



ECONOMY • EXCELLENCE • ETHICS

₹ 653.60 Crores

Group's contribution to the exchequer
(gross) in FY 2022-23

₹ 288 Lakhs

Contribution to CSR in FY 2022-23

Annual Report 2022-23

Evolving
Merino

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Key Highlights of FY 2022-23

Financial

24.77%[^]	7.35%[^]	10.44%[^]
Revenue	EBITDA	Profit After Tax
₹ 2,17,550.23 Lakhs	₹ 26,962.49 Lakhs	₹ 11,764.51 Lakhs

Operations

85.79%
Capacity utilisation in decorative laminate

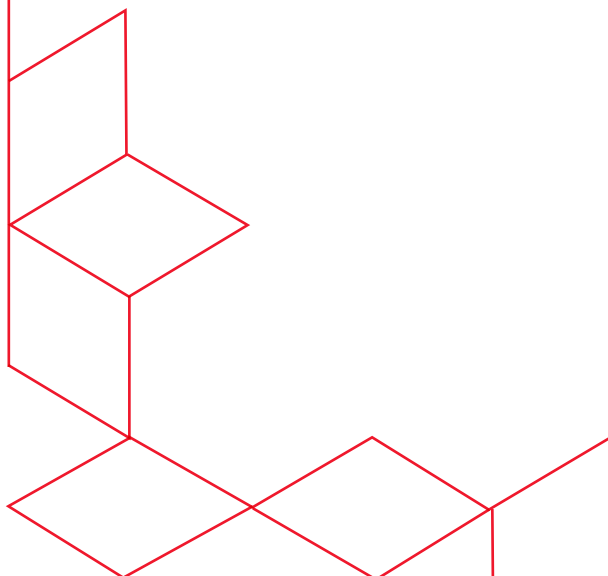
Sustainability

72%
Of total energy consumption from renewable sources

11,844 MTeCO₂
GHG emission reduction in Rohad unit over FY 2022-23

~30,000
Person-hours of training

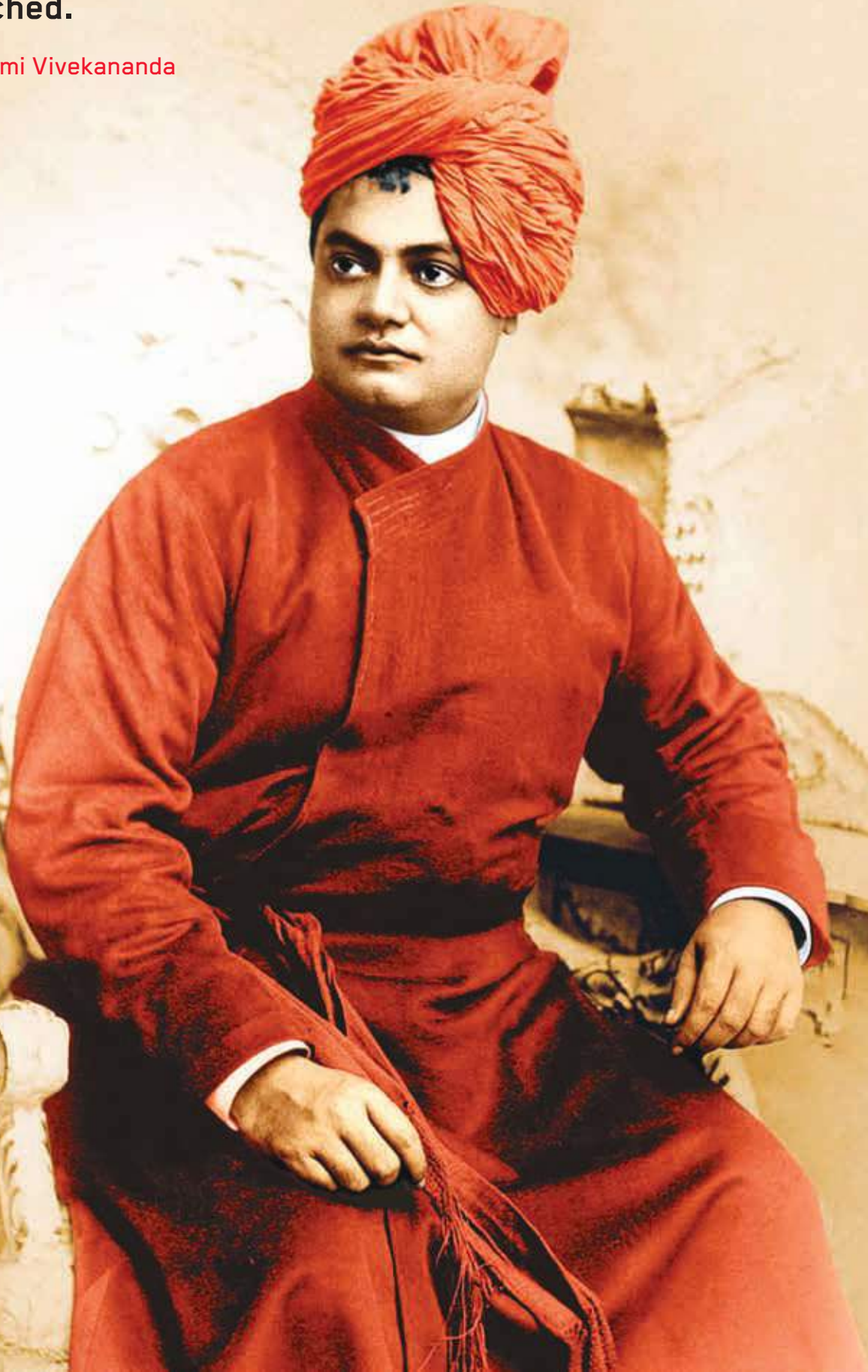
[^] Growth in FY 2022-23 over FY 2021-22

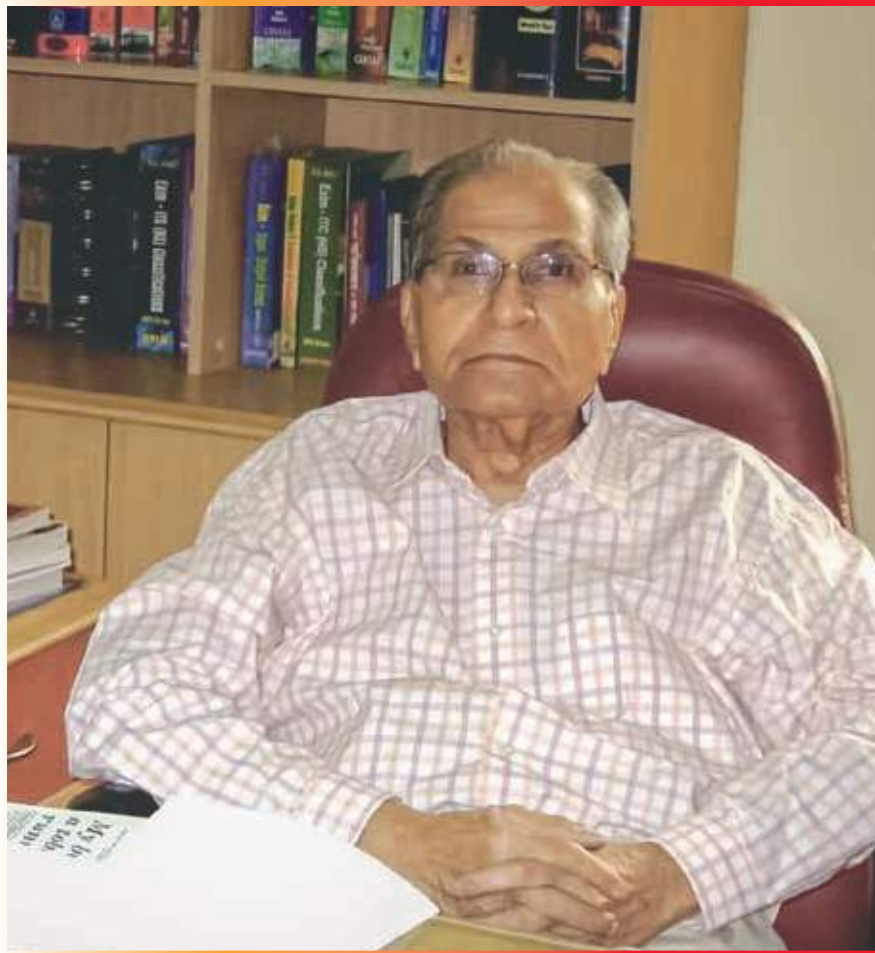




**Arise awake and stop
not till the goal is
reached.**

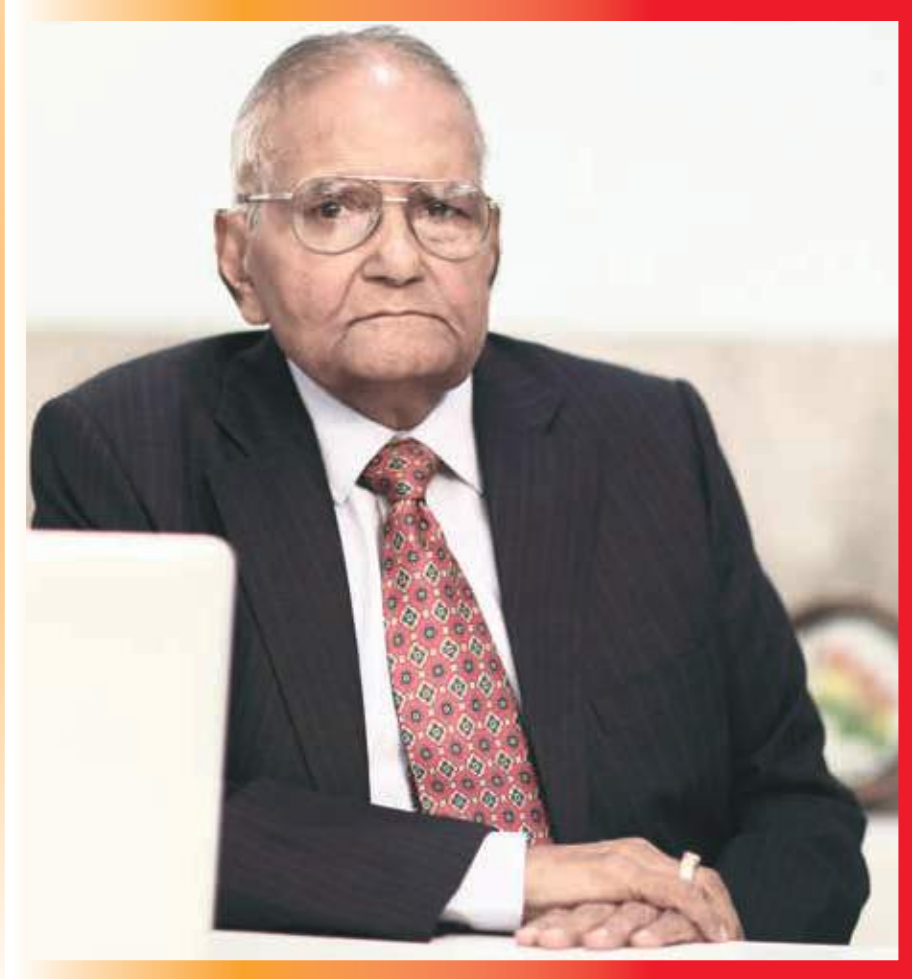
- Swami Vivekananda





SHRI MAN KUMAR LOHIA


1926-2009
Founder Chairman



SHRI CHAMPA LAL LOHIA

1934-2020

Chairman and the inspiration
behind the Merino Group



Evolution is a continuous journey, shaped by the agility to adapt to change and the ability to capitalise on opportunities on the way.

The Merino Group, since its inception in 1965, has a remarkable story of evolution that has not only stood the test of time but has also gained prominence over the decades. With humble beginnings in plywood, the Group has gained global recognition as an industry leader in laminates and surface solutions.

With a growth mindset and an unwavering focus on delivering excellence, we have consistently launched products using the best materials, cutting-edge production techniques and advanced technology.

As a leading manufacturer of decorative laminates, we are driven by a passion to provide our customers with world-class surface solutions that exceed their expectations. While products, technologies, and techniques have evolved over the years, our commitment to quality remains unaltered as we progress at scale and speed towards a sustainable future.



Corporate identity

Advancing with experience and expertise

Merino is a leading integrated manufacturer and marketer of interior solutions. We have always prioritised delivering the best quality and value to our customers across all consumer segments and geographies. With our commitment to innovation and investment in enhancing and diversifying our product portfolio, we offer a diverse bouquet of multiple surfaces with infinite design possibilities that showcase our world-class manufacturing prowess.

Headquartered in Kolkata, we have a strong presence in all major states in India and export our products to 81 countries worldwide. Our Company is managed by a dynamic leadership team and a group of professionals with diverse competencies and backgrounds.

Our Philosophy

Our business is built on the steady pillars of a globally relevant mission, a far-reaching vision, a strong three-pronged motto.



Vision

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



Mission

Universal Weal through Trade & Industry



Motto

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



Superior Technology

We have invested in advanced equipment across all our manufacturing units, including the double belt casting unit process for producing quality laminates. We have also streamlined operations with an ERP system, enhancing transparency and providing real-time information to managers. We are committed to continuous improvement and innovation in the industry. We are in process of implementation of SAP to improve operations, streamlines processes, and enables data-driven decisions, fostering continuous improvement and industry competitiveness.

Innovation Focus

Our dedicated Research and Development team works tirelessly to continuously innovate and improve our products. This has resulted in a wide range of high-quality products that we are proud to offer to our customers. In addition to our in-house team, we hire experts from different backgrounds to share their knowledge and further strengthen our capabilities.

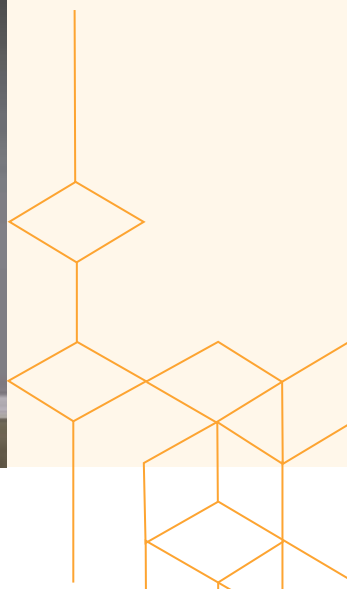


Offering Innovative Surfacing Solutions

We offer a comprehensive range of high-quality products to meet your needs. Our offerings include HPL, Compact Surfaces, Panels, Exterior Grade Compacts and Worktop solutions. In addition, we offer a diverse selection of products such as Solid Surfaces, Luxury Vinyl Tiles, Plywood, Blockboards, and door solutions.

