per share

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(i) Basic</b>		
Number of equity shares at the beginning of the year	11,178,679	11,179,679
Number of equity shares at the end of the year	11,178,679	11,178,679
Weighted average number of equity shares outstanding during the year (A)	11,178,679	11,179,596
Nominal value of each equity Share (₹)	10	10
Profit/(Loss) for the year (B)	13,222.49	13,185.83
Earnings per share (Basic) (₹) (B/A)	118.28	117.95
<b>(ii) Diluted</b>		
Weighted average number of equity shares outstanding during the year	11,178,679	11,179,596
Earnings per share (Diluted) (₹)	118.28	117.95

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 40: Contingent liabilities

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
(a) Claims against the Company not acknowledged as debts :		
Demands for sales tax and entry tax excluding interest (Deposit under protest ₹ 125.35 (31 <sup>st</sup> March 2021: ₹ 125.35))	154.36	157.94
Demands for Excise, Custom Duty, Service tax excluding interest (Deposit under protest ₹ 42.42 (31 <sup>st</sup> March 2021: ₹ 42.56))	5,015.87	3,519.89
Demands for GST excluding interest (Deposit under protest ₹ 0.36 (31 <sup>st</sup> March 2021: Nil))	10.74	-
Demands for Income Tax excluding interest (Deposit under protest ₹ 888.73 (31 <sup>st</sup> March 2021: ₹ 888.17))	6,244.19	4,332.92
The Assessing Officer reopened the case for the Assessment year 2015-16 on the basis of reason to believe that there is escapement of income to the tune of ₹ 106.35 related to the expenditure of agricultural activities which was not disallowed by then Assessing office in scrutiny assessment u/s 143(3) of the IT Act, 1961. The Company objected at primary level on matter of reason to believe of reopening of the concluded matter in scrutiny assessment. The further proceeding is pending till now.		
Miscellaneous claims by suppliers and customers etc. against the Company	281.54	205.54
(b) Guarantee given:		
Non Financial Bank Guarantees	180.45	93.69
(c) Differential Bonus for 2014-15	151.52	151.52
	<b>12,038.67</b>	<b>8,461.50</b>

### Note:-

In respect of the contingent liabilities mentioned in (a) above, pending resolution of the respective proceedings, it is not practicable for the company to estimate the timings of cash outflows, if any. In respect of matter mentioned in (b) above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees. The Company does not expect any reimbursement in respect of the above contingent liabilities.

## Note 41: Capital and other commitments

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(a) Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	32,536.18	16,569.81
<b>(b) Other Commitments</b>		
The Company has imported Capital Goods under the Export Promotion Capital Goods Scheme of the Government of India at concessional rates of duty with an undertaking to fulfil quantified export within six years. Certificate for fulfilment of ₹ 7,427.18 (31 <sup>st</sup> March 2021: ₹ 6,840.18) is yet to be received.	10,204.46	5,900.61
Obligation under Advance Licenses	3,012.21	7,047.09
Outstanding letters of credit for materials yet to be received*	2,064.54	1,912.82
Investment commitments	1,827.82	-
<b>TOTAL</b>	<b>49,645.21</b>	<b>31,430.33</b>

\*Net off capital commitments.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 42: Leases

### As a lessee

The following lease payments are not recognised as lease liability

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Short-term lease expenses	845.23	108.68
Low Value lease expenses	232.41	458.88
<b>Total Lease expenses</b>	<b>1,077.64</b>	<b>567.56</b>

### Movement of lease liabilities

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Opening	854.44	1,552.36
Interest	190.83	70.23
Addition during the year	2,456.63	62.56
Deletion during the year (net of modification)	(68.99)	(168.92)
Lease payment	(869.33)	(661.79)
<b>Closing</b>	<b>2,563.58</b>	<b>854.44</b>

### As lessor:

The annual lease payment received by the Company as on 31<sup>st</sup> March 2022: ₹ 1.89 (31<sup>st</sup> March 2021: ₹ 5.20)

## Note 43: Assets given as security

The Carrying amount of assets given as security for current and non current borrowing are:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Current</b>		
<b>Financial assets</b>		
Trade receivables	16,528.35	15,161.19
Investment and other bank balance	1,084.00	19.10
<b>Non-financial assets</b>		
Inventories	42,790.24	34,539.38
Biological assets	1,081.00	722.40
<b>Total current assets given as security</b>	<b>61,483.59</b>	<b>50,442.07</b>
<b>Non-Current</b>		
<b>Financial assets</b>		
Investments	210.00	210.00
<b>Non-financial assets</b>		
Property, Plant and Equipment*	54,241.05	50,582.70
Capital work-in-progress	14,093.48	1,635.79
<b>Total non-current assets given as security</b>	<b>68,544.53</b>	<b>52,428.49</b>
<b>Total assets given as security</b>	<b>130,028.12</b>	<b>102,870.56</b>

\* Including Leasehold Land.



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 44: Details relating to Micro, Small and Medium Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2,198.56	1,373.27
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.63	0.66
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	1,534.82	524.26
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	2.39	1.36
Further interest remaining due and payable for earlier years	3.49	2.60

The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

## Note 45: CSR expenditure

Particulars	2021-22	2020-21
(a) Gross amount required to be spent by the Company during the year	301.33	255.00
(b) Amount spent during the year	312.00	391.25
(c) Excess/(Shortfall) for the year	10.67	136.25
(d) Total of previous years shortfall [net]	-	-
(e) Details of related party transactions such as Contribution to trust controlled by the company:		
(i) Sri Hara Kasturi Memorial Trust	312.00	332.00
(ii) Sri Man Kumar Lohia Memorial Trust	-	25.00
(iii) Sri Premchand Lohia Memorial Trust	-	34.00
(f) Movements in the provision during the period/year with respect to a liability incurred by entering into a contractual obligation	-	-
(g) Reason for shortfall	No shortfall	No shortfall
(h) Nature of CSR activities:	Promoting Education, Mid-day meal	Promoting Education, Mid-day meal, Women empowerment, Healthcare & Holistic Living Programme

## Note 46: Employee benefit obligations

### (1) Leave obligations

The leave obligations cover the Company's liability for earned leave. As the Company does not have an unconditional right to defer the payment beyond 12 months the entire amount has been treated as current.

### (2) Post-employment obligations

#### (i) Provident Fund and National Pension saving scheme

Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

#### (ii) Other Long-term Employment Benefits (unfunded)

Other long term employee benefits are actuarially determined (using the Projected Unit Credit Method) at the end of each year.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## (iii) Gratuity

The Company provides gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on respective employee's salary and the tenure of employment. The Company's liability is actuarially determined on the basis of year end actuarial valuation (using the Projected Unit Credit Method) and is funded.

The Company operates a gratuity plan through the "LIC Gratuity Fund", a group gratuity scheme from Life Insurance Corporation of India. Every eligible employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

## (a) Balance sheet recognition

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>01<sup>st</sup> April 2020</b>	1,849.98	1,654.97	195.01
Current service cost	231.57	-	231.57
Interest expense/(income)	124.42	115.35	9.07
<b>Total amount recognised in profit or loss</b>	<b>355.99</b>	<b>115.35</b>	<b>240.64</b>
<b>Remeasurement</b>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(1.67)	1.67
Actuarial (gain)/loss from change in financial assumptions	(69.54)	-	(69.54)
Actuarial (gain)/loss from unexpected experience	(198.84)	-	(198.84)
<b>Total amount recognised in other comprehensive income</b>	<b>(268.38)</b>	<b>(1.67)</b>	<b>(266.71)</b>
Employer contributions/premium paid	-	155.74	(155.74)
Benefit payments	129.80	129.80	-
<b>31<sup>st</sup> March 2021</b>	<b>1,807.79</b>	<b>1,794.59</b>	<b>13.20</b>
Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>01<sup>st</sup> April 2021</b>	1,807.79	1,794.59	13.20
Current service cost	280.63	-	280.63
Interest expense/income	125.68	132.26	(6.58)
<b>Total amount recognised in profit or loss</b>	<b>406.31</b>	<b>132.26</b>	<b>274.05</b>
<b>Remeasurement</b>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(11.14)	11.14
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(95.72)	-	(95.72)
Actuarial (gain)/loss from unexpected experience	146.43	-	146.43
<b>Total amount recognised in other comprehensive income</b>	<b>50.71</b>	<b>(11.14)</b>	<b>61.85</b>
Employer contributions/premium paid	-	250.17	(250.17)
Benefit payments	205.04	205.04	-
Settlement Cost	-	-	-
<b>31<sup>st</sup> March 2022</b>	<b>2,059.77</b>	<b>1,960.84</b>	<b>98.93</b>

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## (b) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Discount rate	7.37%	6.97%
Expected return on plan asset	7.37%	6.97%
Salary growth rate	7.00%	7.00%
Attrition rate	1.00%	1.00%
Mortality rate	IALM 2012-2014 Ultimate	IALM 2012-2014 Ultimate

## (c) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation			
	31 <sup>st</sup> March 2022		31 <sup>st</sup> March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 0.5%)	1,949.15	2,180.48	1,709.96	1,914.80
% change compared to base due to sensitivity	-5.37%	5.86%	-5.41%	5.92%
Salary growth rate (-/+ 0.5%)	2,172.53	1,954.73	1,909.13	1,714.39
% change compared to base due to sensitivity	5.48%	-5.10%	5.61%	-5.17%
Attrition rate (-/+ 0.5%)	2,059.18	2,060.33	1,807.17	1,808.40
% change compared to base due to sensitivity	-0.03%	0.03%	-0.03%	0.03%
Life expectancy/mortality rate (-/+ 10%)	2,059.86	2,059.65	1,807.64	1,807.93
% change compared to base due to sensitivity	0.01%	-0.01%	-0.01%	0.01%

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

## (d) The major categories of plan assets

The defined benefit plans are funded with an insurance company in India. The Company does not have any liberty to manage the funds provided to the insurance company. Thus the composition of each major category of plan assets has not been disclosed.

## (e) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

### Investment risk:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

### Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

### Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

## (f) Defined benefit liability and employer contributions

Expected contribution to post-employment benefits plans for the year ending 31<sup>st</sup> March, 2023 is ₹ 2,391.93.

The weighted average duration of the defined benefit obligation is 17 years (31<sup>st</sup> March 2021: 18 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1- 5 years	Over 5 years
<b>31<sup>st</sup> March 2022</b>			
Defined benefit obligation (gratuity)	124.08	635.77	5,074.62
<b>Total</b>	<b>124.08</b>	<b>635.77</b>	<b>5,074.62</b>
<b>31<sup>st</sup> March 2021</b>			
Defined benefit obligation (gratuity)	138.10	502.56	4,245.93
<b>Total</b>	<b>138.10</b>	<b>502.56</b>	<b>4,245.93</b>

## Note 47: Capital management

### (a) Risk management

The company's objectives when managing capital are to:

1. Safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence, and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The amount mentioned under total equity in the balance sheet is considered as capital and debt includes borrowings & lease liabilities. The debt-equity ratio of the Company is as follows:

### Debt Equity Ratio

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Debt equity ratio	0.28	0.17

### (b) Dividend

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
(i) Equity shares		
Final dividend of ₹ 6 per fully paid share for the year 2020-21	670.72	-

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 48: Fair value measurements

This note gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial assets, financial liabilities and equity instrument are disclosed in Note 2 to the financial statements.

### Financial instruments by category

Particulars	As at 31 <sup>st</sup> March 2022			As at 31 <sup>st</sup> March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	14,040.35	17.15	462.78	10,580.40	11.11	82.88
Security deposits	-	-	651.47	-	-	563.30
Loans to employees	-	-	191.06	-	-	132.81
Fixed deposits	-	-	22,157.55	-	-	27,548.00
Trade receivables	-	-	16,528.35	-	-	15,161.19
Cash and cash equivalents	-	-	3,233.19	-	-	2,350.27
Other bank balances	-	-	5,683.35	-	-	40.32
Derivative assets	279.79	-	-	83.09	-	-
Other financial assets	-	-	488.39	-	-	438.37
<b>Total financial assets</b>	<b>14,320.14</b>	<b>17.15</b>	<b>49,396.14</b>	<b>10,663.49</b>	<b>11.11</b>	<b>46,317.14</b>
<b>Financial liabilities</b>						
Borrowings & Interest	-	-	29,642.07	-	-	16,352.17
Trade payables	-	-	23,958.23	-	-	18,517.80
Liabilities for purchase of capital assets	-	-	2,190.97	-	-	338.36
Derivative Liability	-	-	-	0.15	-	-
Employee Benefits payable	-	-	1,703.26	-	-	1,488.52
Deposits from customers and suppliers	-	-	791.67	-	-	750.46
Contract liability against loyalty points	-	-	1,151.14	-	-	891.18
Refund liability against periodical schemes	-	-	527.75	-	-	432.12
Unpaid/Unclaimed dividends	-	-	21.46	-	-	21.22
Other payables	-	-	968.02	-	-	997.09
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>60,954.57</b>	<b>0.15</b>	<b>-</b>	<b>39,788.92</b>

#### (i) Fair value hierarchy

The table below provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

##### Quoted prices in an active market (Level 1):

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares & Mutual fund.

##### Valuation techniques with observable inputs (Level 2):

This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category consists of derivatives taken by the Company like forward contracts, Portfolio management service and Alternative investment fund.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Valuation techniques with significant unobservable inputs (Level 3):

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Company's investment in equity shares which are unquoted or for which quoted prices are not available at the reporting dates.

## (ii) Valuation technique used to determine fair value of financial assets and liabilities

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer-quotes for similar instruments
- derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.
- the fair value of the financial instruments is determined using adjusted net worth method and discounted cash flow method.