Our Laminates and Compact surfaces are designed with various features and benefits to enhance their performance. Here are some notable qualities of our products:

- **Anti-Bacterial**
- **Anti-Fungal**
- **Scratch Resistant**
- **Impact Resistant**
- **Moisture Resistant**
- **Stain Resistant**
- **Certified Food Contact Safe Surfaces**
- **Electro Static Dissipative Surfaces**
- **Fire Retardant Surfaces**
- **Chemical Resistant Surfaces**
- **High Mar Resistant Surfaces**

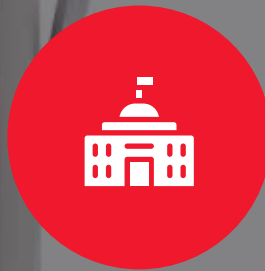


Corporate identity

Multi-sector Application



Corporate Offices



Government Institutions



Hospital



Shopping Malls



Educational Institutions



Public Transport Stations



Hotels



Stadiums



Homes

Strategic Businesses of the Group

Interior and Architecture

We are a versatile manufacturer and marketer of Interior Solutions with a wide array of products for homes, offices, commercial and public areas.

Information Technology

We provide business consulting and value-added services to our customers and business associates.

Food and Agro Technology

Diversifying into farming and food processing, we have become a leading brand in India manufacturing potato flakes. We have the largest potato flakes production facility (8,000 million tonne/year)

Core strengths

Building on a remarkable legacy

58+

Years of 'Making in India'

5

State-of-the-art manufacturing facilities

81

Countries where we have presence

30

Merino Experience Centre (MEC) across 22 cities in India and 4 internationally

215 Lakh+

Laminate sheets per annum, one of the largest in India

10,000+

Diverse range of designs, textures, colours and finishes

16,000

Network of dealers and retailers

88,000

Carpenters and architects engaged with us

6,238+

Strength of our workforce

Did you know?

We have installed 0.7 Million restroom cubicles across India - emerging as India's No.1 restroom cubicle/locker manufacturer

We supply to the biggest furniture retailer in the world

Our products were used in the Tallest Statue in the World - Statue of Unity

Our products were used in the biggest cricket stadium in the world - NM Stadium, Ahmedabad

We provided product solutions for the stadiums built for the FIFA Qatar World Cup 2022

Manufacturing bandwidth

Delivering exceptional value at scale

Our state-of-the-art facilities are strategically located and equipped with the latest technology to provide our customers with integrated solutions. Our focus is on continuously improving and innovating our range of interior solutions to meet the aspirations of our global customers.

Our High-Pressure Laminate manufacturing facilities can produce up to 20 million sheets annually, while our three short-cycle lamination facilities can produce pre-laminated particles and offer MDF boards in various sizes. To ensure faster dispatch to customers, our pre-lamination lines are located in northern and southern India.

As part of our integrated operations, we have a printing facility for custom designs and a plate polishing and cleaning facility to maintain a uniform surface finish of stainless-steel moulds. Our chroming and de-chroming facility is the only one in Asia and allows us to produce non-directional chromed gloss plates. We also manufacture our own formaldehyde and resins.

We have offices and warehouses in major state capitals, and our supply chain management ensures timely delivery of products.

Manufacturing Capacities



Solutions

Laminates, Furniture, Panels, Restroom cubicles and Cladding solutions

Production Capacity

- Unit 1: 0.61 million sheets/month
- Unit 2:
 - Furniture: 0.7 million sqm /year
 - Cubicles: 0.6 million sqm /year



Key Accreditations

At Merino, we prioritise safety and aim to make our products easy to apply while also reducing installation time. We also provide our customers with usage information to help them better maintain their interiors. Quality is deeply ingrained in our culture, and we strive to maintain the highest standards in our manufacturing process. That’s why all of our facilities are ISO 9001, ISO 14001, and ISO 45001 certified, among others, which demonstrates our commitment to excellence, environmental management, and occupational health and safety management.



Upcoming plant in Gujarat

We are building a new, state-of-the-art manufacturing facility in Halol, Gujarat. Once operational, the plant will employ over 700 people and procure 3,30,000 tonnes of timber from agro-forestry plantations annually. The plant will produce 2,70,000 CBM of Particle Board & MFC and 2,70,000 CBM of furniture, annually. As part of the Atmanirbhar Bharat initiative, this plant will transform India from an importer to an exporter of particle boards.

Hosur
Tamil Nadu

Solutions

Paper Foil, Wrap profile and MDF/ Particle board furniture

Production Capacity

- LPL: 1.56 million sqm/year
- Furniture: 7.2 million sqm/year

Dahej
Gujarat

Solutions

Paper Foil, Wrap profile, MDF/ Particle board furniture and Restroom cubicles

Production Capacity

- 4.8 million sheets/year

Halol, Gujarat (Upcoming)

Solutions

MDF/ Particle board furniture

Production Capacity

- 820 cbm/day

Rohad
Haryana

Solutions

MDF/ Particle board furniture

Production Capacity

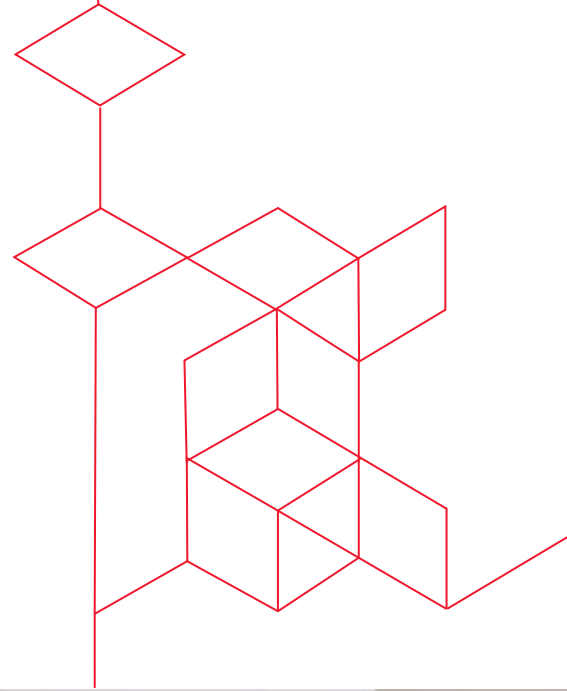
- 8.4 million sheets annually



Product range

Making space for multiple possibilities

We have a strong track record of introducing innovative and industry-leading products that have set industry benchmarks. These products have been instrumental in driving our growth and enhancing our prominence in the interior solutions. Our dedicated design team constantly develops new designs and finishes, aligned with the latest market trends.





Merino Surface Solutions

Our portfolio of surface solutions is designed for homes, offices, commercial and public areas. We have consistently focused on making our products more affordable, improving their value, and maintaining transparency. As a pioneer in the industry, we have continuously evolved through technological innovations, retaining our competitive advantage. Since the establishment of our first manufacturing unit for high-pressure decorative laminates in Hapur in 1981, we have made significant progress and have enjoyed a high brand recall through decades of market presence and satisfied customers.

Product Range

- Laminates
- Special Laminate
- Performance Laminates
- Interior Compact Solutions
- Exterior Compact Armour Surfaces Plywood, Blockboard and Flush Doors
- PU+ Acrylic Coated Panels
- Restroom Systems Solutions
- Solid Surfaces
- Stoven (Stone veneers)
- Luxury Vinyl Flooring (LVT)
- LUVIH Surfaces

High-Pressure Laminates

We offer an extensive range of surface solutions that includes wood grains, stones, and collections of solid colours, catering to various design preferences. With a variety of finishes such as fabric, matte, leather, suede, and hi-gloss, among others, we provide our customers a plethora of choices. Aesthetics is a top priority for us, which ensures that our products not only meet functional requirements but also enhance the visual appeal of any space.

Product Range

- **Merinolam:** Premium 1 mm high-pressure laminates that stand apart.
- **Merinolam Postforming:** Premium flex bendable laminates that are suitable for any edges.

Product range



Calplus

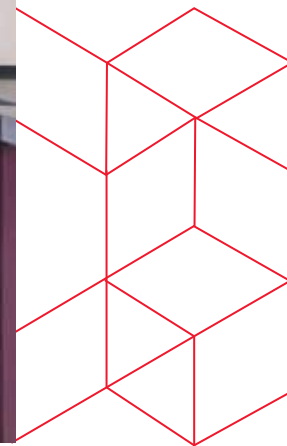
Exclusive range of 0.8 mm decorative laminates for multiple spaces.

Milano

Exclusive range of decorative laminates.

Torpedo and Merinoliner

Exclusive range of 0.7 mm and 0.8 mm laminates for Liner applications and inner surfaces. High decorative laminates for liner, backer applications are available in a curated range in multiple design catalogues.



Special Laminates

We offer a remarkable range of laminates that are manufactured with cutting-edge technology. Our special laminates provide endless possibilities, allowing customers to experience surfaces with premium aesthetic appeal and functional benefits for every unique purpose.

Product Range

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

Performance Laminates

Our performance laminates have specialised features such as anti-bacterial, chemical resistance, electrostatic dissipative and fire-retardant properties.

Product Range

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

Compact Boards

Our compact laminates come in three different products, each with unique properties to tackle different challenges, making them versatile for various uses. We manufacture these laminates in different designs to enhance their versatility. The products are Armour for external wall cladding, Shaurya for internal wall cladding, and Standard Compact.

Product Range

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

Meister Panels

Our panel products offer durable surface solutions with a variety of substrates like plywood, MDF, and particle board, paired with a range of decors and surface treatments such as PU-coated acrylic panels in gloss and matte finishes, and pre/post-laminated panels.

Product Range

- Gloss Meister
- Matt Meister
- Ply Meister Gloss
- Ply Meister Matt
- Postlaminated Boards
- Prelaminated Boards

Worktops

Merino offers high-performance worktops in Impreza Range. These surfaces come with enhanced performance for high-wear applications and industrial specifics.

Product Range

- Impreza EP
- Impreza Luvih
- Impreza Chem+
- Impreza ESD+
- Impreza Pro +

Boards

- Plywood
- Blockboards
- Flush doors



AWAN Door Solutions

Awan unifies the design language of both the door frame and the door skin with a spectrum of possibilities, ensuring coordinated and comprehensive product performance. This makes the range a perfect choice for architects, interior designers, and door manufacturers. Awan constitutes the coordinated door frame solutions with door laminate and edge band for shaping your interiors as per your project's requirements.

LUVIH

We offer premium luxury products with unique matte surfaces that have features like anti-fingerprint and high scratch resistance properties.

Product Range

- Zeroprint
- Onetone
- Flex
- Stardust
- Bloc
- Edge by Luvih

MRS Products

- 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

Solids Surfaces

- Hanex Surfaces

Luxury Vinyl Tiles

- Ecoclick+
- Prime Tile
- Loom+
- Ecolay+



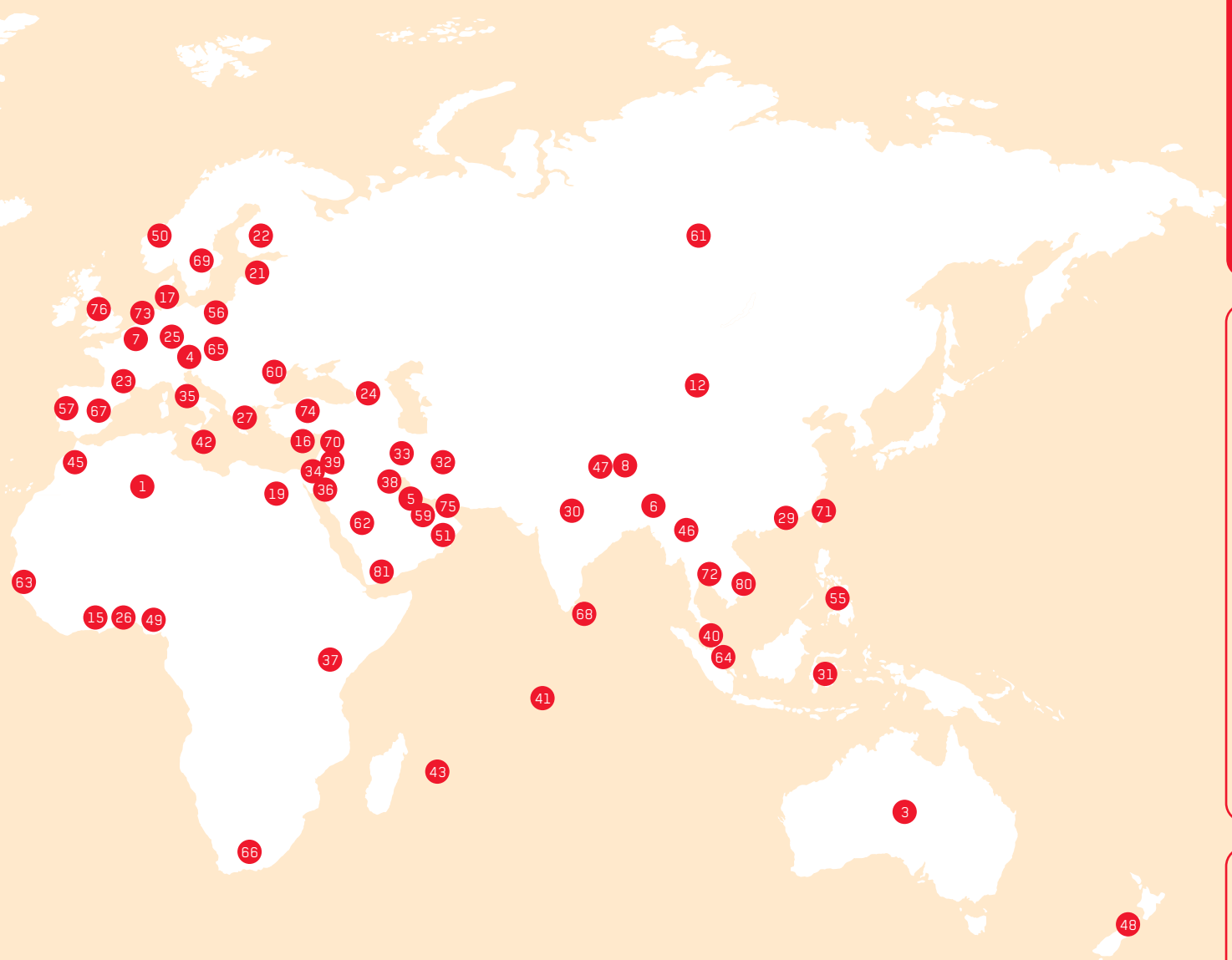
Geographic presence

Making the world beautiful inside

Merino is a leading integrated manufacturer and marketer of Interior Solutions. We have always prioritised delivering the best quality and value to our customers across all consumer segments. With our commitment to innovation and investment in enhancing and diversifying our product portfolio, we offer a diverse bouquet of multiple surfaces with infinite design possibilities that showcase our world-class manufacturing prowess.



1 Algeria	21 Estonia	42 Malta	63 Senegal
2 Argentina	22 Finland	43 Mauritius	64 Singapore
3 Australia	23 France	44 Mexico	65 Slovakia
4 Austria	24 Georgia	45 Morocco	66 South Africa
5 Bahrain	25 Germany	46 Myanmar	67 Spain
6 Bangladesh	26 Ghana	47 Nepal	68 Sri Lanka
7 Belgium	27 Greece	48 New Zealand	69 Sweden
8 Bhutan	28 Guatemala	49 Nigeria	70 Syria
9 Bolivia	29 Hongkong	50 Norway	71 Taiwan
10 Canada	30 India	51 Oman	72 Thailand
11 Chile	31 Indonesia	52 Panama	73 The Netherlands
12 China	32 Iran	53 Paraguay	74 Turkey
13 Colombia	33 Iraq	54 Peru	75 United Arab Emirates
14 Costa Rica	34 Israel	55 Philippines	76 United Kingdom
15 Cote D'ivoire (Ivory Coast)	35 Italy	56 Poland	77 United States
16 Cyprus	36 Jordan	57 Portugal	78 Uruguay
17 Denmark	37 Kenya	58 Puerto Rico	79 Venezuela
18 Ecuador	38 Kuwait	59 Qatar	80 Vietnam
19 Egypt	39 Lebanon	60 Romania	81 Yemen
20 El Salvador	40 Malaysia	61 Russia	
	41 Maldives	62 Saudi Arabia	



Revenues by Geography, FY 2022-23

Domestic

₹ 1,53,478.49 Lakhs

Exports

₹ 64,071.74 Lakhs

Map not to scale and for representation purpose only

Engagement platforms

Crafting enriching and immersive experience

We strive to capture our customers' and influencers' imagination and offer tailored solutions that meet their unique requirements. Our primary objective is to provide an enjoyable and enriching experience at every stage of their journey with us.

Merino Experience Centre

A one-stop solution for all your surfacing needs

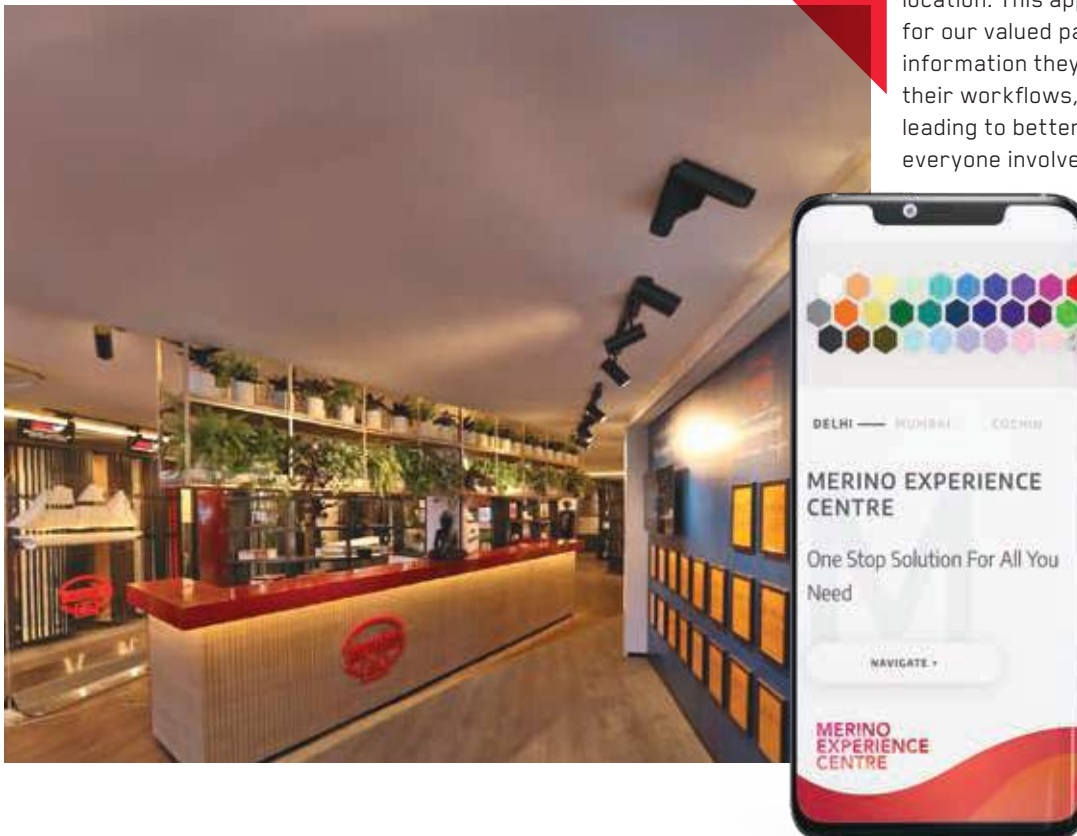
We offer endless possibilities for design and creativity at the Merino Experience Centre (MEC). This impressive retail space showcases all of Merino's panel products and brands in one convenient location. Strategically located for easy access, the MEC offers a one-stop destination for customers, business associates,

and channel partners to discover and experience Merino's wide range of products first-hand.

At the centre, customers receive a comprehensive product orientation to explore the vast array of colours, designs, and textures available. Merino's knowledgeable staff is on hand to provide expert guidance and help customers understand the technical attributes, installation guidelines, and maintenance tips

necessary for extended product life. With this unmatched level of customer service, the MEC ensures customers can make informed decisions and select the perfect product for their needs.

MEC serves as a one-stop shop for architects, interior designers, and other channel partners. Our expert Merino teams are available to provide all the necessary technical details, product availability information, and budget estimates, all in one convenient location. This approach makes it easy for our valued partners to get the information they need and streamline their workflows, ultimately leading to better outcomes for everyone involved.



Enabling Visualisation Through Easy Digital Enablement

We have developed a range of digital tools to help customers bridge the gap between visualising surface products and real-life applications. Our digital tools help customers see how our surface products look in real-life settings. Customers can try different designs, see how they fit in various spaces like living room, bedroom etc., and make better choices.

Merino Visualiser

Merino Visualiser is now accessible as a mobile-friendly web portal, allowing users to visualise their selected laminate designs in a variety of interior settings or on furniture. With just a few clicks on their mobile devices, users can experiment with different combinations and arrive at the perfect match for their needs. This powerful tool puts the power of design in the hands of our customers, making it easier than ever to create beautiful and functional spaces with Merino laminates.

Launched Building Information Modeling (BIM) Material Library to Empower Architects and Interior Designers

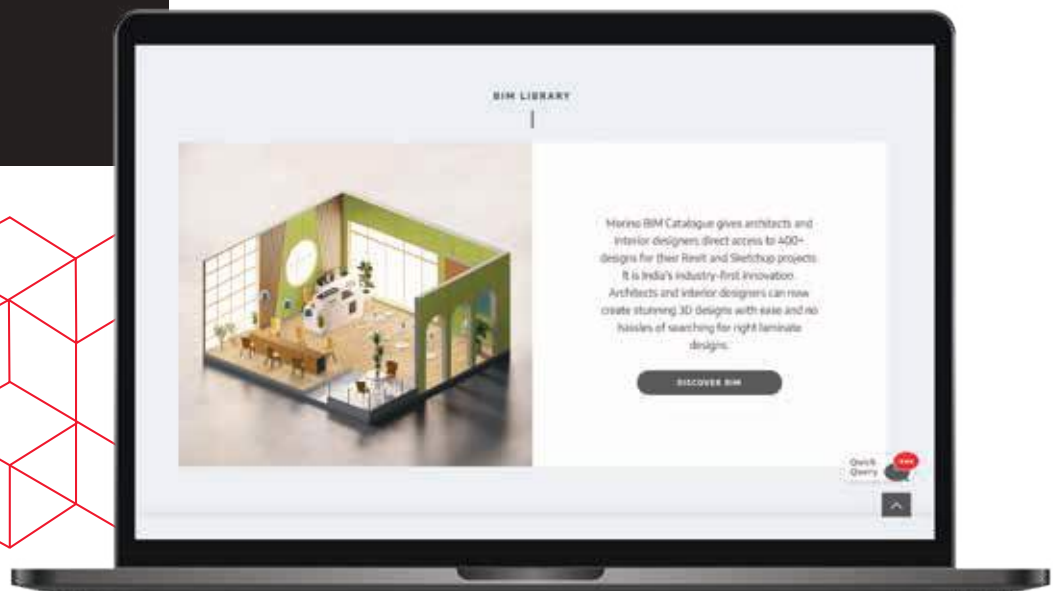
Merino is dedicated to connecting with Architects and Interior Designers (AID) and bringing innovative, unique, and useful solutions to the industry. We are first in the Indian laminate industry to offer BIM material library that enables architects and interior designers to incorporate laminate designs into their projects easily and accurately. Architects and Interior designers can now easily access the physical and functional characteristics of our laminates and create stunning and memorable projects.

Our latest material libraries in Revit, SketchUp and 3ds Maxis paving the way for the laminate industry to embrace technologically advanced solutions that will ultimately drive growth. With over 400 laminate designs available, the AID community in India will have access to a wide range of visual characteristics such as colour and design. This industry-first solution will allow architects and interior designers to work more effectively and efficiently on their 3D projects.

We are proud to be a forerunner in bringing innovations to the industry and are excited to offer this solution to the AID community in India.

Masterpieces for Professionals

We have launched a unique laminate folder that simplifies the process of mixing and matching with solid colours. The folder contains larger samples that offers a better visualisation of designs while providing the entire range in one convenient location. The folder is digitally enabled with the help of a web application that enables users to see full sheet display and visualise applications of selected laminates in different spaces like bedroom, living room etc. This is the first of its kind in the industry and reflects our commitment to enhancing experience through innovative solutions.



Chairman's message

Reimagining spaces for the long term



Dear Shareholders,

I am happy to inform you that Merino delivered robust growth during the year under review, which can be attributed to the resilience and structural strengths of the Indian economy, coupled with robust consumption demand.

Braving numerous global headwinds, India continues to make impressive strides in policy reforms and initiatives. This has created unprecedented opportunities for both global and domestic businesses due to a stable macroeconomic environment and a consistent focus on inclusive growth. India's nominal GDP has surpassed that of the United Kingdom, making it the fifth largest economy in the world, while retaining its position as the third largest economy on a purchasing power parity (PPP) basis. This is a remarkable achievement considering that India was ranked ninth a decade ago. With this momentum, India has a unique opportunity to expand its economic prowess and play a more significant role in the global arena in the years to come.

The laminate industry in India and globally is expected to grow steadily. The market for decorative laminates is being propelled by several factors including rising consumer living standards, which is leading to increased spending on home decor. There is a growing demand for aesthetically appealing designs in both residential and corporate settings, driving the popularity of decorative laminates. Additionally, the demand for ready-to-assemble (RTA) flooring, furniture, and cabinets has increased significantly, resulting in a



corresponding increase in the need for decorated laminates worldwide. In commercial infrastructures such as hotels, hospitals, shopping malls, and airports, there is a rising demand for decorative laminates due to the availability of diverse designs, colours, and textures. The use of decorative laminates in gymnasiums, convention centres, and auditoriums is also on the rise, further fuelling market growth. Refurbishment and remodelling activities in both the residential and commercial sectors in developed regions are driving demand for decorative laminates. Meanwhile, rapid urbanisation and infrastructural development across emerging economies are also leading to an increase in the use of high-end and premium products such as decorative laminates.

Merino, as a brand has experienced an extraordinary tale of evolution since its inception. As a company, we take pride in our ability to meet the diverse needs of our customers. Today, we have adapted to also cater to the millennial and GenZ design trends, tastes and preferences.

Our Performance

I am delighted to report that our revenues recorded strong growth, with a 23.06% increase to ₹ 2,20,541.57 Lakhs in FY 2022-23 from ₹ 1,79,213.44 Lakhs in FY 2021-22. Our EBITDA also increased by 7.35% to ₹ 26,962.49 Lakhs in FY 2022-23 from ₹ 25,117.3 Lakhs in FY 2021-22. The exports have recorded a growth of 20.07% increase to ₹ 64,071.74 Lakhs in FY 2022-23 from ₹ 53,358.24 Lakhs in FY 2021-22.

Key Developments

During the year, we achieved remarkable progress, primarily attributed to our burgeoning market presence and increasing recognition of our brand. A consistent and noteworthy aspect of our performance has been the sustained

momentum in introducing innovative products across various categories. Our commitment to innovation is underscored by the successful launch of over 30 captivating designs within our Contemporary Arts Collections, reflecting our dedication to pushing creative boundaries. Furthermore, we have expanded our portfolio with the introduction of 30+ designs in the Solids, Patterns, and Woodgrains range, showcasing our versatility and ability to cater to diverse customer preferences. We launched six groundbreaking designs in the Tuff-Gloss MR+ category, exemplifying our continuous quest for excellence and advancement. Moreover, we introduced two distinctive designs in the Laminature Category, elevating the options available to our valued customers. We have also unveiled three new finishes in our Catalogue. Additionally, we introduced a wider array of designs in the Exterior Grade Compacts category.

Furthermore, we have achieved a significant milestone by expanding our CE certificate to encompass our entire range of HPL and Compact products. Moreover, we have successfully obtained the CE certificate for products ranging between 0.7 mm and 2 mm, signifying our commitment to meeting stringent quality standards.

ESG Commitments

We firmly believe that the environment plays a critical role in driving social and economic progress. As a result, we prioritise resource optimisation, water recycling and reuse, and reducing our ecological footprint, particularly with regard to GHG emissions and waste. We are enhancing the proportion of renewable energy in our total energy requirement by utilising solar power and producing energy in-house with biogenic fuel, which is carbon neutral, such as biomass and biogas. Currently, we meet 72% of our energy needs from renewable sources.

Our culture is built on the aim of inspiring, engaging, and developing our entire workforce to reach their full potential, which in turn drives the growth and success of our business. With a diverse team of more than 6,200 employees across various functions, we are committed to empowering our workforce to deliver our strategy and providing exceptional opportunities for personal and professional development.

We strive to ensure that our business has a positive impact on society, accelerating progress and transforming lives. Our actions are geared towards creating a stronger, more equitable, and inclusive society. We implement CSR activities through the Sri Hara Kasturi Memorial Trust, with a focus on Education and Healthcare to create a significant impact on people's lives.

Establishing responsible governance is crucial to building a resilient and prosperous organisation where sustainability is integrated at every level. At our organisation, we prioritise working collaboratively and transparently with all stakeholders throughout our value chain, fostering inclusivity and fairness in our business practices. We implement rigorous policies, standards, and management systems to uphold our commitments and guide our businesses in addressing risks and opportunities.

At Merino, we remain committed to investing in our capabilities to capture a larger market share and create sustainable value for all stakeholders. We would like to express our sincere appreciation to our investors, customers, business associates, and employees for their unwavering trust and support, which has enabled our growth and success.

Warm regards,

Rup Chand Lohia
Executive Chairman



Key performance indicators

Letting the numbers speak for themselves

Our year-on-year performance has been consistently strong, owing to our solid fundamentals, efficient risk management, and clearly defined growth strategies across markets.