## (iii) Fair value of financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31 <sup>st</sup> March 2022			As at 31 <sup>st</sup> March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets:</b>						
Investments	9,012.80	5,044.70	-	8,379.28	2,212.23	-
Derivative financial assets	-	279.79	-	-	83.09	-
	<b>9,012.80</b>	<b>5,324.49</b>	<b>-</b>	<b>8,379.28</b>	<b>2,295.32</b>	<b>-</b>
<b>Financial Liabilities:</b>						
Derivative financial liabilities	-	-	-	-	0.15	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.15</b>	<b>-</b>

## (iv) Financial liabilities not measured at fair value but in respect of which fair value is as follows:

Particulars	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>				
Borrowings	8,562.16	8,376.92	6,424.85	6,178.99
<b>Total financial liabilities</b>	<b>8,562.16</b>	<b>8,376.92</b>	<b>6,424.85</b>	<b>6,178.99</b>

## (v) Valuation technique used to determine fair value of non current financial assets and liabilities

- Non-current financial assets represent security deposits which do not have a fixed maturity period and these are primarily in the nature of utility deposits. Hence these are considered to be at their respective fair values at the reporting period.
- The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. The carrying amounts of loans to employees are considered to be approximately equal to the fair value.
- The carrying amounts of remaining financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

## (vi) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and makes assumptions that are mainly based on market conditions existing at the end of each reporting period.



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 49: Financial risk management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk.

### (A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments carried at amortised cost.

Financial instruments that are subject to credit risk and concentration thereof principally consist trade receivables, loans receivables, investments, cash and cash equivalents and derivatives held by the Company. None of the financial instruments of the Company results in material concentration of credit risk.

#### (i) Trade and other receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying upto 90 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within the organisation to ensure proper attention and focus for realisation. Further, the Company receives security deposits and letter of credits on selected basis from its customers which mitigate the credit risk. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

#### (ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's management on an periodical basis, and may be updated throughout the year subject to approval of the management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. For banks and financial institutions, only high rated banks/institutions are accepted.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 is the carrying amounts as illustrated in Note 49B.

### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash & cash equivalents on the basis of expected cash flows.

#### (i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
- Expiring within one year (bank overdraft and other facilities)	7,288.34	3,878.45
- Cash and Cash Equivalents	3,233.19	2,350.27
	<b>10,521.53</b>	<b>6,228.72</b>

The bank Overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## (ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities as at 31 <sup>st</sup> March 2022	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade payables	23,958.23	-	-	-	23,958.23
Lease liabilities	660.03	1,135.86	359.04	408.65	2,563.58
Borrowings	22,934.40	6576.36	-	-	29,510.76
Interest on borrowings	478.00	377.83	-	-	855.83
Liabilities for purchase of capital assets	2,190.97	-	-	-	2,190.97
Employee benefits payable	1,699.87	3.39	-	-	1,703.26
Deposits from customers and suppliers	791.67	-	-	-	791.67
Derivative liability	-	-	-	-	-
Contract liability against loyalty points	1,151.14	-	-	-	1,151.14
Refund liability against periodical schemes	527.75	-	-	-	527.75
Unpaid/Unclaimed dividends	21.46	-	-	-	21.46
Other payables	968.02	-	-	-	968.02
<b>Total financial liabilities</b>	<b>55,381.54</b>	<b>8,093.44</b>	<b>359.04</b>	<b>408.65</b>	<b>64,242.67</b>

Contractual maturities of financial liabilities as at 31 <sup>st</sup> March 2021	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade payables	18,517.80	-	-	-	18,517.80
Lease liabilities	279.15	272.56	170.62	132.11	854.44
Borrowings	12,399.97	3,871.05	-	-	16,271.02
Interest on borrowings	376.64	342.66	-	-	719.30
Liabilities for purchase of capital assets	338.36	-	-	-	338.36
Employee benefits payable	1,484.03	4.49	-	-	1,488.52
Deposits from customers and suppliers	750.46	-	-	-	750.46
Derivative liabilities	0.15	-	-	-	0.15
Contract liability against loyalty points	891.18	-	-	-	891.18
Refund liability against periodical schemes	432.12	-	-	-	432.12
Unpaid/Unclaimed dividends	21.22	-	-	-	21.22
Other payables	997.09	-	-	-	997.09
<b>Total financial liabilities</b>	<b>36,488.17</b>	<b>4,490.76</b>	<b>170.62</b>	<b>132.11</b>	<b>41,281.66</b>

## (C) Market risk

The Company's business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices.

### (i) Foreign currency risk

The Company deals with trade receivables, trade payables etc and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas market and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies. The Company also enters into forward contracts for managing its exposure to such foreign currency risk. The Company manages the exposure of foreign exchange fluctuation in borrowings by entering into derivatives contracts.



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Foreign currency risk exposure

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR (foreign currency amount multiplied by closing rate), is as follows:-

Particulars	As at 31 <sup>st</sup> March 2022				As at 31 <sup>st</sup> March 2021			
	GBP	USD	EUR	Yen	GBP	USD	EUR	Yen
<b>Financial assets</b>								
Trade Receivables	1,005.68	6,399.05	69.22	-	364.22	4,575.69	192.71	-
Derivatives (including those on future exports)	(621.59)	(6,985.54)	(84.22)	-	-	(1,945.59)	-	-
<b>Financial liabilities</b>								
Long term borrowings	-	3,624.31	-	-	-	5,049.85	-	-
Short term borrowings	-	-	-	-	-	-	-	-
Trade Payables	-	4,747.97	6,148.54	250.18	-	6,108.76	2,803.39	235.06
Derivatives	-	(3,790.32)	(1,211.59)	-	-	(5,392.88)	(220.18)	-
<b>Net exposure to foreign currency risk against receivables/(payables)</b>	<b>384.09</b>	<b>(5,168.45)</b>	<b>(4,951.95)</b>	<b>(250.18)</b>	<b>364.22</b>	<b>(3,135.63)</b>	<b>(2,390.50)</b>	<b>(235.06)</b>

## Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit before tax		Impact on other components of equity	
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
<b>USD sensitivity</b>				
INR depreciates by 7% (31 <sup>st</sup> March 2021: 5%)*	(361.79)	(156.78)	(270.73)	(117.32)
INR appreciates by 7% (31 <sup>st</sup> March 2021: 5%)*	361.79	156.78	270.73	117.32
<b>EURO sensitivity</b>				
INR depreciates by 7% (31 <sup>st</sup> March 2021: 3%)*	(346.64)	(71.72)	(259.40)	(53.67)
INR appreciates by 7% (31 <sup>st</sup> March 2021: 3%)*	346.64	71.72	259.40	53.67
<b>GBP sensitivity</b>				
INR depreciates by 7% (31 <sup>st</sup> March 2021: 3%)*	26.89	10.93	20.12	8.18
INR appreciates by 7% (31 <sup>st</sup> March 2021: 3%)*	(26.89)	(10.93)	(20.12)	(8.18)
<b>Yen sensitivity</b>				
INR depreciates by 7% (31 <sup>st</sup> March 2021: 3%)*	(17.51)	(7.05)	(13.10)	(5.28)
INR appreciates by 7% (31 <sup>st</sup> March 2021: 3%)*	17.51	7.05	13.10	5.28

\* Assuming all other variables to be constant

## (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2022 and 31 March 2021 the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## (a) Interest rate risk exposure

### On Financial Liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	As at	As at
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
Variable rate borrowings	717.49	1,034.59
Fixed rate borrowings	28,793.27	15,236.43
<b>Total borrowings</b>	<b>29,510.76</b>	<b>16,271.02</b>

## (b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

Particulars	Impact on profit before tax		Impact on other components of equity	
	As at	As at	As at	As at
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
Interest expense rates - increase by 50 basis points (50 bps)*	(3.59)	(5.17)	(2.69)	(3.87)
Interest expense rates - decrease by 50 basis points (50 bps)*	3.59	5.17	2.69	3.87

\* Assuming all other variables to be constant

## (iii) Price risk

### (a) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through Profit/Loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company. The Company's Board of Directors reviews and approves all investment decisions.

### (b) Sensitivity

The table below summarises the impact of increases/decreases of the share prices on the Company's equity (before tax)

Particulars	Impact on other components of equity (before tax)	
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
	Share price - Increase 5%*	0.86
Share price - Decrease 5%*	(0.86)	(0.56)

\* Assuming all other variables to be constant.

The table below summarises the impact of increases/decreases of the investment other than share prices on the Company's equity (before tax)

Particulars	Impact on profit before tax	
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
	Investment other than share - Increase 5%*	702.02
Investment other than share - Decrease 7%*	(982.82)	(740.63)

\* Assuming all other variables to be constant.

## (iv) Agricultural Risk

Cultivation of potato seeds and standing crops being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems inherent to remote areas, and fluctuation of selling price of finished goods (potato seeds and standing crops) due to increase in supply/availability.

The Company manages the above financial risks in the following manner:

- Sufficient inventory levels of agro chemicals, fertilisers and other inputs are maintained so that timely corrective action can be taken in case of adverse weather conditions.
- The Company manages this risk by aligning its production to anticipated demand and taking early corrective steps to recognise and dispose excess stocks.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 50: Segment reporting

The Company's operating segments are organised and managed through the respective business managers, according to the nature of products manufactured and sold with each segment representing a strategic business unit. These business units' performance are reviewed by the Board of Directors of the Company (Chief Operating Decision Maker – 'CODM').

The reporting segments of the Company are as below:

- (a) Laminate – Comprises manufacturing and selling of Decorative Laminates, Chemicals (primarily meant for captive consumption), Adhesive and trading of Papers and chemicals.
- (b) Panel Products & Furniture – Comprises manufacturing and selling of Panel Boards and Plywoods.
- (c) Potato Flakes – This segment comprises manufacturing and sale of Potato Flakes and Ready Mixes.
- (d) Others represent all unallocable items not included in segments:
- (e) Geographical segments considered for disclosure are
  - (i) Sales within India
  - (ii) Sales outside India

### Summary of the segmental information for the year ended and as of 31<sup>st</sup> March 2022 is as follows:

Particulars	Laminate	Panel Products and Furniture	Potato Flakes	Other (unallocable)	Elimination	Total
<b>Segment Revenue</b>						
Revenue	132,602.40	30,355.75	6,297.34	10,368.78	-	179,624.27
Inter segment sales	8,382.30				(8,382.30)	-
	<b>140,984.70</b>	<b>30,355.75</b>	<b>6,297.34</b>	<b>10,368.78</b>	<b>(8,382.30)</b>	<b>179,624.27</b>
Segment Results [Profit/(Loss) before interest and tax]	17,683.56	2,410.69	25.51	(1,291.94)	-	18,827.82
Finance cost	887.66	9.13	-	423.13	-	1,319.92
<b>Profit/(Loss) Before Tax</b>	<b>16,795.90</b>	<b>2,401.56</b>	<b>25.51</b>	<b>(1,715.07)</b>	-	<b>17,507.90</b>
Less: Current Tax	-	-	-	4,308.00	-	4,308.00
Less: Deferred Tax	-	-	-	(22.59)	-	(22.59)
<b>Profit after tax</b>	<b>16,795.90</b>	<b>2,401.56</b>	<b>25.51</b>	<b>(6,000.48)</b>	-	<b>13,222.49</b>
Segment Assets	71,577.25	39,933.57	4,242.59	71,144.99	-	186,898.40
Segment Liabilities	20,538.49	6,154.50	1,261.76	42,821.11	-	70,775.86
Segment Capital Expenditure	1,496.59	1,627.15	9.01	2,343.57	-	5,476.32
Segment Depreciation and amortisation	5,100.27	852.59	202.26	125.56	-	6,280.68

### Summary of the segmental information for the year ended and as of 31<sup>st</sup> March 2021 is as follows:

Particulars	Laminate	Panel Products and Furniture	Potato Flakes	Other (unallocable)	Elimination	Total
<b>Segment Revenue</b>						
Revenue	95,094.30	21,813.07	6,879.35	10,099.09	-	133,885.81
Inter segment sales	6,114.67				(6,114.67)	-
	<b>101,208.97</b>	<b>21,813.07</b>	<b>6,879.35</b>	<b>10,099.09</b>	<b>(6,114.67)</b>	<b>133,885.81</b>
Segment Results [Profit/(Loss) before interest and tax]	21,017.10	1,473.17	(766.38)	(2,214.74)	-	19,509.14
Finance cost	1,029.28	5.14	50.40	732.14	-	1,816.96
<b>Profit/(Loss) Before Tax</b>	<b>19,987.82</b>	<b>1,468.03</b>	<b>(816.78)</b>	<b>(2,946.88)</b>	-	<b>17,692.18</b>
Less: Current Tax	-	-	-	4,129.03	-	4,129.03
Less: Deferred Tax	-	-	-	377.32	-	377.32
<b>Profit after tax</b>	<b>19,987.82</b>	<b>1,468.03</b>	<b>(816.78)</b>	<b>(7,453.23)</b>	-	<b>13,185.83</b>
Segment Assets	67,025.14	19,402.59	3,806.31	60,899.92	-	151,133.96
Segment Liabilities	14,073.87	2,567.29	757.58	30,122.70	-	47,521.44
Segment Capital Expenditure	1,888.04	1,009.54	124.78	892.01	-	3,914.37
Segment Depreciation and amortisation	4,497.41	824.93	221.37	124.91	-	5,668.62

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Geographical information

### (a) Revenue from external customers:

Particulars	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Within India	115,897.25	85,776.45
Outside India	53,358.24	38,010.27
	<b>169,255.49</b>	<b>123,786.72</b>

### (b) Carrying amount of segment assets:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Within India	108,123.35	85,395.73
Outside India	7,630.06	4,838.31
	<b>115,753.41</b>	<b>90,234.04</b>

## Entity wide disclosures

Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Group's total revenue during the years ended 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021.

No material property, plant and equipment of the Company (excluding financial assets) are located outside India.