Revenue

(₹ in Lakhs)



EBITDA

(₹ in Lakhs)



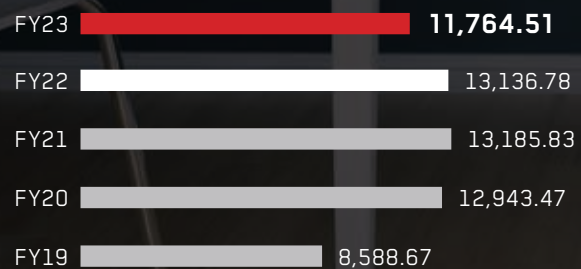
EBITDA Margin

(%)



Profit After Tax

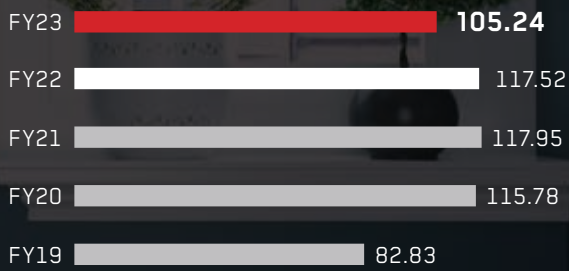
(₹ in Lakhs)





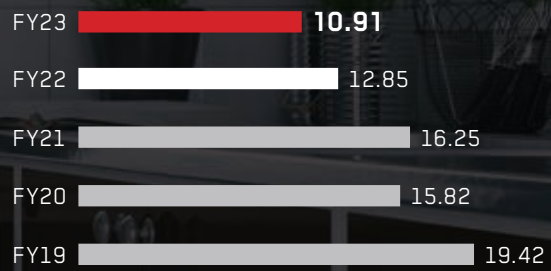
Earnings Per Share

(₹)



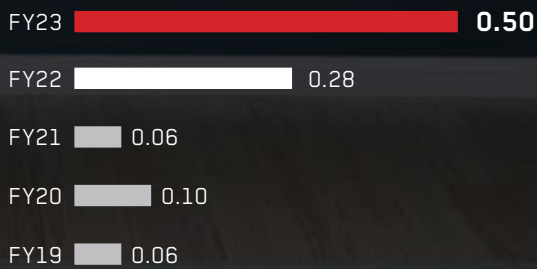
ROCE

(%)



Debt-equity Ratio

(x)



Operating context

Adapting seamlessly to a dynamic world

The business environment is continuously changing with the evolution of new technologies, economic policies, and market trends. As a forward-thinking company, we are constantly monitoring these changes and adapting our strategies accordingly. Our ability to adapt to rapid change and capitalise on the merging opportunities enables us to stay competitive.



Growth drivers

Growing Demand in the Construction Sector

The construction sector is the major consumer of laminates in India. With the increasing demand for affordable housing, commercial buildings, and renovation projects, the demand for laminates is expected to grow.

Increasing Disposable Income

With the increase in disposable income of the Indian middle-class population, there has been a surge in demand for premium interior decoration products, including laminates.

Growing Indian Population

India is currently the world's most populous country, with a population of over 1.4 billion people. According to the United Nations, India's population is projected to reach 1.5 billion by 2030 and is expected to peak at around 1.7 billion by 2050. This growing population will increase the demand for housing, as well as corresponding decorative and innovative laminates.

Increasing Urbanisation

Rapid urbanisation in India has resulted in the construction of more homes, offices, and other buildings, leading to higher demand for laminates.

Surging Demand for Real Estate

The Indian real estate market is projected to experience a CAGR of 9.2% between 2023 and 2028, driving demand for laminate products in the country.

Technological Advancements

With the advent of new technologies, the production process has become more efficient, leading to higher productivity and cost-effectiveness. This has enabled the Indian laminate industry to become more competitive and provide better-quality products.

Government Initiatives

The Indian government has launched several initiatives such as the Housing for All scheme, Smart City Mission, and Make in India, among others, which are expected to boost the demand for laminates in the country.

Business model

Delivering long-term value for all

Input



Financial Capital

Our resources from various sources, including funds mobilised from investors, promoters, banks, and financial institutions in the form of debt and net worth.

- Equity: ₹ **1,24,841.018 Lakhs**
- Net Debt: ₹ **62,081.05 Lakhs**



Manufactured Capital

Our manufacturing assets, technologies and equipment constitute our manufactured capital coupled with efficient logistics.

- Manufacturing facilities: **5**
- Offices: **23**



Human Capital

Our employees are an integral part to our existence. Our workforce, consisting of management, employees, and contract workers, is driving our progress.

- Employees: **2,323+**
- Contractual employees: **3,915+**



Intellectual Capital

Our collective capabilities, spanning across products, resources, markets, partners, and finances, are our inherent strength and set us apart as an organisation capable of delivering world-class products.

Investment in new product development: ₹ **908.51 Lakhs**



Natural Capital

We are committed to conserving natural resources and striving for optimal utilisation of them. Our efforts to reduce waste and embrace renewable energy are part of our 360-degree approach to improving our ecological footprint.

Out of **1.3 million GJ** of in-house produced energy, around **1 million GJ** is from renewable sources



Social and Relationship Capital

We operate our business in a responsible manner and actively engage with all stakeholders, including customers, regulators, governments, suppliers, communities, and society at large. Our aim is to create long-term value for all stakeholders.

- Total spent on CSR: ₹ **288 Lakhs**

Value creation approach

Market Trends



Manufacturing and innovation



Sales and Distribution

Business enablers



Marketing and Branding



Information Technology


Governance

Aligned with our vision and anchored to our core motto, our business model reflects our integrated approach to creating value for all stakeholders. It enables us to make progress toward co-creating a sustainable future.


Growth Drivers

External Environment


Risks and Opportunities




Customers




Investors



Employees



Supplier Partners



Communities

Stakeholder Relationships

Output

Financial Capital

- Net revenue ₹ **2,17,550.23 Lakhs**
- PAT ₹ **11,764.51 Lakhs**
- EBITDA ₹ **26,962.49 Lakhs**
- Return on Capital Employed **10.91%**

Manufactured Capital

85.79% Capacity utilisation in decorative laminate

Human Capital

- Employees hired **1,986**
- Person-hours training **-30,000**

Intellectual Capital

- New products launched in 1 mm Catalogue
 - 30+ Designs Launched in Contemporary Arts Collections
 - 30+ Designs Launched in Solids, Patterns & Woodgrains
 - 6 Designs Launched in Tuff-Gloss MR+
 - 2 New Designs launched in Laminature Category
 - 3 New Finishes launched in the Catalogue

Natural Capital

- **72%** of total energy comes from renewable sources
- **19.49%** Reduction in water intensity (Ratio of Water consumption and Revenue)
- **26.63%** Reduction in energy intensity (Ratio of Energy Consumption and Revenue)

Social and Relationship Capital

- The Group's contribution to the exchequer (gross) ₹ **65,360 Lakhs**

Value Creation for Stakeholders

Customers

We offer a wide range of innovative and creative laminates, with a focus on aesthetic product designs. Our experienced centres are a magnificent showcase of all Merino products and brands, displayed in a single retail space.

Investor

We have a consistent track record of distributing dividends while increasing investor value. Additionally, we regularly monitor and respond to investor queries to ensure their concerns are addressed in a timely manner.

Employees

We are creating opportunities for growth and learning, through on-the-job training and learning & development initiatives. Our focus is to help employees reach their full potential and achieve their career goals.

Supplier Partners

We have strengthened our supplier ecosystem, which provided us with consistent resource stability. This, in turn, resulted in superior procurement economies as volumes increased.

Community

We are actively engaged in various community development activities, with a focus on healthcare, skill development, education, infrastructure development, and women's empowerment



The 'Nirmal' programme* propels Merino's sustainable actions and positive outcomes for creating long-term stakeholder value by achieving a balance between economic, environmental and social performances.

* 'Nirmal' is a Sanskrit word, meaning 'devoid of impurity'

Admin Block, Hapur (U.P.)

The sustainability initiatives are driven with an integrated, holistic and multi-dimensional transformation approach for innovation, conservation and efficiency under management of:



Energy



Air



Water



Soil



Waste

Environment

Preserving natural resources for the future

We are committed to optimising our resource consumption and reducing our carbon footprint while providing eco-friendly products. In addition, we are consistently increasing the percentage of renewable energy in our energy consumption mix and implementing the best available technologies to minimise our carbon footprint.

Energy

SDGs impacted through our Energy Management



Groundmounted Solar System - Merino Rohad (H.R.)

We prioritise reducing dependence on fossil fuels and increasing the supply from renewable sources to achieve ecological sustainability and indigenous availability. Our primary focus is on generating and consuming energy in-house through biogenic fuels like sawdust, rice husk, and biogas, as well as solar power. Biomass plays a crucial role in combating climate change as it has one of the lowest carbon intensities among fuel-based technologies for heat and power production. Experts agree that biomass is the top choice when considering both economic and environmental factors.

Through proactive efforts, we have successfully met 72% of our total energy requirement using renewable and green sources. At Merino Industries, biomass-based energy system and biogas (BG) account for a significant portion (69%) of our energy needs, while solar power contributes 3%.

Rice husk and sawdust, as green fuels, are the primary energy sources at our manufacturing units. Biomass turbines generate approximately 69% of our total energy requirement at

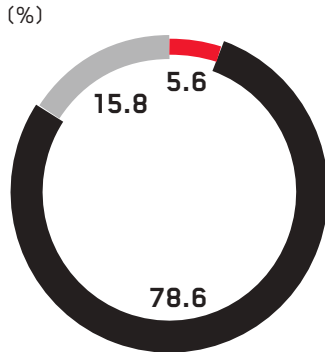
Merino. In FY 2022-23, we harnessed around 1 million GJ of energy (both heat and electricity) from biomass.

Additionally, we have harnessed 12.77 million kWh of electrical energy from solar systems, including rooftops and ground-mounted solar panels.

84%

Of heat energy requirement of all manufacturing units is catered by Biomass and process wastes

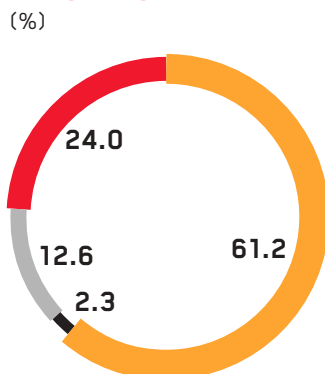
Heat Energy Requirements FY 2022-23



- ▶ Biomass
- ▶ Coals+LPG
- ▶ Process wastes

We have consistently prioritised the implementation of solar panel systems/plants to meet the increasing power demand of our group. Currently, approximately 24% of our total electrical power is sourced from solar systems. In FY 2022-23, the extraction of electrical energy from in-house biomass-based energy system was limited due to technical issues, resulting in a higher reliance on DG sets and State Electricity Boards (SEBs). However, we anticipate a significant increase in the supply of electrical energy in the upcoming year. SEBs served as the primary suppliers, accounting for approximately 61% of Merino's electrical energy requirements in FY 2022-23.

Electrical Energy Supplies FY 2022-23



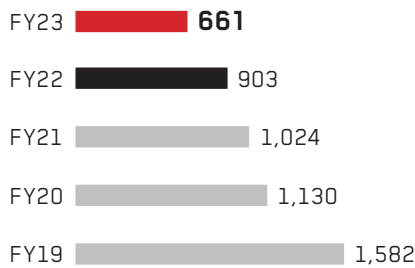
- ▶ SEB
- ▶ Solar
- ▶ DG
- ▶ Biomass Turbine

Energy Intensity and GHG Emission

We have consistently demonstrated a decrease in both energy intensity and greenhouse gas (GHG) emission intensity. This serves as a testament to our steadfast dedication to achieving a harmonious equilibrium between economic growth and environmental sustainability by minimising our carbon footprint. At Merino, our energy management systems play a vital role in facilitating this progress. Notably, through process optimisation and the implementation of co-generation or waste heat recovery systems in conjunction with renewable energy technologies, we are actively working towards our objective of continuously reducing energy intensity.

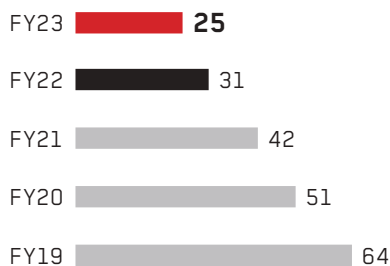
Energy Intensity

(GJ/ ₹ Crore of Revenue)



GHG Emissions Intensity

(tCO₂e/ Crore of Revenue)



Energy Conservation Initiatives, FY 2022-23

- Retrofitted back pressure turbine, resulting in annual savings of 4.29 MWh of electricity and 42,900 KL of water.
- Synchronised blower running time with coolant pump, leading to an annual electricity saving of 5,428.8 KWh.
- Incorporated incinerator with a heat recovery system and hot water generator.
- Restored automation for the heating and cooling system in the hot press cycle to optimise pump and cooling tower usage.
- Installed a bailing machine, resulting in a reduction of 12.354 tonnes of CO₂ emissions per year and energy savings of 195.9 GJ per year.
- Expanded heating zone facilities on existing impregnation lines, eliminating the need for new PF impregnation lines.
- Insulated hot well and thermic fluid line valves.
- Ensured operational optimisation of hot-press power requirements.
- Installed an air booster and optimised energy usage at the CNC HOLZER machine.
- Reduced electrical energy consumption by installing motion sensors on the quality table.
- Upgraded the crusher at the incinerator to a higher rating for maximum waste heat recovery.



Environment

Water

SDGs impacted through our Water Management



Pond at MIL, Rohad (H.R.)

At Merino, we are largely dependent on the ground water. Hence, to preserve this valuable resource, we have adopted a holistic approach to water management in and around our manufacturing units. This approach emphasises the conservation of groundwater and the implementation of practices that encompass the 5R approach: Reduce, Recycle, Reuse, Replenish, and Restore. By following these principles, we actively contribute to the SDG goal of Clean Water.

Our water management efforts at Merino can be broadly classified into three key areas. Firstly, we implement targeted practices aimed at reducing water consumption. Secondly, we promote the recycling and reuse of water to maximise its efficiency. Lastly, we undertake replenishment and restoration measures to ensure a sustainable water supply.

Furthermore, our commitment to Zero Liquid Discharge (ZLD) aligns with the SDG goal of preventing the proliferation of impurities in water bodies.

72,000 KL+
Water is recycled annually for reuse

5,00,000 KL+
Water is effectively restored or replenished from RWHP and wells in water ponds built by Merino

We have adopted the twin concept of maximising water usage and saving every drop possible across all its manufacturing facilities.

Recycle and Reuse of Water Through ETP and STP

Our water management strategy revolves around recycling waste and unused water discharged from our manufacturing units. This essential element is implemented across all facilities using efficient Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs).

In FY 2022-23, Merino successfully recycled and reused a cumulative total of 72,000 KL of water across all manufacturing facilities.

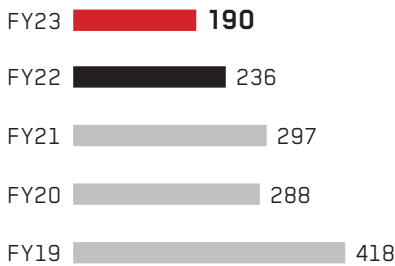
Replenishing and Restoration of Water Sources

Through consistent engagement and a comprehensive water conservation plan, we are working towards the dual objectives of implementing a zero discharge system and achieving double recharge. Our aim is to replenish twice the amount of water we consume within our premises. To facilitate this, Merino has developed a Rain Water Harvest Potential (RWHP) with a capacity of over 68,000 KL for water restoration and recharge wells in ponds with a capacity of 5,69,315 KL. These initiatives collectively contribute to the fulfillment of Merino's water neutrality goals.

Water Intensity

The continuous decline in water intensity that we have reported each year reflects our unwavering commitment to water stewardship initiatives and their positive outcomes.

(KL/ Crore of Revenue)



Water Conservation Initiatives, FY 2022-23

- Retrofitted 1.7 MW Backpressure turbine, minimising cooling tower operation and eliminating condenser in the turbine, resulting in annual water savings of 42,900 KL.
- Installed a condenser to capture flash steam and pump the condensate, resulting in annual water savings of 726 KL.
- Utilised water distillate from PF resin for diluting phenol unloading tankers and manufacturing black die resin, reducing raw water consumption by 189 KL annually.
- Conducted a trial installation of Scaleban system to utilise high TDS water in the cooling tower, reducing raw water consumption by approximately 10,000 KL annually.
- Implemented an RO system with a capacity of 220 KLD to treat high TDS rainwater for use in the process, reducing groundwater consumption by at least 20,000 KL annually.



Rooftop Solar System MIL Rohad (H.R.)

Air

SDGs impacted through our air emissions control and care for quality air



By prioritising air quality in factory environments and workstations, we demonstrate our commitment to relevant Sustainable Development Goals. We achieve this by investing in upgraded technology, equipment, and a continuous environment monitoring system (CEMS) with real-time log-books/reports. Collaboration between our air engineers and plantation team ensures that our emissions remain below the specified norms for the manufacturing sector, while also maintaining a green workplace.

As part of our sustainable practices, we convert waste generated at our facilities into useful gases and compost without releasing greenhouse gases into the environment. This approach has significantly improved air quality in and around our establishments. Additionally, the utilisation of biomass and solar energy as fuel sources has helped us reduce the carbon footprint associated with our manufacturing products and processes.

Key Initiatives for Better Air Quality, FY 2022-23

- Implemented wet scrubbers, electrostatic precipitators, and bag filters in its lamination plants located in Hapur, Rohad, and Dahej to control air pollutants.
- Utilises VAM chillers, powered by waste heat instead of conventional compressor-driven refrigerant gases, to fulfil a significant portion of Merino's cooling requirements.
- Utilises advanced technology in production unit chillers for process and comfort cooling, offering improved environmental friendliness compared to conventional cooling systems.

Environment

Soil

SDGs impacted through our soil and green cover initiatives



Vermi Compost of Merino, Hapur (U.P.)

295 MT+

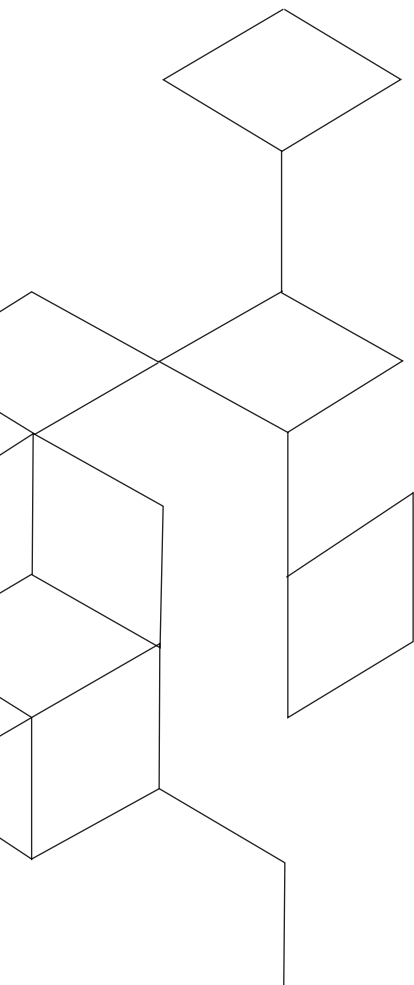
Bio-compost/manure produced in FY 2022-23

Our soil conservation efforts include promoting organic manures, supporting plantations, agroforestry, and resilient agriculture. They are focused on improving soil health. Additionally, Merino is involved in various projects such as bio-composting, vermicomposting, tissue-culture lab, bio-refinery, and bio-nutrient projects, all aimed at positively impacting the soil.

Merino produced over 295 MT of bio-compost/bio-manure, mainly from agricultural wastes like paddy husks, rice husks, cow-dungs etc and organic wastes of potato peels and other from factory. This also include 95 MT of vermicompost made under bamboo farm of Merino. The preparation of bio-compost and supply to farms are under commitments of the Merino to support the national cause to lessen the chemical inputs in farming and promoting resilient agricultural practices in India.

Key Initiatives under Soil Care, FY 2022-23

- Placed afforestation and the expansion of agroforestry at the forefront of its environmental initiatives.
- Set targets to increase green cover both within and outside its premises, resulting in the planting of over 20,000 tree saplings across various locations in India.
- Played an active role in supporting farmers engaged in agroforestry by providing over 3.5 million saplings during FY 2022-23.
- Implemented agroforestry practices by cultivating bamboo across 5 acres of land in Hapur.
- These green initiatives, including plantations, farming, and agroforestry, contribute significantly to carbon sequestration. As a result, we remove approximately 18,000 tonnes of CO₂ equivalent greenhouse gas emissions annually.





Agri Waste - Saw Dust at Merino Hapur

Waste

We follow circular economy principles in waste management, aiming to recycle and create positive value from waste materials. Here are some examples of their waste management practices:

- Combustible wastes generated during the manufacturing process, such as paper residue, laminates, and panel products, are utilised in furnaces to generate heat. This heat is then used for drying biomass, which serves as a key source of energy in Merino.
- Ash generated from boilers, incinerators, and the NTPC power plant is repurposed for manufacturing bricks and tiles. These products find application in internal pavements within the factory premises.
- Organic wastes produced during production processes and canteen activities are converted into manure through bio-conversion processes, involving the use of bacteria and other micro-organisms. The resulting organic manure is utilised for plants and plantations at Merino establishments.

Our collaboration with Visvesvaraya National Institute of Technology (VNIT) has resulted in a novel process for utilising potato peel waste (PPW) generated at the Vegit plant. Through a green method, the clean peel is separated from the residual starch slurry. The peel is then used to extract valuable products like polyphenols and dietary fibers, adding value to the waste material. The starch slurry, on the other hand, is utilised for energy generation through anaerobic digestion, while any remaining waste is composted to enrich the soil as manure. This comprehensive approach ensures that the VEGIT plant achieves zero waste generation.

Social - People

Building future-ready workforce

We aspire to deliver an exceptional employee experience that inspires and empowers our workforce and aligns their individual goals with that of the organisation. By engaging and motivating our employees to reach their full potential and providing opportunities for their personal and professional growth, we ensure our own sustainable growth.

Our goal is to deliver an exceptional employee experience that inspires and empowers our workforce to achieve our organisation's strategic imperatives. By engaging and motivating our employees to reach their full potential and providing opportunities for their personal and professional growth, we ensure the ongoing success and growth of our business. Additionally, we prioritise the health and safety of our employees and continuously strive to maintain a safe working environment.

Learning and Development

We provided extensive training and development opportunities to enhance employees' skills and competencies, ensuring that they stay ahead of industry trends and are equipped for future challenges.

Product Training for Sales Force, Technical Process Training across plant locations, Capability Development Workshops for 300+ managers and numerous behavioral training interventions were organised through the year. A total of ~30,000 person-hours of training time was invested through FY 2022-23.





darwinbox

Performance Management System

Our performance management system was revamped to foster a culture of continuous feedback and growth, promoting regular goal setting, coaching, and performance evaluations. Classroom sessions were conducted for all line managers on 'Coaching for Performance' and emphasis laid on the critical importance of one-on-one people connect. 'Unconscious Bias' was critically discussed as a concept to raise awareness and promote fair decision-making across all aspects of the employee life cycle.

Career progression opportunities were offered to high-performing individuals, ensuring that their efforts were acknowledged and rewarded with almost 15% of the employees being promoted to next level roles during 2023 Annual Increment Cycle.

Specific Retention Plan for critical list helped ring fence talent pool and allowed us to be on continuous growth momentum.

Talent Acquisition

We have implemented comprehensive talent acquisition strategies to attract top-tier professionals across various departments wherein Merino onboarded more than 500 employees across various levels to cater to new and replacement positions - broad overview would be 70% in junior management segment, 24% in middle management and approximately 6% at senior level roles with a view to align and partner our recruitment goals with the organisation's long-term goals and growth. Investments were made in systems and processes to streamline candidate processing experience and deliver greater efficiency.



Reward and Recognition

Employee engagement remained a top priority, and we introduced various initiatives to enhance Communication, Collaboration, and build a robust Rewards System. Advantage Club platform was launched to make employees connect across geographies seamless and commit to real time recognition. Achievers' Award (quarterly recognition) and Budding Star (Monthly recognition) have been effectively leveraged to allow leaders to recognise team members who go above and beyond their regular call of duty. Local celebrations were promoted in a structured format to encourage diversity & togetherness.

Social - Community

Fostering community wellbeing

Giving back to the community and promoting community wealth creation through Sri Hara Kasturi Memorial Trust is a system-changing, people-centred approach that it has honed through a wide range of programmes, including healthcare and education among others.



Education

202

Students (140 girls and 62 boys) are being provided education through the Swami Vivekananda Arunoday Vidyalaya (SVAV) and the Yogakshema Scholarship Programme



Healthcare

6,250

TB patients cures as on date

6,674

Patients benefited from our OPD services in FY 2022-23

905

Patients benefited from our Ayurvedic treatment in FY 2022-23

Read more on page 59

Governance

Steering responsible progress

Strong governance is essential for establishing a resilient and successful organisation that integrates sustainability at every level. We are committed to engaging openly and transparently with stakeholders throughout the value chain to promote a fair and inclusive business. Our operations are guided by robust policies, standards, and management systems that enable us to address risks and opportunities while measuring our performance and fulfilling our commitments.

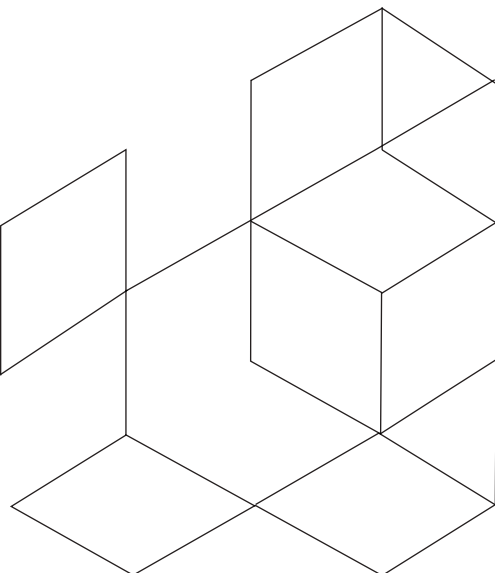
Our Board of Directors

The Board and its committees are responsible for providing leadership in implementing the principles of good corporate governance across the organisation. They ensure that all decisions and actions are guided by integrity, responsibility, accountability, fairness, and transparency. The Board reviews the performance of the organisation, its approach and outcomes, and ensures that the Group operates in a sustainable and responsible manner.

Our Board members bring a wealth of experience and expertise to the Group, which allows us to effectively navigate the challenges and opportunities in our industry. They are committed to upholding the highest standards of corporate governance, promoting sustainability, and ensuring that the interests of all stakeholders are taken into account in our decision-making processes.

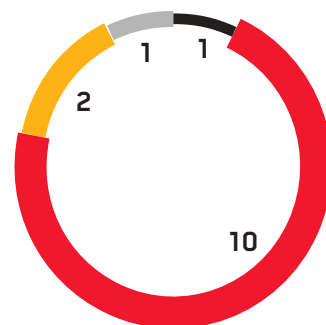
Board Committees

The Board delegates responsibilities to the four committees with decision-making authority as per their terms of reference. We use rigorous internal and external mechanisms to assess and report on our performance and the effectiveness of our management approach and systems. These mechanisms include reporting systems, benchmarks, stakeholder engagement, and collaboration at various levels.



Board Composition

(Nos.)



- ▶ Whole Time Directors
- ▶ Independent Directors
- ▶ Non-Executive Director
- ▶ Managing Director

List of Committees

Audit Committee

Stakeholders Relationship Committee

Nomination and Remuneration Committee

Corporate Social Responsibility Committee

Sustainability Report 2022-23

EVOLVING SUSTAINABLY



ECONOMY • EXCELLENCE • ETHICS

“

*In all things of nature
there is something of the marvelous*

Aristotle

”



Reporting Scope and Boundary

Merino Industries is committed to promoting sustainable impacts through its programs and disclosures, which adhere to a range of national and international charters, imperatives, and guidelines. These include:

- National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG) in India, issued by the Ministry of Corporate Affairs, Government of India.
- Sustainable Development Goals (SDGs) released at the United Nations Sustainable Development Summit in 2015.
- Science Based Targets Initiative.
- Format of Business Responsibility Report (BRR) published by the Securities and Exchange Board of India (SEBI), Govt. of India.
- Industry Standards - ISO 9001, ISO 14001, ISO 45001, FSC COC/CW, CE, NSF and AEO T-2

This Report showcases Merino Industries' sustainability performance on environmental and social factors from April 2022 to March 2023 across five Indian manufacturing locations and various business verticals.

- 1 High Pressure Laminates (HPL) and Low-Pressure Laminates (LPL) Manufacturing Locations: a) Hapur, Uttar Pradesh; b) Rohad, Haryana; c) Dahej, Gujarat d) Hosur, Tamil Nadu.
- 2 Panel/Compact Boards Manufacturing Locations: a) Hapur; b) Rohad; c) Dahej.
- 3 Prelam Boards, Modular Furniture Manufacturing Locations: a) Hapur, b) Hosur
- 4 Potato Seeds and Flake Manufacturing Location: Hapur

Data Management

At Merino Industries, we diligently track our environmental impact in all manufacturing locations using the NIRMAL DATABASE, a cloud platform managed and monitored by a dedicated committee. Respective units monitor the remaining parameters through specific internal committees and platforms. For detailed financial disclosures, please refer to our Annual Report for FY 2022-23 on our website.