## Note 51: Related parties disclosure

As per Ind AS 24, the disclosure of transactions with the related parties are given below:

### (i) List of related parties where control exists and other related parties with their relationship:

SN	Name	Relationship
<b>(a)</b>	<b>Key Management Personnel (KMP)</b>	
	Mr. Champa Lal Lohia	Executive Chairman (Expired on 3 <sup>rd</sup> April, 2020)
	Mr. Rup Chand Lohia	Executive Chairman (With effect from 1 <sup>st</sup> July, 2020)
	Mr. Prakash Lohia	Managing Director
	Mr. Prasan Lohia	Whole-time Director
	Ms. Ruchira Lohia	Whole-time Director
	Mr. Nripen Dugar	Whole-time Director
	Mr. Bikash Lohia	Whole-time Director
	Mr. Madhusudan Lohia	Whole-time Director
	Mr. Deepak Lohia	Whole-time Director (With effect from 1 <sup>st</sup> December, 2020)
	Mr. Manoj Lohia	Whole-time Director (With effect from 1 <sup>st</sup> December, 2020)
	Mr. Anurag Lohia	Whole-time Director (With effect from 1 <sup>st</sup> December, 2020)
	Mr. Gautam Bhattacharjee	Independent Director
	Mr. Sisir Kumar Chakrabarti	Independent Director (resigned from 30-09-2021)
	Mr. Bama Prasad Mukhopadhyaya	Independent Director
	Mr. Prabal Kumar Sarkar	Independent Director (With effect from 1 <sup>st</sup> December, 2020)
	Mr. Sanjay Banka	Chief Financial Officer (resigned from 15-07-2020)
	Mr. Sachin Selot	Chief Financial Officer (With effect from 11-01-2021)
	Mrs. Vinamrata Agrawal	Company Secretary (resigned from 15-01-2021)
	Mr. Bala Ji	Company Secretary (With effect from 09-07-2021)

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

(b) Relatives of KMP	Relationship	Relatives of KMP	Relationship
Mrs. Tara Devi Lohia	Wife of Mr. Champa Lal Lohia	Mrs. Praveena Lohia	Wife of Mr. Rup Chand Lohia
Ms. Usha Lohia	Daughter of Mr. Champa Lal Lohia	Mrs. Meghna Lohia	Wife of Mr. Prasan Lohia
Mrs. Nayantara Agarwal	Daughter of Mr. Champa Lal Lohia	Mr. Abhiroop Lohia	Son of Mr. Prasan Lohia
Mrs. Asha Mundhra	Daughter of Mr. Champa Lal Lohia	Ms. Anuja Lohia	Daughter of Mr. Prasan Lohia
Mrs. Sita Devi Lohia	Mother of Mr. Prakash Lohia	Mrs. Shashi Lohia	Wife of Mr. Bikash Lohia
Mrs. Uma Singhi	Sister of Mr. Prakash Lohia	Mrs. Vandana Lohia	Wife of Mr. Manoj Lohia
Mrs. Kiran Maheswari	Sister of Mr. Prakash Lohia	Mrs. Mita Lohia	Wife of Mr. Madhusudan Lohia
Mrs. Neera Lohia	Wife of Mr. Prakash Lohia	Mr. Mihir Man Lohia	Son of Mr. Madhusudan Lohia
Mrs. Sheela Lohia	Mother of Ms. Ruchira Lohia	Mrs. Vani Lohia	Daughter of Mr. Madhusudan Lohia
Mrs. Pragya Lohia	Daughter of Mr. Manoj Lohia	Ms. Radhika Lohia	Daughter of Mr. Bikash Lohia
Ms. Prekshi Lohia	Daughter of Mr. Manoj Lohia	Mr. Govind Mundhra	Son in law of Late Champa Lal Lohia
Champa Lal Lohia - HUF	HUF	Mrs. Priyanka Lohia	Wife of Mr. Deepak Lohia
Prakash Lohia - HUF	HUF	Rup Chand Lohia - HUF	HUF
Manoj Lohia - HUF	HUF	Prasan Lohia - HUF	HUF

## (c) Entities over which KMP together with their relatives have significant influence:

Merino Properties Private Limited  
 Merino Consulting Services Limited  
 Kasturi Bai Gopi Babu Cold Storage Private Limited  
 Man Kumar Lohia and Brothers  
 Usha Agro Farm  
 Anupriya Marketing Limited  
 Kay Marketing Services Limited  
 Sri Harakasturi Memorial Trust  
 Sri Man Kumar Lohia Memorial Trust  
 Sri Prem Chand Lohia Memorial Trust  
 Sri Hara Kasturi Trust

Sr. No.	Related Party	Relationship	Outstanding as at 31 <sup>st</sup> March, 2022	Outstanding as at 31 <sup>st</sup> March, 2021	Payable/ receivable/ others	Nature of Transaction	2021-2022	2020-2021
1.	Merino Properties Private Limited	Entities over which KMP together with their relatives have significant influence	-	-	Trade receivables	Revenue from operations	-	0.01
			2,439.00	64.61	Unsecured Loan	Unsecured loan taken	4,295.00	-
			-	-		Unsecured loan repaid	1,856.00	-
			-	-	Trade payables	Interest paid	84.63	-
2.	Merino Consulting Services Limited	Entities over which KMP together with their relatives have significant influence	-	-	Trade payables	Rent, other charges and reimbursement paid	873.93	92.22
			6.87	26.73	Trade payables	Software/Professional charges including prepaid	280.44	725.25
			-	23.77	Other financial assets	Rent, other charges and reimbursement paid	5.72	-
			-	-	Trade payables	Purchase of tangible assets and intangible assets	4.69	-
			2.60	-	Trade receivables	Revenue from operations	23.31	2.21
			-	-	Unsecured Loan	Unsecured loan given*	-	473.30
			-	-		Unsecured loan refunded*	-	2,728.24
-	-		Interest received*	-	240.95			
3.	Kasturibai Gopi Babu Cold Storage Private Limited	Entities over which KMP together with their relatives have significant influence	0.07	0.53	Trade receivables	Revenue from operations	1.22	2.10
			-	-		Sale of tangible assets and intangible assets	1.20	-
			-	-		Purchases/Material consumed	0.29	4.72
			578.47	593.17	Trade payables	Rent, other charges and reimbursement paid	628.81	489.25
			-	-		Dividend paid/payable	4.07	-
			-	-		Issue of 67,800 Equity Shares pursuant to the Scheme of Amalgamation	-	6.78
			-	-	Unsecured Loan	Unsecured loan given*	-	561.48
			-	-		Unsecured loan refunded*	-	1,504.57
-	-		Interest received*	-	118.08			
-	-		Rent, other charges and reimbursement received	-	1.26			
			Guarantee given	1,000.00	-			

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Sr. No.	Related Party	Relationship	Outstanding as at 31 <sup>st</sup> March, 2022	Outstanding as at 31 <sup>st</sup> March, 2021	Payable/receivable/others	Nature of Transaction	2021-2022	2020-2021
4.	Man Kumar Lohia and Brothers	Entities over which KMP together with their relatives have significant influence	0.82	-	Trade Payables	Rent, other charges and reimbursement paid	143.36	144.43
5.	Usha Agro Farm	Entities over which KMP together with their relatives have significant influence	-	-	Trade receivables	Revenue from operations	-	0.16
			1.62	-	Trade payables	Purchases/Material consumed	1.97	12.67
			-	-		Rent, other charges and reimbursement paid	34.95	31.76
			-	-	Unsecured Loan*	Unsecured loan given*	-	1.00
			-	-		Unsecured loan refund*	-	1.00
			-	-		Interest received*	-	0.03
6.	Sri Hara Kasturi Memorial Trust	Entities over which KMP together with their relatives have significant influence	8.16	5.00	Trade receivables	Revenue from operations	12.91	6.12
			-	-		Sale of tangible assets	0.02	0.35
			-	-		Rent, other charges and reimbursement received	-	1.06
			0.08	-	Trade payables	Rent, other charges and reimbursement paid	0.28	-
			-	-		Donation for corporate social responsibility expenses	312.00	332.00
7.	Sri Man Kumar Lohia Memorial trust	Entities over which KMP together with their relatives have significant influence	0.94	0.94	Trade receivables	Revenue from operations	-	1.33
			-	0.74	Trade payables	Rent, other charges and reimbursement paid	-	0.74
			-	-		Donation for corporate social responsibility expenses	-	25.00
8.	Sri Premchand Lohia Memorial Trust	Entities over which KMP together with their relatives have significant influence	2.79	0.23	Trade receivables	Revenue from operations	2.98	0.20
			0.68	0.10	Trade payables	Rent, other charges and reimbursement paid	-	2.28
			-	-		Purchases/Material consumed	4.50	0.20
			-	-		Donation for corporate social responsibility expenses	-	34.00
9.	Anupriya Marketing Limited	Entities over which KMP together with their relatives have significant influence	38.96	101.01	Trade payables	Marketing service provider fees	360.87	302.48
10.	Kay Marketing Services Limited	Entities over which KMP together with their relatives have significant influence	20.34	17.17	Trade payables	Marketing service provider fees	64.83	41.11
11.	Shri Champa Lal Lohia	KMP	-	-	-	Directors' remuneration	-	1.83
			-	-	-	Dividend paid/payable	76.57	-
			-	-	-	Issue of 907,691 Equity Shares pursuant to the Scheme of Amalgamation	-	90.77
			-	-	Unsecured Loan*	Unsecured loan taken*	-	29.75
			-	-		Unsecured loan repaid*	-	91.83
			-	-		Interest paid*	-	10.31
12.	Shri Rup Chand Lohia	KMP	2.10	-	Advances recoverable**	Directors' remuneration	135.93	105.71
			-	-	-	Issue of 680,290 Equity Shares pursuant to the Scheme of Amalgamation	-	68.03
			-	-	Unsecured Loan*	Unsecured loan taken *	-	58.00
			-	-		Unsecured loan repaid*	-	100.38
			-	-		Interest paid*	-	8.63
			-	-	-	Dividend paid/payable	53.12	-
13.	Shri Prakash Lohia	KMP	5.70	-	Advances recoverable**	Directors' remuneration	218.37	152.02
			-	-	-	Dividend paid/payable	71.30	-
			-	-	-	Issue of 621,982 Equity Shares pursuant to the Scheme of Amalgamation	-	62.20
			-	-	Unsecured Loan*	Unsecured loan taken *	-	78.00
			-	-		Unsecured loan repaid*	-	118.26
			-	-		Interest paid*	-	10.74

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Sr. No.	Related Party	Relationship	Outstanding as at 31 <sup>st</sup> March, 2022	Outstanding as at 31 <sup>st</sup> March, 2021	Payable/ receivable/ others	Nature of Transaction	2021-2022	2020-2021
14.	Shri Bikash Lohia	KMP	4.40	-	Advances recoverable**	Directors' remuneration	186.24	155.07
			-	-	-	Dividend paid/payable	23.25	-
			-	-	Trade payables	Rent Paid	10.25	9.60
			-	-	-	Revenue from Operations	0.35	0.40
			-	-	-	Issue of 146,528 Equity Shares pursuant to the Scheme of Amalgamation	-	14.65
			-	-	Unsecured Loan*	Unsecured loan taken *	-	57.50
15.	Shri Prasan Lohia	KMP	3.40	-	Advances recoverable**	Directors' remuneration	161.97	129.21
			-	-	-	Dividend paid/payable	20.83	-
			-	-	Unsecured Loan*	Issue of 173,523 Equity Shares pursuant to the Scheme of Amalgamation	-	17.35
			-	-	-	Unsecured loan taken *	-	20.50
			-	-	-	Unsecured loan repaid*	-	20.81
			-	-	-	Interest paid*	-	0.46
16.	Ms. Ruchira Lohia	KMP	3.40	-	Advances recoverable**	Directors' remuneration	162.64	129.26
			-	-	-	Dividend paid/payable	43.93	-
			-	-	-	Purchase of tangible assets - Land	36.00	-
			-	-	-	Revenue from operations	0.11	-
			-	-	-	Issue of 223,570 Equity Shares pursuant to the Scheme of Amalgamation	-	22.36
			-	-	Unsecured Loan*	Unsecured loan taken *	-	73.50
17.	Shri Madhusudan Lohia	KMP	4.20	-	Advances recoverable**	Directors' remuneration	179.81	125.53
			-	-	-	Dividend paid/payable	59.72	-
			-	-	Trade payables	Rent Paid	7.63	7.15
			-	-	-	Revenue from Operations	1.21	5.85
			-	-	-	Issue of 273,664 Equity Shares pursuant to the Scheme of Amalgamation	-	27.37
			-	-	Unsecured Loan*	Unsecured loan taken *	-	203.50
18.	Shri Nripen Dugar	KMP	-	-	-	Unsecured loan repaid*	-	262.40
			-	-	-	Interest paid*	-	9.11
			-	-	-	Directors' remuneration	59.63	54.57
			-	-	-	Dividend paid/payable	0.04	-
			-	-	-	Salary	-	22.77
			-	-	-	Salary	97.74	19.66
19.	Shri Sanjay Banka	Chief Financial Officer	-	-	-	Salary	-	22.77
			-	-	-	Salary	-	5.75
20.	Shri Sachin Selot	Chief Financial Officer	-	-	-	Salary	-	5.75
			-	-	-	Salary	-	5.75
21.	Mrs. Vinamrata Agrawal	KMP	-	-	-	Salary	-	5.75
			-	-	-	Salary	-	5.75
22.	Shri Bala Ji	KMP	-	-	-	Salary	15.10	-
			-	-	-	Salary	15.10	-
23.	Mrs. Tara Devi Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	24.38	-
			-	-	Trade payables	Rent, other charges and reimbursement paid	2.10	2.10
			-	-	-	Issue of 165,185 Equity Shares pursuant to the Scheme of Amalgamation	-	16.52
			-	-	Unsecured Loan*	Unsecured loan taken *	-	568.50
			-	-	-	Unsecured loan repaid*	-	793.23
			-	-	-	Interest paid*	-	46.78