We deeply value our stakeholders' perspectives and strive to improve our sustainability reporting and performance. Please share your feedback, inquiries, suggestions, or information with us at:

Mr. Balaji – Company Secretary

Email – balaji@merinoindia.com

Mr. Arijit Roy Ghatak – EA to MD

Email- arijitroyghatak@merinoindia.com

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Fax: 91-33-2287-0314,
E-mail: balaji@merinoindia.com
Website: 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



Evolving Sustainably



“Dharmo Rakshati Rakshitah”

धर्मो रक्षति रक्षितः

is the “Motto” of our Sustainability program under Nirmal

Merino Industries has been committed and focused to the cause of environment and society in a sustainable way, since its inception nearly 55 years ago. As a close-knit family business, environmental protection is an inseparable part of our economic activity. This aspect of doing business is also deeply enshrined in our Mission, that is, Universal weal through trade and industry. Personally, I am very privileged to lead this campaign along with Merino team, industry experts, academia, industry associations and organisations operating in this domain.

Under the five pillars of the Nirmal program—Bhūmih (soil), Apah (water), Analah (fire), Vayu (air), and Khang (space)—we are making significant strides in our ecosystem. Our sustainability commitments encompass the increased utilisation of

green energy, water conservation, air pollution reduction, circular economy and waste recycling, large-scale plantation, and the implementation of organic manure while minimising the use of chemical fertilizers and pesticides in agro farming. This report outlines the initiatives undertaken and the resulting benefits for our stakeholders.

We continue to ideate, innovate, collaborate, and implement selected initiatives with rigor to reduce our CO₂ footprint, conserve water, control emissions, decrease reliance on fossil fuels, proactively meet regulatory requirements, and fulfil specific mandates from our global business partners.

Due to our pioneering efforts, Merino has emerged as a leader in the production of High-Pressure Laminates and other products among

global manufacturing companies. Notably, we meet over 72% of our energy needs through renewable sources, that has significantly reduced our dependence on fossil fuels.

I firmly believe that our unwavering commitment to environmental protection and climate risk mitigation will persist, further enhancing Merino’s path to market excellence. Merino Industries will continue its transformative journey, striving to change lives and evolve sustainably.

Prakash Lohia
Managing Director



Sustainability Strategy

Merino's sustainability strategy aims to create value for our stakeholders including social impacts, while reducing the ecological footprint of operations.

Merino's mission of "Universal Weal through Trade & Industry" emphasises creating wealth for stakeholders in a manner that is sustainable and considerate of nature. By pursuing this "Weal", Merino ensures that wealth is generated without causing harm to the environment. The goal is to maintain a clean and pure environment, fostering abundance for everyone. This understanding forms the foundation of Merino's approach to sustainability, which we call the **Nirmal Way**. The **Nirmal Program**, a thoughtfully designed initiative, serves as a catalyst for Merino's commitment to becoming a sustainable and responsible industry.

Key Objectives

- Reduce dependency on Fossil fuel.
- Innovating for operational eco-efficiency by minimising water intensity, minimising energy intensity, minimising wastes intensity, and maximising circular economy under Wastes Management.
- Achieve global standards in verification, assessment and certification on tangible parameters related to Sustainability Index.
- Develop, maintain, and leverage from synergistic approach between Industry, Academia, Governments and Research/Scientific Community to achieve the aligned SDG (Sustainable Development Goals).
- Maintain the 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 others.
- To become an industry leader in terms of focus and commitment to environment protection and sustainability factors.

Collaborations for Sustainability Initiatives

These include:

- Central and State Pollution Control Boards
- Commission for Air Quality Management for NCR (CAQM)
- International Standards Organization (ISO)
- Confederation of Indian Industry (CII)
- Federation of Indian Chambers and Commerce (FICCI)
- Indian Agricultural Research Institute (IARI)
- National Bamboo Mission (NBM)
- Visvesvaraya National Institute of Technology (VNIT, Nagpur)
- Indian Federation of Green Energy (IFGE)

Industry – Academia Collaboration

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 includes:

- Assessing carbon footprint for third party verification and accreditation as per ISO standards.
- Creating products of higher economic value out of any process wastes.
- Research and laboratory facilities for developing circular economy principle-based projects of Nirmal Program.

As a responsible business entity, Merino embraces a philosophical understanding of sustainability that encompasses the five fundamental elements of nature known as Pancha-Mahabhuta, i.e., Soil (Bhūmih), Water (Aapah), Fire (Analah), Air (Vayu), and Space (Khang). Hence, Merino Industries has factored all these five elements into the Nirmal Program, as a comprehensive framework for implementing sustainability factors.



Biodiversity with Green cover in Merino Factory, Hapur



Merino Factory, Administrative Section, Hapur

Evolving Sustainably

Triple Bottom Line: Planet, People and Profit



Merino's sustainability factors are ingrained in the Triple Bottom Line Framework, encompassing three key dimensions: environmental, social, and financial impacts.

Merino is committed to safeguarding the planet, fostering a positive impact on society, and generating profits through excellence and ethical practices.

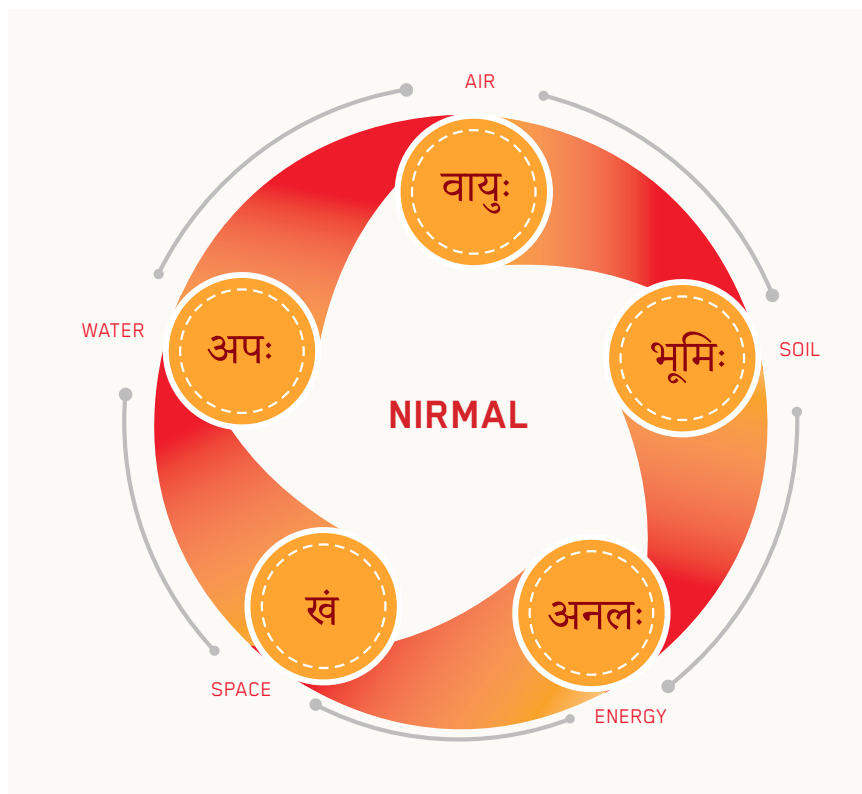


Integrated fields and factory, Merino Hapur

Parameters & Approaches

Merino's five major focus areas for sustainability are Energy, Water, Air, Space, and Soil, and along with that we are also trying to promote circular economy through waste management which encompass multiple parameters. These aspects are diligently tracked, measured, monitored, and continually improved through innovative and sustainable efforts.

Various committees have been formed within different functional units, ensuring accountability for each of their designated areas.



"Merino recognises that the environment is intricately intertwined with social and economic well-being. Therefore, the factors that support the environment have a significant impact on both business and society. This has inspired Merino to adopt 'Environment First' policy.



Merino Rohad

The sustainability performance report provides a comprehensive overview of each identified area, detailing key initiatives and their outcomes across the following categories:

1. Energy Management: Achieving the lowest energy intensity, maintaining a low carbon footprint, and utilising predominantly renewable sources of energy.
2. Water Management: Pursuing a Water Neutrality Goal through efficient water management practices.
3. Air Emissions Mitigation and Air Quality Care: Striving for low emissions, containing the air pollutants, and taking measures to improve air quality.
4. Space: The space around our Earth serves as a symbiotic buffer and integrates us with the vast universe. Any disruption to this delicate balance, such as ozone layer depletion, can be disastrous and can affect the entire ecosystem. Therefore, it is essential to strive for low greenhouse gas (GHG) emissions and maintain the harmony of our space environment.
5. Soil Care, Green Activities, and Sustainable Agriculture: Focusing on soil conservation, engaging in green activities, and promoting sustainable agricultural practices.
6. Waste Management: Implementing Circular Economy principles to effectively manage waste.

Overall, the report provides detailed insights into these areas, highlighting the initiatives undertaken and the outcomes achieved.

I. Energy Management

I.1 Approach

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

Renewable Energy Source

Our primary goal is to decrease dependence on fossil fuels and increase the use of renewable energy sources, aligning with our objectives of ecological sustainability and local availability. Our major focus is on in-house energy production and consumption through the utilisation of biogenic fuels like sawdust, rice husk, and biogas, as well as harnessing solar power.

Increasing Efficiency

Our constant endeavor to make operations and processes more efficient so that with less consumption of energy we have more output. To achieve this there is a constant upgradation of electrical tools, appliances, machinery, bringing in improved technology in operations, utilities, and lighting systems.

Conservation

We foster an eco-conscious work culture by promoting the use of natural light in all our establishments, resulting in direct energy savings and reduced consumption. Additionally, we implement automation to conserve electricity and raise awareness among our workforce, encouraging responsible energy usage.

- In FY 2022-23, Merino Industries sourced 15.3% of its energy from fossil fuels, with coal accounting for 13.6% and diesel for 1.7%. An additional 8% came from the State Electricity Boards (SEB) grid power. Process waste to energy contributed 5% to the overall energy requirements. The remaining 72% of energy (heat and electricity) was fulfilled through renewable and alternative

sources, including solar, biomass-based turbine technologies (BTT), secondary furnaces (for heat energy) and biogas plants (BG).

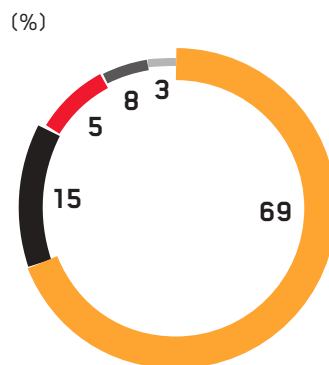
Approximately 69% of the total energy requirement is contributed by BTT and BG, while solar power accounts for around 3%.

I.2 Biomass is the preferred choice for energy in Merino

At Merino’s manufacturing units, renewable energy is derived from combustible agricultural materials, primarily rice husk and sawdust. These biomass sources are utilised to generate heat in the furnaces, which subsequently produces steam and power through turbines.

This reliance on biomass for meeting energy requirements offers several advantages. Not only is it cost-effective, environment friendly, and effectively reducing carbon footprint, but it also carries significant social benefits. It is a sustainable source of livelihood for local communities within a 100-kilometer radius of Merino Factories, located in Hapur (Uttar Pradesh) and Rohad (Haryana).

Energy Sources of Merino



- ▶ Biomass
- ▶ Fossil Fuels (DG+Coal)
- ▶ Wastes - Incineration
- ▶ SEB
- ▶ Solar

Merino uses both conventional sources of energy and Renewable Energy.



Fossil Fuels based System supplies 16% of total energy requirement.

Renewable sources constitute around 72% of total energy requirements in Merino.



Renewable Sources are Biomass & Solar



Merino Dahej



Green Fuel -Saw Dust, Hapur

1.3 Heat and Electrical Energy Supplies

Heat Energy

The in-house energy efficient boilers and secondary furnace (incinerators) for complete combustion of any kind of solid fuels/wastes produces whole of heat energy requirements for manufacturing processes in Merino.

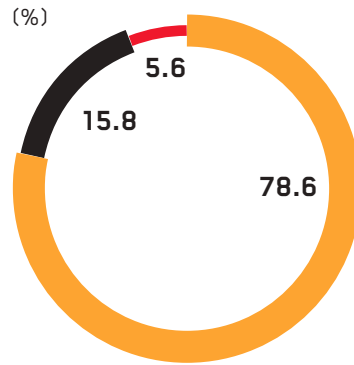
Merino is dedicated to fulfilling its environmental obligations by actively substituting fossil fuels (such as coal, diesel, and LPG) with renewable alternatives, including sawdust, agricultural residues, waste woods, and processed paper materials, which possess higher biomass and calorific values. By utilising these alternative fuels, Merino's manufacturing units in Hapur and Rohad effectively meet most of their heat energy requirements from sustainable sources. This successful transition leads to minimal greenhouse gas emissions, aligning seamlessly with Merino's environmental commitments.

Electrical Energy

Out of the total electrical energy requirements, approximately 61% is sourced from various state electricity boards. Merino Industries generates around 39% of its power needs through a combination of solar energy, in-house biomass-based turbines, and the operation of diesel sets.

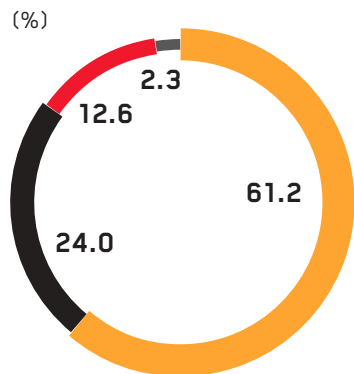
Merino has an installed capacity of 10.59 MW of solar power, which generates approximately 12.77 million kWh units of electrical energy. This accounts for around 24% of the total electrical energy requirement of 53.42 million kWh across all four manufacturing plants (Hapur, Rohad, Dahej, and Hosur). The energy generated is utilised for production processes, utilities, and lighting needs within the group.

Heat Energy Sources, MIL, FY 2022-23



- ▶ Biomass
- ▶ Coals+LPG
- ▶ Process wastes

Electrical Energy Supplies Sources, FY 2022-23



- ▶ SEB
- ▶ Solar
- ▶ DG
- ▶ Biomass Turbine

Merino has harnessed around one million GJ of energy (heat and electrical) from biomass.



Biomass Based Steam System, Rohad

During FY 2022-23 period, 100% of the heat energy required, totaling 12.64 Lakh GJ, was produced in-house using boilers or secondary furnaces. The primary fuels utilised for this purpose were sawdust, rice husks, and various process wastes.



Biomass based Turbine, Hapur



Rooftop Solar, MIL Rohad

Solar power serves as the key to clean energy for Merino Industries. The company has consistently emphasised this commitment by implementing solar panel and system installations to meet its growing energy requirements.

Energy Intensity refers to the measurement of energy consumption in terms of Gigajoules (GJ) per Crore of revenue generated, on a yearly basis. The graph above, exemplifies the group's dedication to harmonising resource conservation, minimising carbon footprint, and fostering economic growth.

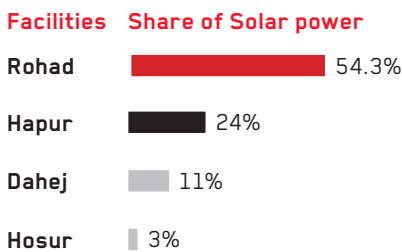
Key Initiatives for Energy Conservation in FY 2022-23:

These following initiatives were undertaken to promote energy conservation and reduce the environmental impact of our operations.