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Sr. No.	Related Party	Relationship	Outstanding as at 31 <sup>st</sup> March, 2022	Outstanding as at 31 <sup>st</sup> March, 2021	Payable/receivable/others	Nature of Transaction	2021-2022	2020-2021
24.	Shri Deepak Lohia	Whole-time Director (With effect from 1 <sup>st</sup> December, 2020)	-	-	-	Dividend paid/payable	22.18	-
			-	-	-	Salary	-	126.46
			13.20	-	Advances recoverable**	Directors' remuneration	232.69	68.95
			-	-	Trade payables	Rent paid	15.83	14.68
			-	-	-	Revenue from operations	0.05	0.06
			-	-	-	Issue of 134,484 Equity Shares pursuant to the Scheme of Amalgamation	-	13.45
			-	-	Unsecured Loan*	Unsecured loan taken *	-	90.17
			-	-	-	Unsecured loan repaid*	-	558.77
25.	Mrs. Shashi Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	1.23	-
			-	-	-	Rent, other charges and reimbursement paid	1.68	1.68
			-	-	-	Issue of 20,505 Equity Shares pursuant to the Scheme of Amalgamation	-	2.05
			-	-	Unsecured Loan*	Unsecured loan taken *	-	-
			-	-	-	Unsecured loan repaid*	-	15.76
26.	Ms. Usha Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	12.20	-
			-	-	-	Issue of 43,392 Equity Shares pursuant to the Scheme of Amalgamation	-	4.34
			-	-	Unsecured Loan*	Unsecured loan taken *	-	7.25
			-	-	-	Unsecured loan repaid*	-	233.54
27.	Mrs. Nayantara Agarwal	Relatives of KMP	-	-	-	Dividend paid/payable	4.87	-
			-	-	-	Rent paid	3.77	3.43
			-	-	-	Issue of 1,118 Equity Shares pursuant to the Scheme of Amalgamation	-	0.11
			587.12	587.12	Unsecured Loan*	Unsecured loan taken *	-	6.00
			60.20	-	Interest accrued but not due	Unsecured loan repaid*	-	24.04
28.	Mrs. Asha Mundhra	Relatives of KMP	-	-	-	Dividend paid/payable	4.80	-
			-	-	-	Rent paid	2.90	2.63
			-	-	-	Issue of 68 Equity Shares pursuant to the Scheme of Amalgamation	-	0.01
			-	-	Unsecured Loan*	Unsecured loan taken *	-	-
29.	Shri Anurag Lohia	Whole-time Director (With effect from 1 <sup>st</sup> December, 2020)	-	-	-	Unsecured loan repaid*	-	0.68
			-	-	-	Interest paid*	-	0.08
			1.60	-	Advances recoverable**	Rent paid	3.50	1.59
			-	-	-	Salary	-	61.56
			-	-	-	Directors' remuneration	112.63	33.57
			-	-	-	Dividend Paid	18.04	-
			-	-	-	Issue of 678 Equity Shares pursuant to the Scheme of Amalgamation	-	0.07
			-	-	Unsecured Loan*	Unsecured loan taken *	-	50.09
30.	Mrs. Sita Devi Lohia	Relatives of KMP	-	-	-	Unsecured loan repaid*	-	75.89
			-	-	-	Interest paid*	-	6.15
			-	-	Unsecured Loan*	Dividend paid/payable	16.61	-
			-	-	-	Issue of 113,495 Equity Shares pursuant to the Scheme of Amalgamation	-	11.35
31.	Mrs. Uma Singhi	Relatives of KMP	-	-	-	Unsecured loan taken *	-	5.75
			-	-	-	Unsecured loan repaid*	-	307.28
			-	-	-	Interest paid*	-	29.44
			-	-	-	Dividend paid/payable	4.80	-
			-	-	-	Rent paid	3.73	3.39
32.	Mrs. Kiran Maheswari	Relatives of KMP	-	-	-	Issue of 68 Equity Shares pursuant to the Scheme of Amalgamation	-	0.01
			-	-	Unsecured Loan*	Unsecured loan repaid*	-	3.53
			-	-	Trade Payables	Interest paid*	-	0.43
			-	-	-	Rent, other charges and reimbursement paid	11.61	11.14



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Sr. No.	Related Party	Relationship	Outstanding as at 31 <sup>st</sup> March, 2022	Outstanding as at 31 <sup>st</sup> March, 2021	Payable/ receivable/ others	Nature of Transaction	2021-2022	2020-2021
33.	Mrs. Neera Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	27.50	-
			-	-	Trade Payables	Rent paid	6.92	6.92
			-	-	-	Issue of 159,552 Equity Shares pursuant to the Scheme of Amalgamation	-	15.96
			-	-	Unsecured Loan*	Unsecured loan taken *	-	75.25
					Unsecured loan repaid*	-	259.02	
					Interest paid*	-	26.98	
34.	Mrs. Mita Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	0.01	-
			-	-	Trade Payables	Rent paid	14.56	14.09
			-	-	-	Issue of 68 Equity Shares pursuant to the Scheme of Amalgamation	-	0.01
			-	-	Unsecured Loan*	Unsecured loan taken *	-	38.75
					Unsecured loan repaid*	-	181.86	
					Interest paid*	-	20.01	
35.	Mr. Mihir Man Lohia	Relatives of KMP	-	-	-	Issue of 3,390 Equity Shares pursuant to the Scheme of Amalgamation	-	0.34
			-	-	-	Dividend paid/payable	0.20	-
			-	-	Unsecured Loan*	Unsecured loan repaid*	-	2.59
			-	-	-	Interest paid*	-	0.31
36.	Ms. Vani Lohia	Relatives of KMP	-	-	-	Issue of 3,390 Equity Shares pursuant to the Scheme of Amalgamation	-	0.34
			-	-	-	Dividend paid/payable	0.20	-
			-	-	Unsecured Loan*	Unsecured loan repaid*	-	2.78
			-	-	-	Interest paid*	-	0.33
37.	Mrs. Sheela Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	17.84	-
			-	-	-	Issue of 179,893 Equity Shares pursuant to the Scheme of Amalgamation	-	17.99
			-	-	Unsecured Loan*	Unsecured loan taken *	-	4.75
			-	-	-	Unsecured loan repaid*	-	260.48
					Interest paid*	-	30.08	
38.	Mrs. Praveena Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	15.26	-
			-	-	-	Issue of 74,612 Equity Shares pursuant to the Scheme of Amalgamation	-	7.46
			-	-	Unsecured Loan*	Unsecured loan taken *	-	16.50
			-	-	-	Unsecured loan repaid*	-	43.46
					Interest paid*	-	4.20	
39.	Mrs. Meghna Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	16.42	-
			-	-	-	Issue of 9,186 Equity Shares pursuant to the Scheme of Amalgamation	-	0.92
			-	-	Unsecured Loan*	Unsecured loan taken *	-	9.00
			-	-	-	Unsecured loan repaid*	-	14.12
					Interest paid*	-	0.70	
40.	Shri Manoj Lohia	Whole-time Director (With effect from 1 <sup>st</sup> December, 2020)	-	-	-	Dividend paid/payable	20.95	-
			-	-	-	Salary	-	85.05
			3.40	-	Advances recoverable**	Directors' Remuneration/benefits	158.20	54.80
			-	-	-	Issue of 135,000 Equity Shares pursuant to the Scheme of Amalgamation	-	13.50
			-	-	Unsecured Loan*	Unsecured loan taken *	-	40.25
			-	-	-	Unsecured loan repaid*	-	290.96
					Interest paid*	-	8.48	
41.	Shri Abhiroop Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	12.11	-
			-	-	-	Issue of 1,763 Equity Shares pursuant to the Scheme of Amalgamation	-	0.18
			-	-	Unsecured Loan*	Unsecured loan taken *	-	7.00
			-	-	-	Unsecured loan repaid*	-	7.75
					Interest paid*	-	0.43	
42.	Ms. Anuja Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	3.17	-
			-	-	-	Issue of 2,915 Equity Shares pursuant to the Scheme of Amalgamation	-	0.29
			-	-	Unsecured Loan*	Unsecured loan taken *	-	1.75
			-	-	-	Unsecured loan repaid*	-	10.46
					Interest paid*	-	0.39	

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

Sr. No.	Related Party	Relationship	Outstanding as at 31 <sup>st</sup> March, 2022	Outstanding as at 31 <sup>st</sup> March, 2021	Payable/ receivable/ others	Nature of Transaction	2021-2022	2020-2021
43.	Mrs. Vandana Lohia	Relatives of KMP	-	-	-	Issue of 44,282 Equity Shares pursuant to the Scheme of Amalgamation	-	4.43
			-	-	-	Dividend paid/payable	20.55	-
			-	-	Unsecured Loan*	Unsecured loan taken *	-	134.25
			-	-	-	Unsecured loan repaid*	-	134.47
			-	-	-	Interest paid*	-	11.71
44.	Ms. Pragya Lohia	Relatives of KMP	-	-	-	Issue of 4,000 Equity Shares pursuant to the Scheme of Amalgamation	-	0.40
			-	-	-	Dividend paid/payable	5.31	-
			-	-	Unsecured Loan*	Unsecured loan taken *	-	48.50
			-	-	-	Unsecured loan repaid*	-	51.87
			-	-	-	Interest paid*	-	4.57
45.	Ms. Prekshi Lohia	Relatives of KMP	-	-	-	Issue of 4,000 Equity Shares pursuant to the Scheme of Amalgamation	-	0.40
			-	-	-	Dividend paid/payable	5.04	-
			-	-	Unsecured Loan*	Unsecured loan taken *	-	21.50
			-	-	-	Unsecured loan repaid*	-	35.85
			-	-	-	Interest paid*	-	3.68
46.	Ms. Radhika Lohia	Relatives of KMP	-	-	-	Issue of 678 Equity Shares pursuant to the Scheme of Amalgamation	-	0.07
			-	-	-	Dividend paid/payable	12.04	-
			-	-	Unsecured Loan*	Unsecured loan taken *	-	7.00
			-	-	-	Unsecured loan repaid*	-	10.86
			-	-	-	Interest paid*	-	0.92
47.	Mrs. Priyanka Lohia	Relatives of KMP	-	-	-	Dividend paid/payable	18.00	-
48.	Champa Lal Lohia - HUF	HUF	-	-	-	Issue of 68 Equity Shares pursuant to the Scheme of Amalgamation	-	0.01
			-	-	Unsecured Loan*	Unsecured loan repaid*	-	6.70
			-	-	-	Interest paid*	-	0.81
49.	Rup Chand Lohia - HUF	HUF	-	-	-	Issue of 68 Equity Shares pursuant to the Scheme of Amalgamation	-	0.01
			-	-	Unsecured Loan*	Unsecured loan repaid*	-	15.19
			-	-	-	Interest paid*	-	1.83
50.	Prakash Lohia - HUF	HUF	-	-	-	Issue of 68 Equity Shares pursuant to the Scheme of Amalgamation	-	0.01
			-	-	Unsecured Loan*	Unsecured loan repaid*	-	11.06
			-	-	-	Interest paid*	-	1.33
51.	Prasan Lohia - HUF	HUF	-	-	-	Issue of 68 Equity Shares pursuant to the Scheme of Amalgamation	-	0.01
52.	Manoj Lohia - HUF	HUF	-	-	-	Issue of 68 Equity Shares pursuant to the Scheme of Amalgamation	-	0.01
53.	Mr. Gautam Bhattacharjee	Independent Director	0.20	-	Sitting fee payable	Sitting Fees	1.50	2.40
54.	Mr. Sisir Kumar Chakrabarti	Independent Director	-	-	-	Sitting Fees	0.70	2.40
55.	Mr. Bama Prasad Mukhopadhaya	Independent Director	-	-	-	Sitting Fees	1.00	2.40
56.	Mr. Prabal Kumar Sarkar	Independent Director	-	-	-	Sitting Fees	0.70	0.50

## Compensation to KMP other than Independent Directors

	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Short-term employee benefits	1,716.75	1,326.87
Post-employment benefits	4.20	4.90
<b>Total compensation</b>	<b>1,720.95</b>	<b>1,331.77</b>

\* Represents transactions due to Business Combination as per NCLT order.

\*\* Advances recoverable pertains to TDS deducted at year end pending to be recovered.

\*\*\* Transactions are inclusive of GST, wherever applicable.



# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 52: Additional regulatory information required by Schedule III of Companies Act, 2013

- (i) Details of Benami property: Company don't have any Benami properties, further there is no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ii) The company has no transactions with any struck off company under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year 2021-2022 & 2020-2021.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous financial year.
- (iv) (1) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (2) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party)with the understanding (whether recorded in writing or otherwise)that the company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Company has not made any investment therefore requirements prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company.
- (vii) The National Company Law Tribunal Kolkata bench, (NCLT) vide order dated September 29, 2020 as amended on October 13, 2020 sanctioned the Scheme of Amalgamation of Merino Panel Products Limited , Residual business of Merino Services Limited and Residual Business of Merino Exports Private Limited with the Company under section 230 to 232 of the Companies Act, 2013 from the appointed date i.e. April 01, 2019. The Scheme became effective on March 01, 2021 and impact of the scheme has been considered during the year ended March 31, 2020. The scheme of arrangement sanctioned by the competent authority under the prevalent laws were in accordance with the Ind AS 103 – Business Combinations using Pooling of Interest Method. The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (viii) The Company do not have any Property, plant and equipment to be classified as investment property.
- (ix) The company has not been declared as wilful defaulter by any bank or financial institution or any other lender.
- (x) The borrowings obtained by the company from banks have been applied for the purposes for which such loans were taken. In respect of the term loans which were taken in the previous year, those were applied in the respective year for the purpose for which the loans were obtained.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 53: Summary of reconciliation between the books of accounts and quarterly returns or statements filed with the banks is as below:

Quarter ended for FY 2021-22	Particulars	As per bank statement	As per balance sheet	Short/ (Excess)	Reasons
30 <sup>th</sup> June 2021	Stock	32,272.00	32,283.32	11.32	Immaterial differences
31 <sup>st</sup> March 2022	Stock	35,620.91	44,567.83	8,946.92	1. Goods in transit accounted at the year end 2. Stock valuation impact in compliance of applicable Indian Accounting Standards.
	Debtors	21,972.67	13,994.51	(7,978.16)	1. Debtors reversed due to reversal of sales in compliance of applicable Indian Accounting Standards. 2. Subsequent scheme credits passed on to customer. 3. Provisions & written off bad debtors. 4. Effect of Forex gain/loss on restatement of foreign customer.
	Creditors	16,690.02	20,767.86	4,077.84	1. Creditors advances were not considered. 2. Booking of Goods in transit at the year end. 3. Booking of expenses in compliance of accrual accounting concepts.
Quarter ended for FY 2020-21	Particulars	As per bank statement	As per balance sheet	Short/ (Excess)	Reasons
30 <sup>th</sup> June 2020	Debtors	15,289.64	14,657.65	(631.99)	1. Posting of collection entries after submission of bank return due to COVID 1 <sup>st</sup> wave. 2. Provisions & written off bad debtors. 3. Trade receivable restated on account of channel financing. 4. Effect of Forex gain/loss on restatement of foreign customer.
30 <sup>th</sup> September 2020	Debtors	17,865.68	17,863.72	(1.96)	1. Cross charge entries in compliance of GST law. 2. Provisions & written off bad debtors. 3. Trade receivable restated on account of channel financing. 4. Effect of Forex gain/loss on restatement of foreign customer.
31 <sup>st</sup> December 2020	Debtors	19,423.51	19,334.79	(88.72)	Immaterial differences
31 <sup>st</sup> March 2021	Stock	28,224.31	35,261.78	7,037.47	1. Goods in transit accounted at the year end 2. Stock valuation impact in compliance of applicable Indian Accounting Standards.
	Debtors	17,723.23	13,500.47	(4,222.76)	1. Debtors reversed due to reversal of sales in compliance of applicable Indian Accounting Standards. 2. Subsequent scheme credits passed on to customer. 3. Provisions & written off bad debtors. 4. Effect of Forex gain/loss on restatement of foreign customer.
	Creditors	11,753.00	18,019.25	6,266.25	1. Booking of Goods in transit at the year end. 2. Booking of expenses in compliance of accrual accounting concepts.