- Retrofitting back pressure turbines, resulting in an annual saving of 4.29 MWh of electricity and 42,900 KL of water.
- Synchronisation of blower running time with coolant pump, leading to an annual saving of 5,428.8 KWh of electricity.
- Restoration of automation for Heating and Cooling System in the Hot Press cycle to optimise pump and cooling tower operations.
- Installation of a baling machine, resulting in a reduction of 12.354 tons of CO₂ emissions per year and energy savings of 195.9 GJ per year.
- Augmentation of heating zone facilities in existing Impregnation lines to eliminate the need for new PF Impregnation lines.
- Insulation of hot well and thermic fluid line valves.

- Operational optimisation of Hot-Press power requirements.
- Installation of air boosters and energy optimisation for CNC HOLZER machine.
- Reduction of electrical energy consumption by installing motion sensors on the quality table.

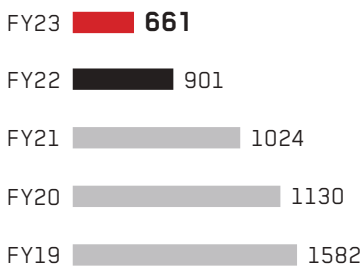
Contribution of Solar power for electrical energy



1.4 Energy Intensity

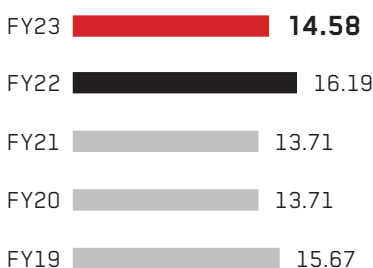
Energy Intensity

(tCO₂/Cr of Revenue)



Total Energy Consumptions

(Lakh Gigajoule)



Solar power is a significant renewable source of electrical energy for Merino Industries.



Ground Mounted Solar System of 5.5 MW in Burrak by Merino



Rooftop Solar, MIL Hapur



I.5 SDG impacts through Energy Management

Merino is committed to contributing towards the United Nations' Sustainable Development Goals (SDGs) as adopted by the Government of India. We make direct positive interventions to address the following SDGs through MIL's Energy Management, focusing on the procurement of renewable fuels, conservation, and efficiency gains:



Goal 1: No Poverty - Livelihood



Goal 7: Affordable and Clean Energy



Goal 12: Responsible Consumption and Production



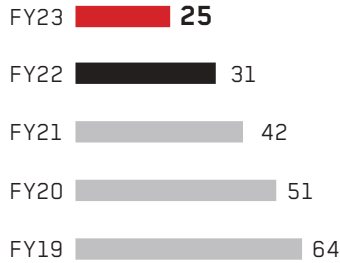
Goal 13: Climate Action

I.6 GHG Emissions Intensity

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

GHG Emissions

(tCO₂e/Cr of Revenue)



Merino believes that the factors sustaining the environment have profound impact on business and society. Thus, to assess the carbon and water footprint of its industrial activities, Merino partnered with Visvesvaraya National Institute of Technology (VNIT), Nagpur. The study conducted by VNIT by using the standards, ISO 14044:2006 for Life Cycle Assessment (LCA), and ISO 14064:2006 for Green House Gas (GHG) evaluation at the manufacturing facility in Hapur revealed the following:

- Per sheet of Laminate Production - 4.34 Kg of CO₂ equivalent or Global Warming Potential (GWP) of 1.55 per kilogram of Laminate production.
- Per kilogram of Potato Flakes Production - 1.05 Kg of CO₂ equivalent.

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.



Hot Water generation system of Co-Gen Plant, Hapur

Over 10,000 metric tons of GHG (greenhouse gas) or tCO₂e (metric tons of carbon dioxide equivalent) were reduced in the reporting year by utilising agri-residues (biogenic fuels) instead of coal in the boilers of the manufacturing facilities at the Rohad plant of Merino.



Biogas system, MIL Hapur

II. Water management

Approach

Merino Industries Limited follows the 5R approach for water management, i.e., Reduce, Recycle, Reuse, Replenish and Restore.

Merino has implemented a holistic water management approach to attain water neutrality. This involves aligning the amount of water consumed with the water replenished within the same ecosystem. To achieve this goal, Merino employs the following practices:

- Implementing efficient systems and processes to responsibly utilise fresh water, reducing overall water consumption and minimising wastewater generation.
- Installing water reuse systems, such as rainwater harvesting and grey water recycling.
- Compensating for any remaining water demand in current facilities by creating or adopting natural reservoirs, such as ponds.

II.1 Water Conservation / Reduced Water Consumption

Merino has implemented two fundamental principles, maximising water utilisation and conservation, across all its manufacturing facilities. Through the utilisation of advanced technology and tools, water usage optimisation has been achieved, resulting in reduced water consumption per unit of laminate produced. Additionally,

water recycling initiatives have further contributed to the efficient management of water resources at Merino's facilities.

Key initiatives for Water conservation or efficiency taken during FY 2022-23

- 1.7 MW Backpressure turbine retrofitting- the cooling tower operation minimised due to elimination of condenser in the turbine resulting in water savings of 42,900 KL annually.
- Installation of Condenser to arrest flash steam and pump the condensate resulting in water savings of 726 KL annually.
- Reuse of reactor Distillate in the Chemical section which reduces the raw water consumption by 189 KL annually.
- Installation of RO of 220 KLD capacity to treat high TDS rainwater and use in process thus reducing ground water consumption by around 20,000 KL annually.

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

At all our manufacturing facilities, Merino places significant emphasis on recycling waste and unused water that is discharged. This process is diligently executed through the implementation of Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs). These facilities ensure that the water is treated appropriately, enabling its reuse and minimising the environmental impact of our manufacturing processes.

Effectively 72,084 KL Water was reused in productions during FY 2022-23.



RO plant for water filtration and recycling in Hapur

By the end of FY 2022-23 almost 75% of water neutrality has been achieved by Merino.



Water Pond by Merino Hapur in village Raghunathpur

II.3. Replenishing and restoration of water sources: A step towards Zero discharge and double recharge

The Merino Group has taken proactive measures to replenish and restore groundwater by implementing rainwater harvesting systems across all its establishments. These systems serve as an effective means to naturally replenish and restore groundwater levels.

To support this endeavour, the group has constructed reservoirs and implemented groundwater recharge systems in and around its factory premises. Specifically, three ponds have been developed in Hapur for the purpose of recharging groundwater. These ponds collectively have the capacity to restore approximately 5,53,815 KL of water per year.

Merino's unwavering commitment and comprehensive water conservation plan exemplify its dedication to achieving two important objectives: zero discharge and double recharge. This means aiming to recharge double the amount of water used in its manufacturing processes.

II.4 SDG impacts through Water Management of Merino

The approach to water management involves reducing water consumption, implementing water recycling and reuse practices, as well as replenishing and restoring water sources. By undertaking these initiatives, Merino actively contributes to several Sustainable Development Goals (SDGs), including Clean Water and Sanitation, Responsible Consumption and Production, and Life Below Water.

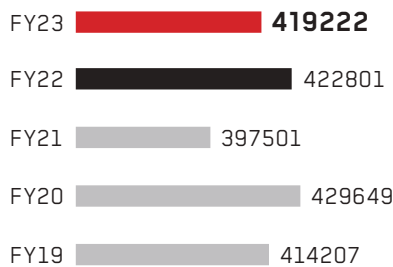


II.5 Water Intensity and Stewardship

The continuous decrease in water intensity over the years showcases Merino leadership's dedication to efficient water use and conservation, all while facilitating economic growth. This approach further highlights Merino's commitment to water stewardship by maximising the utilisation of every drop of water and implementing water-saving measures wherever possible.

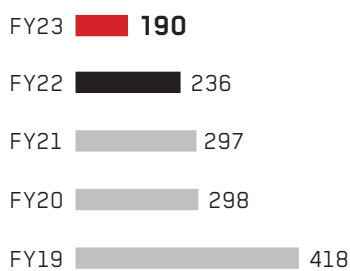
Yearwise water intake

(Kilolitres)



Water consumption

(KL / Crore of Revenue)



The ponds constructed and supported by Merino have the collective capacity to restore approximately 5,53,815 KL of water per year.



Pond constructed and maintained by Merino Rohad

Merino has installed rainwater harvest system with reservoir capacity of over 5,000 KL.



The Achheja village pond in Hapur by Merino

III. Air emissions mitigation and Care for air quality

Merino diligently adheres to maintaining lower emission than stipulated under manufacturing activities and is committed to keeping the workplace green and clean.

III.1 Key initiatives

- Merino has implemented various measures to control air pollution in its lamination plants located in Hapur, Rohad, and Dahej. These measures include the installation of electrostatic precipitators, bag filters, and wet scrubbers.
- To address its cooling requirements, Merino utilises VAM chillers that utilise waste heat instead of traditional refrigerant gas-powered compressors. These chillers, which are used for both process and comfort cooling in production units, employ the latest environment friendly technology.
- Merino recognises the significance of ozone-depleting gases (ODG) emitted in industrial processes. To tackle this issue, the company has focused on acquiring knowledge, providing training, and implementing technological advancements.
- Furthermore, Merino has replaced chlorinated fluorocarbon (CFC) refrigerants with advanced hydrofluorocarbons (such as R-410A) in their refrigeration systems, amounting to over 400 tons of refrigeration (TR) annually. This substitution has effectively mitigated an equivalent amount of ODG emissions. Merino's plants in Rohad, Hosur, and Dahej are equipped with comprehensive refrigeration facilities that exclusively utilise non-CFC refrigerants.

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

Merino's dedicated efforts towards air emissions and quality have successfully kept the levels of particulate matter within our factory premises lower than those in the surrounding environment. This aligns with the following Sustainable Development Goals (SDGs):



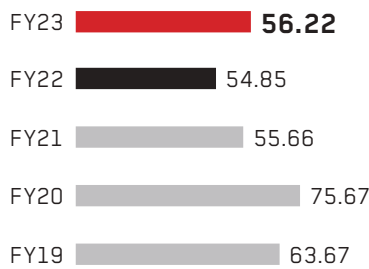
SDG 3: Good Health and Well-Being



SDG 8: Decent Work and Economic Growth

GHG Emissions, tCO₂e

(in '000 MT)



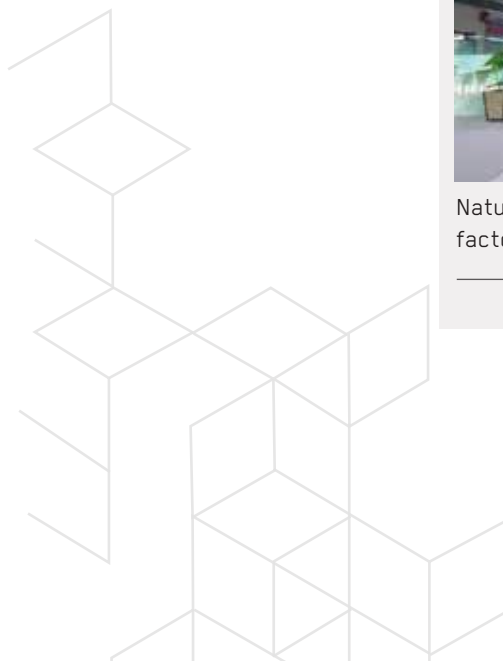
Our sustainable practices involve converting waste at our facilities into useful gases and compost without emitting greenhouse gases. This approach has greatly enhanced air quality within and around our establishments. Additionally, the utilisation of biomass and solar energy as fuel sources has contributed to reducing our carbon footprint.



AQM in Merino Factory



Natural plants as air purifier in factory workstations



IV. Care for Soil, Green Activities and Sustainable Agriculture

Approach - Merino is committed to soil conservation and enhancing soil health through various initiatives such as promoting organic manures, supporting plantations, agro-forestry, and resilient agriculture. We actively pursue projects like bio-composting, vermicomposting, tissue-culture labs, bio-refineries, and bio-nutrient projects, aiming to make a positive impact on soil quality.

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

To improve soil biological health and its conservation, we focus on increasing the carbon content of the soil using bio manures and implementing effective soil health management practices. Each year, we produce high-quality vermicompost, totaling 95 Metric Tons, which not only enriches soil health but also reduces reliance on chemical fertilizers.

IV.2. Green Cover, Afforestation/ Agroforestry by Merino

Merino recognises the significance of trees and plants for various aspects of our well-being and the environment, such as clean air, habitat preservation, livelihoods, watershed protection, soil erosion prevention, and climate change mitigation. The following are some of the highlights of Merino's green initiatives:

- Afforestation and agroforestry are key components of Merino's green initiatives.
- We have set targets to increase green cover both within and outside our premises, leading to the planting of over 20,000 tree saplings throughout India.

- We actively support farmers in agroforestry by providing more than 35 lakh Eucalyptus saplings in FY 2022-23.
- In Hapur, we have allocated 5 acres of land specifically for bamboo cultivation, further enhancing our agroforestry efforts.
- These green activities, including plantations, farming, and agroforestry, contribute to carbon sequestration. Annually, Merino's green initiatives effectively remove around 18,000 tons of CO₂ equivalent greenhouse gas emissions.

Some of the key positive interventions by Merino for promoting agro-forestry on farmers' land are:

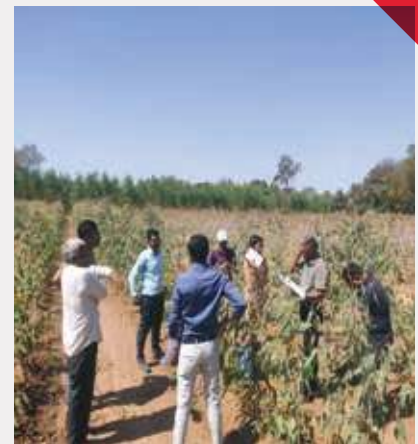
- Supplying clone saplings at concessional prices, considering farmers' soil conditions, socio-economic factors, and other relevant conditions to ensure better yields and economic returns.
- We link and support people involved in development of clones, provide plant care assistance, and offer capacity development programs to timber-growing communities.
- Our dedicated Plantations team guides and supports farmers to increase their timber yields.
- We actively participate in policy discussions and initiatives related to farm and social forestry, promoting standardised agronomic practices for the benefit of timber growers

The group produces quality vermicompost to the tune of 95 Metric Tons annually.



Vermicompost by Merino

Support farmers in agro-forestry by supplying more than 35 lakh of Eucalyptus saplings in FY 2022-23 and aimed at 100 lakh saplings supplies in year ahead.



Eucalyptus saplings facilitated by Merino's Plantation Team

IV.3 Miyawaki in Merino

To rapidly grow forests within our manufacturing facility in Hapur, we have adopted the Miyawaki method, which involves using native species to create dense, multi-layered forests.

IV.4. Sustainable agriculture

Merino's Agro Division is deeply rooted in sustainable farming and soil conservation practices. Collaborating with renowned agricultural institutes like ICAR and State Universities, we have undertaken various projects to develop Standardised Agronomic Practices (SAP) tailored to our catchment area.