## Note 54: Disclosure as per section 186(4) of Companies Act, 2013

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Guarantee given in mode of fixed deposits in favor of Axis Bank to M/s Kasturi Bai Gopi Babu Cold Storage private Limited	1,000.00	-

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 55: Financial Ratios

SN	Ratio	Numerator	Denominator	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	Variance	Reasons
1.	Current Ratio (in times)	Current assets	Current liabilities	1.39	1.61	-13.49%	
2.	Debt Equity Ratio (in times)	Debt consists of borrowing & lease liabilities	Shareholder's equity	0.28	0.17	67.11%	Increase in short term & long term borrowings
3.	Debt Service Coverage Ratio (in times)	Earning available for debt service= Profit after Tax + Finance cost + Depreciation & amortisation + Loss on sale/disposal of property, plant and equipment	Debt service= Interest + Lease payment + Repayment of long term bank borrowings	4.67	4.04	15.59%	
4.	Return on Equity Ratio (in %)	Net Profit after taxes	Average shareholder's equity	12.03%	13.60%	-11.53%	
5.	Inventory turnover Ratio (in days)	Cost of goods sold	Average inventory	150	223	-32.65%	Increase in sales improved the Inventory turnover ratio
6.	Trade Receivable Turnover Ratio (in days)	Net Revenue from operations - Export incentives	Average trade receivable	33	47	-28.80%	Decrease in credit period improved debtor turnover
7.	Trade Payable Turnover Ratio (in days)	Purchases + Other expenses	Average trade payable	56	79	-29.29%	Excess credit availed during Covid First wave during the year 2020-21
8.	Net Capital turnover Ratio (in times)	Net Revenue from operations- Export incentives	Average working capital	7.28	4.49	62.35%	Reduction in debtors credit period & inventory improved net capital turnover ratio
9.	Net Profit Margin (in %)	Net Profit after taxes	Net Revenue from operations - Export incentives	7.58%	10.22%	-25.86%	Decrease in net profit due to increase in raw material cost & ocean freight.
10.	Return on Capital Employed (in %)	Profit before tax and finance costs	Capital employed = Shareholder's equity + Total Borrowings + Deferred Tax Liability	12.69%	15.90%	-20.21%	
11.	Return on Investment (in %)	Fair valuation + Net gain/ (loss) on sale+ interest income+ dividend income	Average Investment funds	6.32%	8.18%	-22.69%	

## Note 56: COVID-19

The Company has considered the possible effects that may have resulted from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, tangible assets, intangible assets and investments. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. Based on current estimate the Company expects the carrying amount of these assets will be recovered.

# Notes to the Financial Statements

(Rupees in Lakhs, unless otherwise stated)

## Note 57: Proposed Dividend

The Board of directors has recommended dividend of ₹ 9\* (Previous Year: ₹ 6\*) per equity share aggregating ₹ 1,006.08 (Previous Year: ₹ 670.72) for the financial year ended March 31, 2022 and same is subject to approval of shareholders at the ensuing Annual General Meeting.

\* Amount in absolute terms.

## Note 58: Previous year's figures

Previous year's figures have been regrouped/rearranged wherever necessary.

General information and Significant Accounting Policies are given in notes numbered 1 and 2. The accompanying notes numbered 1 to 58 are an integral part of the Financial Statements.

As per our report of even date attached.

For **Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

**B.L. Choraria**

Partner

Membership Number: 022973

Place: Noida (Delhi NCR)

Date: 17<sup>th</sup> August, 2022

For and on behalf of the Board of Directors of Merino Industries Limited

**Rup Chand Lohia**

Executive Chairman

DIN: 00063290

Place: Bangalore

**Sachin Selot**

Chief Financial Officer

Place: New Delhi

Date: 17<sup>th</sup> August, 2022

**Prakash Lohia**

Managing Director

DIN: 00063274

Place: Hapur (U.P)

**Bala Ji**

Company Secretary

M. No.: F9919

Place: New Delhi



## OPERATING RESULTS FOR TEN YEARS AT A GLANCE

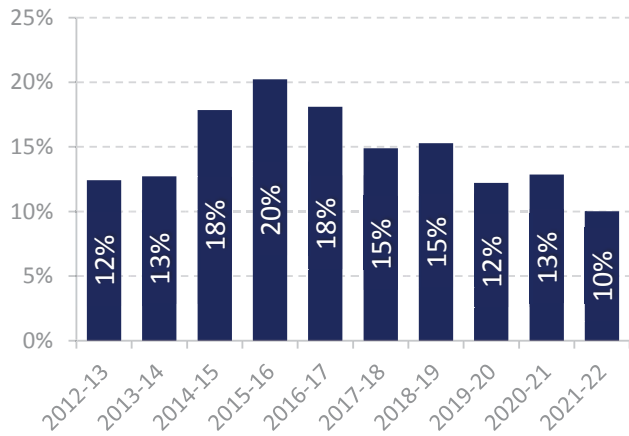
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	(₹ Lakhs)									
	As per Ind As									
Gross income	51108.91	60467.90	68550.14	71169.66	77827.95	82399.43	98997.81	149221.98	133885.81	<b>179624.27</b>
Gross expenditure	45524.11	54190.59	58942.25	59415.61	64359.37	68792.26	82942.63	125326.91	108708.04	<b>154515.77</b>
Finance Costs	1399.33	1293.50	1365.19	1339.85	1074.86	1368.76	1467.95	2100.31	1816.97	<b>1319.92</b>
<b>Operating profit</b>	<b>4185.47</b>	<b>4983.81</b>	<b>8242.70</b>	<b>10414.20</b>	<b>12393.72</b>	<b>12238.41</b>	<b>14587.23</b>	<b>21794.76</b>	<b>23360.80</b>	<b>23788.58</b>
Depreciation	1360.55	1458.24	1605.20	1673.38	2054.76	2754.39	2927.95	5878.49	5668.62	<b>6280.68</b>
<b>Profit before tax and extraordinary item</b>	<b>2824.92</b>	<b>3525.57</b>	<b>6637.50</b>	<b>8740.82</b>	<b>10338.96</b>	<b>9484.02</b>	<b>11659.28</b>	<b>15916.27</b>	<b>17692.18</b>	<b>17507.90</b>
Extraordinary Item	-	-	-	-	-	-	-	-	-	-
Tax - Current tax	715.00	1234.61	2080.19	2602.16	2255.28	2260.93	3246.64	4192.57	4129.03	<b>4308.00</b>
-Deferred Tax Charge / (Credit)	113.80	96.02	283.36	232.54	552.64	472.04	(176.03)	(1219.79)	377.32	<b>(22.59)</b>
<b>Profit after tax</b>	<b>1996.12</b>	<b>2194.94</b>	<b>4273.95</b>	<b>5906.12</b>	<b>7531.04</b>	<b>6751.05</b>	<b>8588.67</b>	<b>12943.49</b>	<b>13185.83</b>	<b>13222.49</b>
Dividend (including tax)	155.54	166.12	170.68	404.91	404.91	404.91	405.32	663.43	-	<b>670.72</b>
<b>Retained Profits</b>	<b>1840.58</b>	<b>2028.82</b>	<b>4103.27</b>	<b>5501.21</b>	<b>7126.13</b>	<b>6346.14</b>	<b>8183.35</b>	<b>12280.06</b>	<b>13185.83</b>	<b>12551.77</b>
<b>Earnings per share (₹)</b>	<b>19.25</b>	<b>21.17</b>	<b>41.22</b>	<b>56.96</b>	<b>72.63</b>	<b>65.10</b>	<b>82.83</b>	<b>115.78</b>	<b>117.95</b>	<b>118.28</b>

\* Considering the impact of Business Combination from 1<sup>st</sup> April, 2019

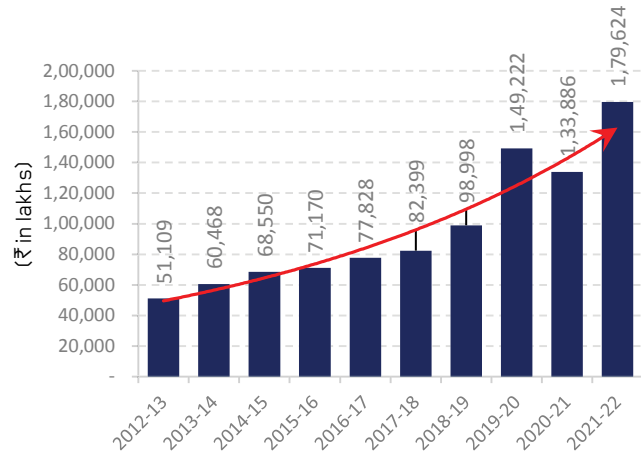
## YEAR-END FINANCIAL POSITION FOR TEN YEARS AT A GLANCE

	31.03.2013	31.03.2014	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	31-03-2021	31-03-2022
	(₹ Lakhs)									
	As per Ind AS									
<b>SOURCES OF FUNDS</b>										
Share capital	1047.03	1047.03	1047.03	1047.03	1047.03	1047.03	1047.03	708.32	1127.94	<b>1127.94</b>
Reserves and surplus	10958.42	12983.45	17038.27	23367.37	30819.92	37467.26	47587.21	89537.25	102484.58	<b>114994.59</b>
<b>Shareholder's fund</b>	<b>12005.45</b>	<b>14030.48</b>	<b>18085.30</b>	<b>24414.40</b>	<b>31866.95</b>	<b>38514.29</b>	<b>48634.24</b>	<b>90245.57</b>	<b>103612.52</b>	<b>116122.53</b>
Long term loan	2309.14	2741.09	2116.00	2372.38	4995.56	2916.69	1648.11	6600.61	3871.05	<b>6576.36</b>
Bank borrowings	7732.26	6511.37	8065.24	8399.79	5822.55	8894.22	7139.53	6944.96	11812.85	<b>7909.96</b>
Short term loan from banks	3678.93	4095.07	4883.01	3400.00	4500.00	4000.00	7000.00	4500.00	-	<b>11,998.32</b>
Short term loan from Others	-	-	-	-	-	-	-	3388.38	587.12	<b>3026.12</b>
<b>Loan funds</b>	<b>13720.33</b>	<b>13347.53</b>	<b>15064.25</b>	<b>14172.17</b>	<b>15318.11</b>	<b>15810.91</b>	<b>15787.64</b>	<b>21433.95</b>	<b>16271.02</b>	<b>29510.76</b>
Deferred tax liability(net)	742.30	838.32	1121.67	1650.16	2299.47	2875.23	3286.65	2369.08	2815.87	<b>2779.23</b>
<b>Funds available</b>	<b>26468.08</b>	<b>28216.33</b>	<b>34271.22</b>	<b>40236.73</b>	<b>49484.53</b>	<b>57200.43</b>	<b>67708.53</b>	<b>114048.60</b>	<b>122699.41</b>	<b>148412.52</b>
<b>APPLICATION OF FUNDS</b>										
Fixed assets	21726.63	22874.12	26993.74	20412.25	29303.84	34668.47	42429.94	71968.03	74815.48	<b>98306.57</b>
Depreciation	8565.22	9837.35	11072.96	-	2049.66	4667.22	7552.45	16424.63	21732.12	<b>27524.82</b>
<b>Fixed asstes ( net )</b>	<b>13161.41</b>	<b>13036.77</b>	<b>15920.78</b>	<b>20412.25</b>	<b>27254.18</b>	<b>30001.25</b>	<b>34877.49</b>	<b>55543.40</b>	<b>53083.36</b>	<b>70781.74</b>
Investments	152.82	152.82	152.82	1385.97	1813.96	2185.00	4724.49	12836.71	38220.06	<b>36674.50</b>
<b>Net Other Assets</b>	<b>13153.85</b>	<b>15026.74</b>	<b>18197.62</b>	<b>18438.51</b>	<b>20416.39</b>	<b>25014.18</b>	<b>28106.55</b>	<b>45668.49</b>	<b>31395.99</b>	<b>40956.28</b>
<b>Funds employed</b>	<b>26468.08</b>	<b>28216.33</b>	<b>34271.22</b>	<b>40236.73</b>	<b>49484.53</b>	<b>57200.43</b>	<b>67708.53</b>	<b>114048.60</b>	<b>122699.41</b>	<b>148412.52</b>

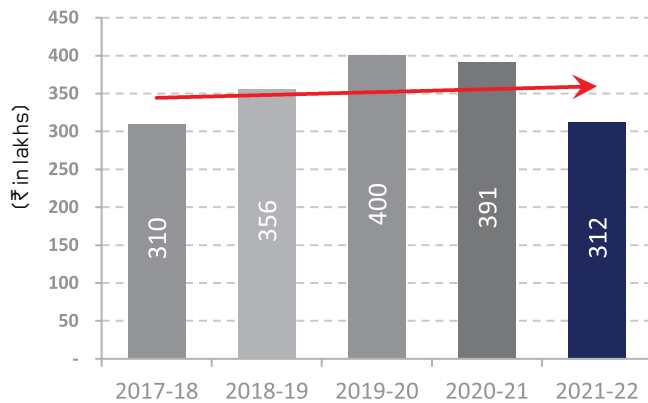
## Return of Total Asset



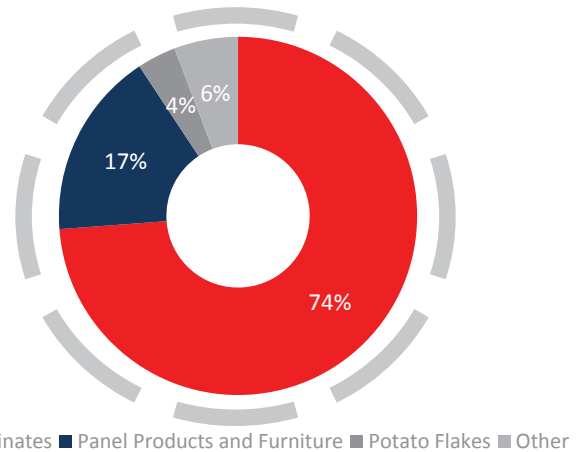
## Gross Income



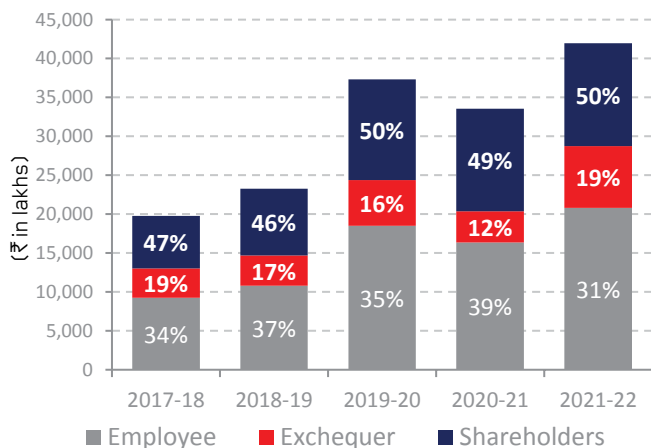
## Group CSR Expenditure



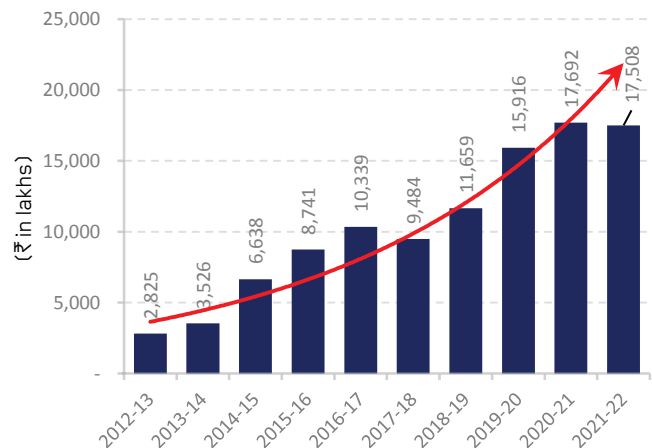
## Group Segment Revenue



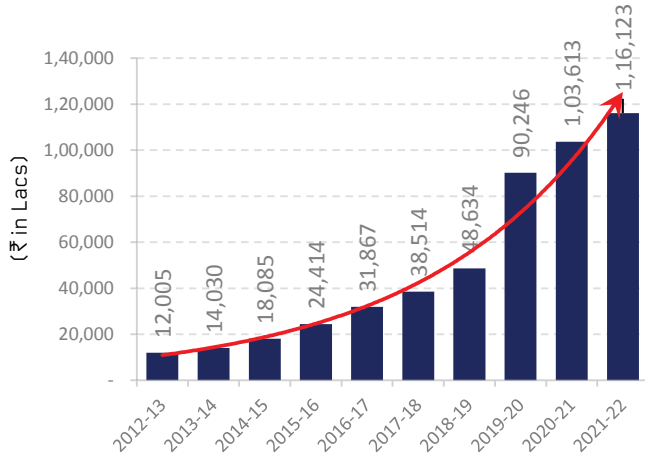
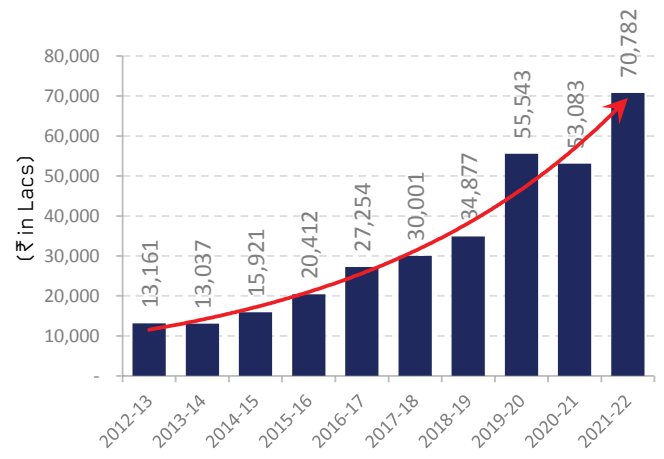
## Distribution of Value Added

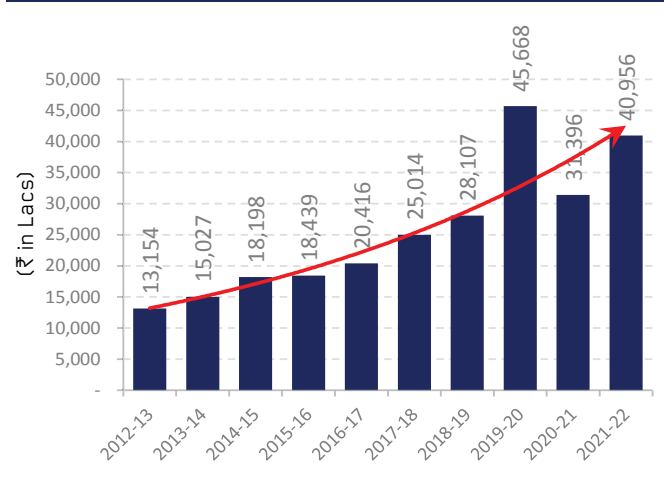
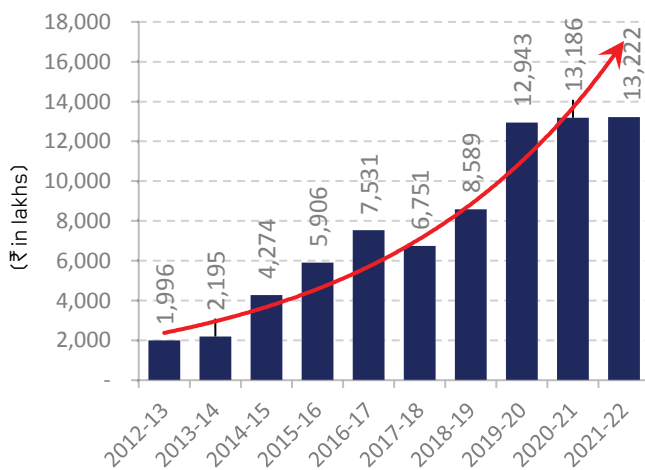
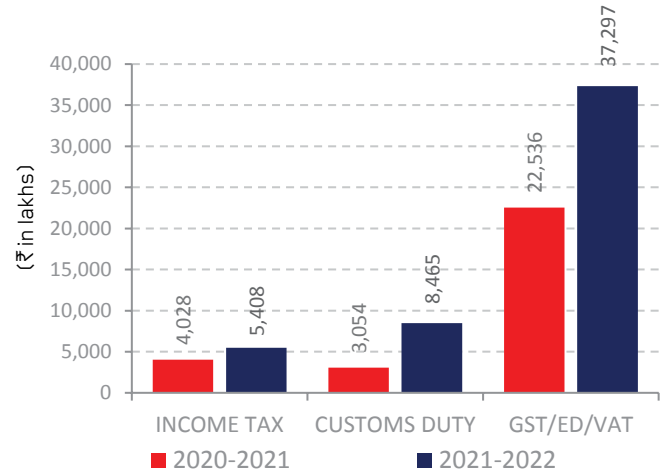


## Profit Before Tax





**Shareholders' Equity**

**Property, Plant & Equipment**

**Net Funds Employed**

**Net Current Assets**

**Profit After Tax**

**Group Contribution to Exchequer (Gross)**




## 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: [balaji@merinoindia.com](mailto:balaji@merinoindia.com)

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

## NOTICE

### TO THE MEMBERS,

**NOTICE** is hereby given that the 57<sup>th</sup> Annual General Meeting ("AGM") of the members of Merino Industries Limited will be held on **Friday, the 30<sup>th</sup> day of September, 2022 at 11:30 a.m.** through Video Conference (VC) / Other Audio-Visual Means (OAVM) facility at the Registered Office at 5, Alexandra Court, 60/1, Chowringhee Road, Kolkata-700020 to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the reports of the Board of Directors ("the Board") and auditors thereon.
- To declare dividend of ₹ 9.00 per equity share for the financial year ended on 31<sup>st</sup> March, 2022.
- To appoint a Director in place of Shri Manoj Lohia (DIN 00127775), who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri Deepak Lohia (DIN: 00154027), who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri Anurag Lohia (DIN: 08332261), who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint Statutory Auditors of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting ("AGM") till the conclusion of the 62<sup>nd</sup> AGM to be held in the year 2027, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the statutory auditors."

### SPECIAL BUSINESS:

- To approve re-appointment of Shri Prakash Lohia (DIN 00063274) as the Managing Director of the Company for a further period of three years and payment of his remuneration with effect from 01.03.2023 and in this regard and if thought fit, to pass, with or without modification(s), the following resolution as a **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 appoint Shri Prakash Lohia (DIN 00063274) as the Managing Director of the Company for a further period of three years, effective 1<sup>st</sup> day of March, 2023 and payment of the following remuneration to him for the said period on the terms and conditions as are set out in the agreement to be entered into between the Company and Shri Prakash Lohia, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with an option given 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 appointment and/or 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 Shri Prakash Lohia:

### Salary:

₹ 18,34,800/- (Rupees Eighteen Lakhs Thirty-Four Thousand and Eight Hundred Only) per month (consolidated) for the month of March 2023. Further the scale of the salary, with effect from 01.04.2023 and ending on 28.02.2026, would be ₹ 18,34,800-1,83,480-2,01,830-22,20,100 with the increment falling due on 1<sup>st</sup> April 2024 and 1<sup>st</sup> April 2025 respectively.

**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 Shri Prakash Lohia, shall not exceed ₹ 1,00,000/- per financial year.

The perquisites amounting to ₹ 1,00,000/- (rupees one lakh 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 (@12% of the salary or at the rate as per statutory changes as may be applicable) and gratuity as provided by the Company 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 avilment of medical treatment and other incidental expenses) on actual basis, for self, spouse and mother of Shri Prakash 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 Shri Prakash Lohia and the value of the unutilised 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 avilment.

**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."

8. To approve re-appointment of Shri Prasan Lohia (DIN 00061111) as Whole Time Director of the Company for a further period of three years and payment of his remuneration with effect from 01.10.2022 and in this regard and if thought fit, to pass, with or without modification(s), the following resolution as a **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 appoint Shri 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, 2022 and payment of the following remuneration to him for the said period on the terms and conditions as are set out in the agreement to be entered into between the Company and Shri Prasan Lohia, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with an option 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 appointment and/or 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 Shri Prasan Lohia:

**Salary:**

₹ 11,99,100/- (Rupees Eleven Lakhs Ninety-Nine Thousand and One Hundred Only) per month (consolidated) for the period form 01.10.2022 to 31.03.2023. Further the scale of the salary, with effect from 01.04.2023 and ending on 30.09.2025, would be ₹ 13,19,000-1,31,900-1,45,100-15,96,000 with the increment falling due on 1<sup>st</sup> April 2024 and 1<sup>st</sup> April 2025 respectively.

**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 Shri Prasan Lohia, shall not exceed ₹ 1,00,000/- per financial year.

The perquisites amounting to ₹ 1,00,000/- (rupees one lakh 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 (@12% of the salary or at the rate as per statutory changes) and gratuity as provided by the Company 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 avilment of medical treatment and other incidental expenses) on actual basis, for self, spouse and children to Shri 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 Shri Prasan Lohia and the value of the unutilised 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 avilment.

#### **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 re-appointment of Miss Ruchira Lohia (DIN 00127797) as Whole Time Director of the Company for a further period of three years and payment of her remuneration with effect from 01.04.2023 and in this regard and if thought fit, to pass, with or without modification(s), the following resolution as a **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 appoint Miss Ruchira Lohia (DIN 00127797) as Whole Time Director of the Company for a further period of three years, effective 1<sup>st</sup> day of April, 2023 and payment of the following remuneration to her for the said period on the terms and conditions as are set out in the agreement to be entered into between the Company and Miss Ruchira Lohia, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with an

option 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 appointment and/or 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 Miss Ruchira Lohia:

#### **Salary:**

The scale of the salary, with effect from 01.04.2023 and ending on 31.03.2026, would be ₹ 13,19,000-1,31,900-1,45,100-15,96,000 with the increment falling due on 1<sup>st</sup> April 2024 and 1<sup>st</sup> April 2025 respectively.

#### **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 Miss Ruchira Lohia, shall not exceed ₹ 1,00,000/- per financial year.

The perquisites amounting to ₹ 1,00,000/- (rupees one lakh 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 (@12% of the salary or at the rate as per statutory changes) and gratuity as provided by the Company 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 avilment of medical treatment and other incidental expenses) on actual basis for self and mother, 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 her existing remuneration.

The said medical facility be and is hereby made admissible during the currency of the service agreement of Miss Ruchira Lohia and the value of the unutilised 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."

10. Re-appointment of Shri Bama Prasad Mukhopadhyay (DIN: 08199055) as a Non-Executive Independent Director of the Company for the second term of five years and in this regard 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 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") including rules framed thereunder and based on the recommendation of the Nomination & Remuneration Committee and Board of Directors of the Company, Shri Bama Prasad Mukhopadhyay (DIN: 08199055), who qualifies for being appointed as an Independent Director, be and is hereby re-appointed as a Non-Executive Independent Director of the Company to hold office for the second term of five (5) consecutive years with effect from 13<sup>th</sup> September 2023 and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT**, Shri Bama Prasad Mukhopadhyay (DIN: 08199055) will be eligible for sitting fee, as may be fixed by the Board of Directors subject to the limit as prescribed under the act for attending the meetings of the Board & its Committees.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things, and to take other steps as may be deemed necessary or expedient to give effect to this Resolution and matters incidental thereto."

11. To appoint Shri of Shri Kooretti Titu Prasad (DIN: 02539556) as Non-Executive Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:** -

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 (hereinafter referred as "the Act") including rules framed thereunder and based on the recommendation of the Nomination & Remuneration Committee of Shri Kooretti Titu Prasad (DIN: 02539556), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Non-Executive Director of the Company.

**RESOLVED FURTHER THAT**, of Shri Kooretti Titu Prasad (DIN: 02539556) will be eligible for such remuneration, as may be fixed by the Board of Directors subject to the limit as

prescribed under the Act for attending the meetings of the Board & its Committees.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things, and to take other steps as may be deemed necessary or expedient to give effect to this Resolution and matters incidental thereto."

12. To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2022-23 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013, by passing with or without modification(s), the following resolution as **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, the remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only) excluding applicable Tax payable to M/s Rajendra Singh Bhati & Co., Cost Accountants, for conducting cost audit of the Company for the financial year 2022-23, as approved by the Board of Directors of the Company, be and is hereby ratified."

13. To approve the authority of the Board of Directors for giving any guarantee or provide any security in connection with any loan taken by group Company in favour of the lenders and in this regard to consider and, if thought fit to pass, with or without modification(s) the following resolutions as **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made thereunder as amended from time to time, the consent of the shareholder be and is hereby accorded to authorise 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 or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to give any guarantee or provide any security in connection with any loan taken by Merino Consulting Services Limited which is a group/associate Company, (in which any director is deemed to be interested) upto an aggregate sum of ₹ 6.10 Crore (Rupees Six Crore Ten Lakhs Only) in their absolute discretion as may be deemed beneficial and in the best interest of the Company, provided that such loans are utilised by the borrowing Company for its principal business activities."

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution."

14. To approve the authority of the Board of Directors for giving any loan/guarantee or making any investments and in this regard to consider and, if thought fit to pass, with

or without modification(s) the following resolutions as

**Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 186 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to further approvals of statutory authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to make any loans or investments in the securities of other bodies corporate, as they may in their absolute discretion deem beneficial and / or to give any guarantee or provide any security in connection with loans made by any bank/financial institution/other entities to Merino Consulting Services Limited or Merino Properties Private Limited or Kasturi Bai Gopi Babu Cold Storage Private Limited, the group companies on such terms and conditions as the Board may think fit, provided that the aggregate of such investment and loans made and the amounts for which guarantee or security provided to in all bodies corporate and outstanding at any time does not exceed ₹ 500.00 crore (Rupees Five Hundred Crores only) or equivalent amount in any other foreign currency and that such making of investments and loans, giving of guarantee and providing of security are in the opinion of the Board made only for furthering the business interest of the Company”.

**“RESOLVED FURTHER THAT** all acts done in the past by the Board of Directors and Management of the Company in this regard be and are hereby confirmed and ratified.”

**“RESLOVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things inter alia for execution of deed /document and for prescribing the limit for investment, loan, guarantee and security to be made or provided.”

By order of the Board  
For Merino Industries Limited

**Bala Ji**

Company Secretary  
Membership No: F9919

Place: New Delhi  
Date: 17.08.2022

**Regd. Office:**

MERINO INDUSTRIES LIMITED  
CIN: U51909WB1965PLC026556  
5, Alexandra Court,  
60/1, Chowringhee Road,  
Kolkata - 700020  
Phone: 033 2290-1214  
Fax: 2287-0314  
E-mail: [balaji@merinoindia.com](mailto:balaji@merinoindia.com)  
Website: [www.merinoindia.com](http://www.merinoindia.com)

**NOTES:**

1. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated 05th May, 2020, General Circular no. 02/2021 dated 13<sup>th</sup>

January, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 2/2022 dated 05<sup>th</sup> May, 2022 (collectively “MCA Circulars”), have permitted companies to conduct AGM through VC or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, the 57<sup>th</sup> AGM of the Company is being convened and conducted through VC.

2. The Company has enabled the Members to participate at the 57<sup>th</sup> AGM through VC facility. The instructions for participation by Members are given in the subsequent pages. Participation at the AGM through VC shall be allowed on a first-come-first-served basis. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, physical attendance of the Members at the AGM venue is not required. Hence, Members have to attend and participate in the ensuing AGM though VC/OAVM.
3. Those Shareholders having their shares in physical mode and whose email IDs are not registered, are requested to register their email ID with M/s C B Management Services (P) Limited, P-22, Bondel Road, Kolkata – 700 019, the Registrar and Share Transfer Agent (RTA) of the Company at [rta@cbmsl.com](mailto:rta@cbmsl.com), by providing their Name as registered with the RTA, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them. The shareholders having their shares in DEMAT mode are requested to update their email ids with their DP.
4. Central Depository Services (India) Limited (“CDSL”) will be providing facility for voting through remote e-Voting, for participation in the 57<sup>th</sup> AGM through VC/OAVM Facility and e-Voting during the 57<sup>th</sup> AGM.
5. Members may join the 57<sup>th</sup> AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 11-00 a.m. IST i.e. 30 minutes before the time scheduled to start the 57<sup>th</sup> AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 57<sup>th</sup> AGM.
6. Members may note that the VC/OAVM Facility, provided by CDSL, allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 57<sup>th</sup> AGM without any restriction on account of first-come- first-served principle.
7. The attendance of the Members attending the 57<sup>th</sup> AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. 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.



9. 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). All documents referred to in the Notice calling the AGM and the Explanatory Statement are also available on the website of the Company for inspection by the Members.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 30<sup>th</sup> September, 2022. Members seeking to inspect such documents can send an email to [balaji@merinoindia.com](mailto:balaji@merinoindia.com).
11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by CDSL.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM together with annual report has been uploaded on the website of the Company at [www.merinoindia.com](http://www.merinoindia.com). The Notice of AGM together with annual report is also available on the website of CDSL (agency for providing the Remote Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
13. The Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2022 to 30<sup>th</sup> September, 2022 (both days inclusive).
14. 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.
15. 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. Members are also requested to kindly inform their Bank Account details to Messrs. C B Management Services (P) Limited, the Registrar and Share Transfer Agent of the Company.
16. 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.
17. 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.
18. Members holding shares in dematerialised 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) before 1<sup>st</sup> September, 2022. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.
19. Members are requested to intimate beforehand to the Company their queries, if any, regarding the accounts/notice/statutory registers at least ten days before the meeting to enable the management to keep the information required readily available at the meeting.
20. 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 dematerialisation list with ISIN No. INE662B01017.
21. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Rules framed thereunder the dividend for the year 2015-2016 and onwards will be deposited with the Investor Education and Protection Fund established by the Central Government as per the table given hereunder:

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
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
2019-2020	23.09.2019	30.10.2019	29.09.2026	29.10.2026
	23.03.2020	29.04.2020	28.03.2027	28.04.2027
2020-2021	03.09.2021	10.10.2021	09.09.2028	31.10.2028

Details of the unpaid/unclaimed dividend are also uploaded on the website of the Company at [www.merinoindia.com](http://www.merinoindia.com). Members who have not encashed dividend declared by the Company, are advised to write to the Company immediately along with relevant Folio No. or DP ID and Client ID, duly discharged, or to the Company's Registrar and Share Transfer Agent to facilitate payment of the dividend.

22. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1<sup>st</sup> April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend does not exceed ₹ 5000/- . In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company's email address for updating at [balaji@merinoindia.com](mailto:balaji@merinoindia.com).
23. The dividend/s, if any, approved by the Members or declared by the Board of Directors of the Company from time to time, will be paid as per the mandate registered with the Company or with their respective Depository Participants.
24. Further, in order to receive dividend/s in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details/documents by email to reach the Company's email address [balaji@merinoindia.com](mailto:balaji@merinoindia.com).
  - a. a signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
    - i) Name and Branch of Bank and Bank Account type;
    - ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions;
    - iii) 11-digit IFSC Code;
  - b. self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
  - c. self-attested scanned copy of the PAN Card; and
  - d. self-attested scanned copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

For the Members holding shares in demat form, please update your Electronic Bank Mandate through your Depository Participant/s.

25. In the event the Company is unable to pay the dividend to any member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Member, at the earliest once the normalcy is restored.
26. The Ministry of Corporate Affairs (MCA), Government of India, has by its Circular Nos. 17 / 2011 and 18 / 2011, dated 21<sup>st</sup> April, 2011 and 29<sup>th</sup> April, 2011 respectively, permitted companies to send official documents to the shareholders electronically as a part of its green initiatives in corporate governance. Recognising 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.
27. 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 23<sup>rd</sup> September, 2022.
28. Ms. Dasvinder Kaur, Practicing Company Secretary (Membership No. A33095) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
29. The Scrutiniser shall, immediately after conclusion of voting at the AGM, first count the votes cast at the Meeting by e voting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, forthwith to the Company Secretary of the Company.
30. The Results shall be declared within 48 hours of conclusion of the ANNUAL GENERAL MEETING of the Company. The Results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.merinoindia.com](http://www.merinoindia.com) and on the website of CDSL immediately after the result is declared by the Company Secretary.
31. The Chairman shall at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting with the assistance of the Scrutiniser by use of e-voting platform of CDSL for all those members who have not cast their votes earlier either by remote e-voting.

#### **CDSL E-VOTING SYSTEM - FOR E-VOTING AND JOINING VIRTUAL MEETINGS.**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular





- No. 14/2020 dated 08<sup>th</sup> April, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated 05<sup>th</sup> May, 2020, General Circular no. 02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 2/2022 dated 05<sup>th</sup> May, 2022 (collectively "MCA Circulars"). The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), and MCA Circulars dated 08<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 05<sup>th</sup> May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
  3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
  4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
  5. Pursuant to MCA Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
  6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.merinoindia.com](http://www.merinoindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
  7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 08<sup>th</sup> April, 2020 and MCA General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, General Circular No. 20/2020 dated 05<sup>th</sup> May, 2020, General Circular no. 02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 2/2022 dated 05<sup>th</sup> May, 2022.
- THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**
- A. The voting period begins on Tuesday, 27<sup>th</sup> September, 2022, at 9:00 a.m. and ends on Thursday, 29<sup>th</sup> September, 2022, at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date Thursday, 23<sup>rd</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - B. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - C. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.  
  
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
  - D. Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.



**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

E. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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 e-voting of any Company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

**For Physical shareholders and other than individual shareholders holding shares in Demat.**

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>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	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 in order to login. <ul style="list-style-type: none"> <li>• 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.</li> </ul>

- F. After entering these details appropriately, click on "SUBMIT" tab.
- G. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- H. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - I. Click on the EVSN for the relevant ←Company Name→ on which you choose to vote.
  - J. 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.
  - K. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - L. 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.
  - M. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - N. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - O. 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.
  - P. Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only.
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
    - 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 scrutiniser to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at the email address viz; [balaji@merinoindia.com](mailto:balaji@merinoindia.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [balaji@merinoindia.com](mailto:balaji@merinoindia.com) (Company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [balaji@merinoindia.com](mailto:balaji@merinoindia.com) (Company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

By order of the Board  
For Merino Industries Limited

**Bala Ji**

Company Secretary  
Membership No: F9919

Place: New Delhi  
Date: 17.08.2022

#### **Regd. Office:**

MERINO INDUSTRIES LIMITED  
CIN: U51909WB1965PLC026556  
5, Alexandra Court,  
60/1, Chowringhee Road,  
Kolkata - 700020  
Phone: 033 2290-1214  
Fax: 2287-0314  
E-mail: [balaji@merinoindia.com](mailto:balaji@merinoindia.com)  
Website: [www.merinoindia.com](http://www.merinoindia.com)



## Annexure to the Notice

**Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Items of Special Business set out in the Notice convening the 57TH Annual General Meeting of the Company to be held on 30th September, 2022:**

### **ITEM NO. 7- RE-APPOINTMENT AND PAYMENT OF REMUNERATION TO SHRI PRAKASH LOHIA, MANAGING DIRECTOR**

Shri Prakash Lohia has been a Director of the Company since 1976 and had held the post of Managing Director of the Company from 1995 with subsequent re-appointments to the said post and his present term expires on 28<sup>th</sup> February, 2023. He looks after the functioning of the company which includes his involvement in the green field particle board project at Halol in Dist. Panchmahal in the state of Gujarat. Shri Prakash Lohia gives a close attention in the progress of the project and involvement into the project.

During his leadership, the Company has adopted very sound management practices in which he has taken up the supervision of all verticals of the business. Apart from that he also monitors the Corporate Social Responsibility activities being done by the company. He has been continuously contributing towards the growth and success of the Company.

Considering his vast experience in overall Business Administration, strategy formulation and valuable contribution towards the development of this Company, the Board recommends that it would be in the interest of your Company to re-appoint Shri Prakash Lohia as Managing Director of the Company for a further period of three years with effect from 1<sup>st</sup> day of March, 2023. 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 Shri Prakash Lohia as Managing Director is placed before the shareholders for approval.

### **ITEM NO. 8: RE-APPOINTMENT AND PAYMENT OF REMUNERATION TO SHRI PRASAN LOHIA AS WHOLE-TIME DIRECTOR**

Shri Prasan Lohia, AB (Econ.) USA, BS (Elect. Engg.) USA, MBA (USA), aged about 53 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 2022.

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 Shri Prasan Lohia as Whole Time Director of the Company for a further period of three years with effect from 1<sup>st</sup> day of October, 2022. 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 Shri Prasan Lohia as Whole-time Director is placed before the shareholders for approval.

### **ITEM NO. 9: RE-APPOINTMENT AND PAYMENT OF REMUNERATION TO MISS RUCHIRA LOHIA, WHOLE-TIME DIRECTOR**

Miss Ruchira Lohia was appointed as Vice-President (Delhi Operations) in 1997 and thereafter, was appointed as Whole-time Director of the Company in the year 2000 with subsequent

re-appointments to the said post. Her present term of office as Whole-time Director will expire on 31.03.2023.

She has been responsible for managing the Export and Import Division of the company apart from day to day operational activity of the company. Considering her experience in overall Business Administration and her valuable contribution towards growth of foreign trade of the Company, the Board recommends that it would be in the interest of the Company to re-appoint Miss Ruchira Lohia as Whole-time Director of the Company for a further period of three years with effect from 1<sup>st</sup> day of April, 2023. To effect her appointment, a special resolution is required to be passed by the shareholders of the Company at this meeting and accordingly the resolution appointing Miss Ruchira Lohia as Whole-time Director is placed before the shareholders for approval.

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

Shri Bama Prasad Mukhopadhyay (DIN: 08199055) was appointed as a Non-Executive Independent Director of the Company by the members at 53<sup>rd</sup> Annual General Meeting of the Company held on 14<sup>th</sup> September 2018 for a period of five (5) consecutive years commencing from 14<sup>th</sup> September 2018 to 13<sup>th</sup> September 2023. Therefore, his first tenure as an Independent Director would be expiring on 13<sup>th</sup> September 2023. In terms of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term upto five (5) consecutive years on the Board of a Company but shall be eligible for reappointment for a further period upto five (5) years on passing of a special resolution by the Company.

Nomination & Remuneration Committee of the Board of Directors at its meeting held on 17<sup>th</sup> September 2022, on the basis of performance evaluation has recommended the reappointment of Shri Bama Prasad Mukhopadhyay (DIN: 08199055), as a Non-Executive Independent Director for the second term of five consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Shri Bama Prasad Mukhopadhyay and as per the recommendation of Nomination & Remuneration Committee, considers that, given his background, experience and contributions made by him during his tenure, the continued association of Shri Bama Prasad Mukhopadhyay would be beneficial to the Company, and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board of Directors has recommended obtaining the approval of members of the Company on the reappointment of Shri Bama Prasad Mukhopadhyay as a Non-Executive Independent Director for the second term with effect from 14<sup>th</sup> September 2023 to 13<sup>th</sup> September 2028.

Therefore, it is hereby proposed to re-appoint Shri Bama Prasad Mukhopadhyay as a Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five (5) consecutive years on the Board of the Company with effect from 14<sup>th</sup> September 2023 to 13<sup>th</sup> September 2028 by passing the Resolution as set out in the item no. 10 of the notice, by way of special resolution.

The Company has received the declaration from Shri Bama Prasad Mukhopadhyay that he meets the criteria of independence as prescribed under the Companies Act, 2013. In the opinion of the Board, Shri Bama Prasad Mukhopadhyay fulfills the conditions specified in the Companies Act, 2013, the Rules thereunder for re-appointment as an Independent Director and he is independent of the management of the Company.

Shri Bama Prasad Mukhopadhyay will be eligible for a sitting fee, as fixed by the Board of Directors subject to the limit as prescribed under Companies Act, 2013 for attending the meetings of the Board and its Committees. He will also be eligible for Commission on net profit of the Company, as may be determined by the Board of Directors in each year within over all ceiling limits as may be fixed by the member's time to time. Shri Bama Prasad Mukhopadhyay is interested in the resolutions set out in Item No. 10 of the Notice with regard to his re-appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives, to the extent of their shareholding interest, if any, in the Company are, in any way, concerned or interested, financially or otherwise, in the resolutions.

#### RELATING TO ITEM NO. 11

The Board of Directors on recommendation of the Nomination and Remuneration Committee decided to recommend to the shareholders of the Company to approve the appointment of Shri Kooretti Titu Prasad as a Non-Executive Director of the Company with effect from 17<sup>th</sup> August, 2022 by regularising his appointment. As required by Section 160 of the Act, a notice had been received from a member signifying his intention to propose his candidature for the office of Director. The Board considers it desirable that the Company should continue to avail itself of his services.

Shri K T Prasad is an eminent HR Professional with over 35 years' experience in ITC Limited - one of India's foremost private sector companies with a market capitalisation of over US \$ 6 billion. An associate of BAT, UK, ITC enjoys market leadership in diverse businesses like FMCG, Paper & Packaging, Paperboards, Hotels & Tourism, Information Technology and Agricultural Exports. With these diverse expertise and portfolios being handled by him. The Board believes that his association with the company shall bring more efficiency in utilisation of the manpower potential of the organisations in more effective and efficient manner.

The Board, based on the recommendation of Nomination & Remuneration Committee, considers that, given his background and experience, of Shri Kooretti Titu Prasad (DIN: 02539556) would be beneficial to the Company, and it is desirable to avail his services as Director of the Company. Accordingly, the Board of Directors has recommended, obtaining the approval of members of the Company on the appointment of Shri Kooretti Titu Prasad (DIN: 02539556) as a Non-Executive Director with effect from 17<sup>th</sup> August 2022.

Therefore, it is hereby proposed to appoint of Shri Kooretti Titu Prasad (DIN: 02539556) as a Non-Executive Director of the Company with effect from 17<sup>th</sup> August 2022 by passing the Resolution as set out in the item no. 11 of the notice, by way of Ordinary Resolution.

of Shri Kooretti Titu Prasad (DIN: 02539556) is interested in the resolutions set out in Item No. 11 of the Notice with regard to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives, to the extent of their shareholding interest, if any, in the Company are, in any way, concerned or interested, financially or otherwise, in the resolutions.

#### RELATING TO ITEM NO. 12

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Rajendra Singh Bhati & Co., Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023 at a remuneration of

₹ 50,000/- 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 determined by the shareholders of the Company. Accordingly, your consent is sought for passing an Ordinary Resolution as set out in Item No. 12 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2023.

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. 12 of the Notice.

#### RELATING TO ITEM NO. 13

The Company receives several request from its group companies to render support for the business requirements from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013.

In this regard the Company was unable to extend financial assistance by way of guarantee or provide any security in connection with any loan taken by one of its group company, Merino Consulting Services Limited, (in which any director is deemed to be interested) upto an aggregate sum of ₹ 6.10 Crore (Rupees Six Crore Ten Lakhs Only).

Further pursuant to the provisions of Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

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

Hence, in order to enable the Company to advance loan to Subsidiaries/ Joint Ventures /associates/ other Companies/ Firms in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by way of Special Resolution.



The Board of Directors recommend the Special Resolution for approval by the members.

The Managing / Whole-time Directors / Key Managerial Personnel are interested or concerned in the aforesaid Special Resolutions as specified in Item No. 13 of the Notice in relation to their shareholding / directorship in such group Company. However, Shri Sachin Selot, Chief Financial Officer and Shri Bala Ji, Company Secretary also falling under the category of KMP and Shri Bama Prasad Mukhopadhyay and Shri Prabal Kumar Sarkar, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 13 of the Notice.

#### **RELATING TO ITEM NO. 14**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

In view of the aforesaid this is to inform you that the Company had, from time to time, issued corporate guarantees in favor of

Merino Consulting Services Limited or Merino Properties Private Limited or Kasturi Bai Gopi Babu Cold Storage Private Limited, the group companies to secure financial assistance availed by them. In future, as per stipulations of the Lenders, similar guarantees might have to be executed in favour of Merino Consulting Services Limited or Merino Properties Private Limited or Kasturi Bai Gopi Babu Cold Storage Private Limited, the group companies and the issuance of such corporate guarantee could exceed the limits specified as per the provisions of Section 186 of the Companies Act, 2013. Therefore, the approval of the shareholders of the Company is being sought so that the Board of Directors can, in future, make loans, investments or give any guarantee(s) to such group/associate Company or create any security in their absolute discretion within the limit not at any time exceeding ₹ 500.00 crore, which they deem fit in the best interests of the Company.

The Board recommends passing the resolution as specified in this notice.

The Managing / Whole-time Directors / Key Managerial Personnel are interested or concerned in the aforesaid Special Resolutions as specified in Item No. 14 of the Notice in relation to their shareholding / directorship in such group / associate Company. However, Shri Sachin Selot, Chief Financial Officer and Shri Bala Ji, Company Secretary also falling under the category of KMP and Shri Bama Prasad Mukhopadhyay and Shri Prabal Kumar Sarkar, Independent Directors, including their relatives, are not in any way concerned or interested, financially or otherwise, in the resolution set out in Item No. 14 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.

## Brief particulars of Directors proposed to be Directors proposed to be appointed / re-appointed:

<b>Name</b>	<b>Shri Manoj Lohia</b>
Age	50 Years
Qualification	B.Com.
Specialised Expertise	Overseeing marketing and sale of Company's Products in Southern India.
Number of shares held in Company	141993 Equity Shares (1.27% of the paid-up share capital of the company)
Directorship in other companies	<ul style="list-style-type: none"> <li>Merino Properties Private Limited</li> </ul>
Relationship with other Directors	Son of Shri Rup Chand Lohia, Executive Chairman, Brother of Shri Prasan Lohia, Whole-time Director and not related to any other Director / Key Managerial Personnel as per Companies Act, 2013.

<b>Name</b>	<b>Shri Deepak Lohia</b>
Age	46 Years
Qualification	B.E. (Mech.)
Specialised Expertise	Overseeing production, import of design papers, raw materials, chemicals, etc.
Number of shares held in Company	146132 Equity Shares (1.31% of the paid-up share capital of the company)
Directorship in other companies	<ul style="list-style-type: none"> <li>Kasturi Bai Gopi Babu Cold Storage Private Limited</li> </ul>
Relationship with other Directors	Brother of Shri Bikash Lohia, Whole-time Director and not related to any other Director / Key Managerial Personnel as per Companies Act, 2013.

<b>Name</b>	<b>Shri Anurag Lohia</b>
Age	25 Years
Qualification	Bachelor of Science in Finance, Indiana University Bloomington, IN, USA
Specialised Expertise	Public Relations and Overseeing Export and Import functions and marketing.
Number of shares held in Company	100678 Equity Shares (0.90% of the paid-up share capital of the company)
Directorship in other companies	NA
Relationship with other Directors	Son of Shri Bikash Lohia, Whole-time Director and not related to any other Director / Key Managerial Personnel as per Companies Act, 2013.

<b>Name</b>	<b>Shri Prakash Lohia</b>
Age	67 Years
Qualification	B. Tech. (Chem) - IIT Delhi M.E.P (IIM-Ahmedabad)
Specialised Expertise	Vast experience in Laminates industry. Shri Prakash Lohia, is aged about 66 years and has been a Director of the Company since 1976 and had held the post of a Managing Director of the Company from 1995. He has about 46 years' experience and has contributed immensely towards the growth and success of the group in general.
Number of shares held in Company	475481 Equity Shares (4.25% of the paid-up share capital of the company)
Directorship in other companies	<ul style="list-style-type: none"> <li>Merino Consulting Services Limited</li> <li>Merino Properties Private Limited</li> </ul>
Relationship with other Directors	Father of Shri Madhusudan Lohia, Whole-time Director and not related to any other Director / Key Managerial Personnel as per Companies Act, 2013.





<b>Name</b>	<b>Shri Prasan Lohia</b>
Age	54 years
Qualification	AB (Econ.) USA, BS (Elect. Engg.) USA, MBA (USA)
Specialised Expertise	Corporate Office Administration, Supervision of Export-Import Documentation, Foreign Exchange Risk Management and Domestic Sales and Marketing of Eastern Region. Shri Prasan Lohia has about 30 years' experience and has contributed immensely towards the growth and success of the group in general.
Number of shares held in Company	207982 Equity Shares (1.86% of the paid-up share capital of the company)
Directorship in other companies	<ul style="list-style-type: none"><li>• Merino Consulting Services Limited</li><li>• Merino Properties Private Limited</li><li>• The Plastics Export Promotion Council</li></ul>
Relationship with other Directors	Son of Shri Rup Chand Lohia, Executive Chairman, Brother of Shri Manoj Lohia, Whole-time Director and not related to any other Director / Key Managerial Personnel as per Companies Act, 2013.

<b>Name</b>	<b>Miss Ruchira Lohia</b>
Age	54 Years
Qualification	B.A., M.E.P (IIM-Ahmedabad)
Specialised Expertise	Public Relations and Overseeing Export and Import functions and marketing of food products. Miss Lohia has about around 28 years experience and has contributed immensely towards the growth and success of the Company.
Number of shares held in Company	732126 Equity Shares (6.55% of the paid-up share capital of the company)
Directorship in other companies	<ul style="list-style-type: none"><li>• Merino Consulting Services Limited</li><li>• Merino Properties Private Limited</li></ul>
Relationship with other Directors	Not related to any other Director / Key Managerial Personnel as per Companies Act, 2013.

<b>Name</b>	<b>Shri Bama Prasad Mukhopadhyay</b>
Age	70 Years
Qualification	B. Com
Specialised Expertise	Indirect Taxation and Administration function of a company
Number of shares held in Company	Nil
Directorship in other companies	Nil
Relationship with other Directors	Not related to any other Director / Key Managerial Personnel as per Companies Act, 2013.

<b>Name</b>	<b>Shri Kooretti Titu Prasad</b>
Age	67 Years
Qualification	Masters in Personal Management Industrial Relations and Labor Welfare
Specialised Expertise	An eminent HR Professional with over 35 years' experience in ITC Limited
Number of shares held in Company	Nil
Directorship in other companies	Nil
Relationship with other Directors	Not related to any other Director / Key Managerial Personnel as per Companies Act, 2013.

By Order of the Board of Directors of Merino Industries Limited

Place: New Delhi  
Date: 17.08.2022

**Bala Ji**  
Company Secretary  
M.no. F9919





# Merino Industries Limited

CIN: U51909WB1965PLC026556

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

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