These initiatives aim to promote locally adaptable farm practices, optimise the use of agricultural inputs to maintain soil health, crop ecology, and enhance the income of the large number of farmers associated with the Merino group.

IV.5 SDG impacts of Soil and Green Cover Initiatives

Aligned with our commitment to green cover and soil conservation, we actively promote the use of organic manures, conduct plantation drives, encourage resilient agricultural practices, and engage in non-chemical agroforestry partnerships with farmers. These efforts contribute to several Sustainable Development Goals (SDGs), including Responsible Consumption and Production, Life on Land, Climate Action, and Partnerships for the Goals.



Trees/forest grow about 10 times faster in Miyawaki method of plantations.



Miyawaki Forestry in Merino Factory at Hapur



Eucalyptus Sapling for Farm-forestry in MIL



The green campus Rohad, Bio-compost utilised of Merino

The interdependence of life and soil is fundamental, they are inseparable and one is unable to exist without the other. To conserve and improve soil health, we promote organic manures, green covers, resilient agriculture, and tree plantations. These actions contribute to SDGs, ensuring environmental sustainability and overall well-being.

V. Waste Management through Circular Economy Principles

Approach

Recycle or creating positive value out of wastes.

Merino Industries employs innovative methods to achieve its goal of zero waste. Waste segregation at the source is crucial, and the company has implemented a system to collect and categorise waste into hazardous/non-recyclable, non-hazardous/recyclable, organic, non-organic, liquid, and solid. This enables effective reuse of recyclable waste and proper disposal of hazardous waste.

- Combustible waste from manufacturing processes, such as paper residue, laminates, and panel products, is utilised in furnaces for heat generation, aiding in biomass drying, a key energy source for Merino.

- Ash from boilers, incinerators, and NTPC power plants is repurposed to manufacture bricks and tiles, primarily for internal pavements within the factory premises.
- Organic waste from production processes and canteens undergoes bio-conversion processes using bacteria and micro-organisms, transforming them into valuable manure. This organic manure is then utilised for plants and plantations across Merino establishments.

By upgrading to technologically advanced machineries and focusing on raw material conservation, Merino has brought a paradigm shift in waste management and is steadily moving towards its long-term goal of Zero Waste.



Bio compost and Biogas unit, Hapur

The decomposed (mineralised) slurry from the bio-gas plants is used as fertilizer in gardens, crops or plantation fields. Solid waste from potato peels and discarded potatoes are collected and converted into compost, which are in tune of around 200 MT.

V.1 Wastes Management- Wastes Recycled or Reused by Merino

Wastes Management- Wastes Recycled or Reused by Merino							
	Wastes Type	Source	Disposal Method	Treatment and Reuse	Units	2021-22	2022-23
A	Non-Hazardous						
A.1	Paper wastes	Storage/ Defects/ Process	Recyclers	Sells in Secondary Market	MT	2,453	2,882
A.2	Solid Scrapes (process wastes) Steel, Aluminum, Plastic, Bopp, Wooden waste etc.	Storage/ Defects/ Process	Recyclers	Sells in Secondary Market	MT	760	742
A.3	Chemical Bags	Storage	PCB Approved Vendor	Sells in Secondary Market	MT	7.8	9.5
A.4	Plywood Wastes	Cutting	Incinerator	Complete combustion for energy	MT	622	1,370
A.5	Slurry/Sludge	STP/ETP	Dry Cake/Solid	Horticulture and Landfill	MT	8,210	11,152
A.6	Waste Water / Distillate	Rejected from 3 rd RO	Evaporation	Through incinerator	KL	10,481	9,618
A.7	Waste Water	RO Reject / Human Waste	Electrocogulation	Sent to ETP	KL	7,791	11,538

Wastes Management- Wastes Recycled or Reused by Merino							
	Wastes Type	Source	Disposal Method	Treatment and Reuse	Units	2021-22	2022-23
B	Hazardous						
B.1	Used/old Oil	DG Sets/ Vehicles	Authorised Recyclers	Sells	KL	7,336	5,598
B.2	Discarded Batteries	DG Sets/ Vehicles	Authorised Recyclers	Sells	No	48	130
B.3	Laminates Sanding/ trimming wastes	Sanding/Cutting process	Incinerator	Complete Combustion for energy	MT	3,441	3,984
B.4	Wastepaper containing resin	Dryer/Press	Incinerator	Complete Combustion for energy	MT	123	123
B.5	Fly ash	HWG, TFH and Incinerator ash	landfilling,Brick making, TSDF	Bricks for internal roads/premises	MT	7,871	7,687
B.6	Discarded Container	Chemical Plants	Authorised Recyclers	Sale	MT	5.9	11.3

Source: Wastes Disposal Nirmal Databank of MIL

V.2. Treatment and reuse of wastes of Potato Flakes plant

The liquid and semi-solid wastes generated at the Potato Flakes Plant (PFP) are appropriately separated, treated, and reused. The liquid waste and sludge undergo processing in the Effluent Treatment Plant (ETP). Within the ETP, the waste undergoes an anaerobic decomposition process called Up-flow Anaerobic Sludge Blanket Reactor (UASBR) to produce biogases. These biogases are then utilised for electricity generation or for direct use in cooking. The waste then undergoes further treatment through aerobic decomposition. After this treatment, the resulting water is utilised for plantation, potato washing, and flushing systems. This comprehensive process effectively recycles water and generates energy.

V.3. Valuable Chemicals from Potato peel

VEGIT is a prominent brand in India's ready-to-cook market, specialising in Potato Flakes and Instant Snack Mixes. Their range of 100% vegetarian snacks offers the authentic taste of classic Indian cuisine while requiring significantly less cooking time and effort.

The VEGIT plant generates a significant amount of peel waste. To address this, Merino and VNIT collaborated to develop an innovative process that utilises Potato Peel Waste (PPW) to create valuable products. A sustainable approach was devised to separate the clean peel from the residual starch slurry. The peel is utilised to extract valuable substances such as polyphenols and dietary fibers, effectively turning waste into wealth.

Moreover, the starch slurry is employed for energy generation through anaerobic digestion, while the remaining compost serves as nutrient-rich manure to enrich the soil. This comprehensive process ensures that there is no waste produced, resulting in a zero-waste outcome.

V.4. Bio Manure from wastes under Industry-Academia Collaborations

Merino produces approximately 215 MT of Bio-manure by utilising around 50 MT of paddy straw and 170 MT of other organic waste materials, such as potato peel, biogas slurry, neem, sawdust, bio ash, and water. This Bio-manure is created through the decomposition of these organic materials using effective microorganisms.



Vermicompost bed in Bamboo forestry by Merino

Merino produced ~215 MT Bio-manure, utilising 47 MT paddy straw, 170 MT potato peel and other organic wastes.

Fostering community wellbeing

The composting process leads to the generation of valuable nutrients, including nitrogen, phosphorous, and potassium, which are highly beneficial for paddy crops. These nutrients are readily absorbed by the plants, promoting enhanced growth and yield. By incorporating Bio-manure into agricultural practices, Merino contributes to more sustainable farming methods and supports the development of a greener and more efficient farming practices.

Merino's perspective hinges on the symbiotic relationship between business growth and societal prosperity. At Merino, Corporate Social Responsibility (CSR) is a mindset that blends expertise and resources to drive positive transformations in the lives of marginalised communities while also stewarding environmental well-being. Our strong belief is that by prioritising people, the planet, and sustainable product offerings, enterprises can thrive.

Sri Hara Kasturi Memorial Trust (HKMT), the cornerstone of our CSR efforts is committed to societal and community enhancement, with a strategic focus on multiple facets within our comprehensive CSR framework, that covers, Education, Health, and Women Empowerment.

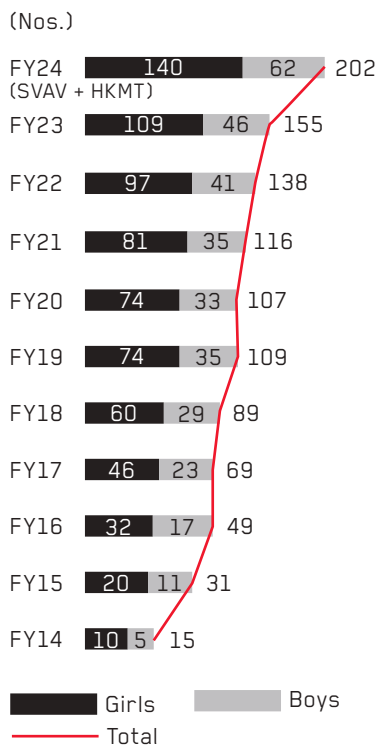


EDUCATION

Our Education Program targets five key Sustainable Development Goals (SDGs): Quality Education (SDG-4), No Poverty (SDG-1), Zero Hunger (SDG-2), Gender Equality (SDG-5), and Reduced Inequalities (SDG-10). By focusing on these goals, we aim to make a positive impact.

Our program is centered around providing equitable opportunities to the marginalised in society. Through various educational initiatives, we empower underprivileged youngsters, breaking the chains of poverty. Currently, our impactful contributions extend to Northern and Eastern India. Our Educational Initiatives encompass two main programs:

Year-wise Growth of Students



Merino believes that business could grow only when the society thrives.



Students attending the morning assembly.

To promote girl child education, the school maintains a ratio of 14 Girls : 6 Boys in each class.



Cheering Students at SVAV

Under our Educational Initiatives we run two major programs, which are:

- a) **Swami Vivekananda Arunoday Vidyalay (SVAV):** A formal primary school up to class VIII in Hapur, Uttar Pradesh.
- b) **Yogakshema:** A Scholarship Program benefiting academically gifted children from **economically disadvantaged backgrounds, operating in Kolkata, West Bengal.**

a) Swami Vivekananda Arunoday Vidyalay (SVAV), Hapur, UP

Established in 2013, this co-educational institution maintains an impressive 1:11 teacher-to-student ratio, offering classes up to 8th grade for 157 students covering 111 girls and 46 boys. It also supports 45 passed out students to continue their education up to 12th grade, taking the total to 202 students. Special coaching is arranged for these students after their regular school hours. The school maintains a girl-boy ratio of 14:6 in each class, reflecting a commitment to girls' education.

Beyond academics, the school tackles nutritional and financial challenges. Besides free education, it also provides complementary books, stationery, uniforms, and nourishing meals thrice a day, effectively meeting these essential needs.

Full-day Meal Program:

Recognising the impact of inadequate nutrition on mental development, the HKMT has initiated a comprehensive meal program, providing breakfast, lunch, and evening supper to present students and the alumni. A carefully curated menu guarantees a well-rounded diet, featuring freshly prepared seasonal vegetables, grains,

and legumes. This nutritional offering extends to all children thrice daily, six days a week.

Mid-day Meal Program:

Post the COVID-19 pandemic, efforts were made to attract students back to schools and foster their nutrition. The Mid-day meal program, serving nourishing lunch, was reintroduced in two schools benefiting around 100 students in Hapur, UP, and 70 residents at Savera School for Mentally Challenged in Rohad, Haryana.

b) Yogakshema (Yk) – Scholarships for bright and needy students

Since 2018, the Yogakshema Scholarship Program has been managed in West Bengal by the Sri Hara Kasturi Memorial Trust, sponsored by Merino Industries Ltd. This initiative aids financially disadvantaged yet academically talented students and offers a monthly scholarship of ₹ 4000 for two years, supporting education up to the 12th grade, post their matriculation. The scholarship covers academic expenses, nutrition, and a Mediclaim policy for the student's family. During 2022-2023, the accomplishments includes, the third cohort of 17 students, enrolled in 2020, excelling in their Higher Secondary Examination. 10 students achieved over 90%, while 7 scored commendably in the 80% and above range.

Achievements of Yogakshema Students:

The 3rd batch of 17 students who joined Yogakshema in 2020 completed their Higher Secondary Examination and did very well. Out of the 17 students 10 students scored more than 90% and rest of the 7 students scored 80% and above.

Anish Gayen Scored 97.4% in Higher Secondary Examination and for cracking NEET being felicitated by Smt. Lipilekha Mukhopadhyay, Online Faculty, Bengali Language.



Meals being served at SVAV



Mid-day meal being served at other school



Yogakshema Program – Achievers being felicitated

HEALTH CARE

Our healthcare program is deeply committed to advancing Good Health and Wellbeing, in alignment with Sustainable Development Goal 3. At Merino, we firmly believe that a nation's progress is intricately linked to the health and wellbeing of its populace. With this core conviction, we are dedicated to fostering a healthier society by delivering free healthcare services to prevent diseases among the underprivileged.

Executed through the Shri Prem Chand Lohia Health Centre (SPCLHC), our healthcare initiative is currently operational in Hapur, Uttar Pradesh. Recognising the alarming prevalence of tuberculosis (TB) cases in this region, we have partnered with the Department of Tuberculosis (DOT), Government of India, to achieve TB elimination by 2025. The SPCLHC currently oversees three dispensaries, staffed by 1 MBBS doctor, 1 BAMS doctor, 1 pharmacist, 1 lab assistant, and 3 medical support personnel. Additionally, the Centre extends free outpatient services to economically marginalised sections of the community.



The above graph illustrates the annual progress of SPCLHC in treating and curing TB patients from 2017-18. Launched in 2004, our TB program has facilitated the cure of a total of 6250 TB patients.

Presently, our initiatives encompass 48 villages, covering awareness campaigns about TB, confirmed case treatments, and crucial dietary support for TB patients. Despite the government's provision of ₹ 500 per TB patient per month for a span of 6 months, this allocation is rarely utilised for dietary purposes. Understanding the pivotal role of

nutrition in TB recuperation, we have identified and provided in kind dietary support to 48 individuals during the period 2022-2023.

In addition to our TB care efforts, our services extend to the broader patient community. In 2022-2023, a total of 6674 patients benefited from our outpatient services, comprising 3512 new patients and 3162 returning ones. Our services also provides Ayurvedic Treatment for common ailments such as arthritis, leucorrhoea, renal stones, cough and cold, and indigestion. Throughout the year, 905 patients benefitted from our Ayurvedic Treatment offerings.

Year-wise Status of TB Patient

(Nos.)	Cured patients	Patients on treatment
FY23	306	345
FY22	257	338
FY21	211	205
FY20	252	255
FY19	256	236
FY18	213	243

Cured patients
 Patients on treatment

WOMEN EMPOWERMENT

Aligned with SDG-5, our women empowerment initiative aims for Gender Equality. Economic autonomy being the key in this pursuit, our initiatives include a Stitching Center in Rohad, Haryana, fostering female skills since September 2017. Till date 200 female students have benefitted from the successful completion of 14 training batches. Currently, under two skilled trainers, 16 girls are honing their stitching skills at this centre.



Yogakshema Program – Achievers with Board Members

Since the time the TB program was launched in 2004, a total of 6250 TB patients have been cured through our direct intervention



Dietary Support for TB Patients.



OPD services being provided to general Patients.

Board's Report of Merino Industries Limited

for FY 2022-23

To
The Members,
Merino Industries Limited

Your directors have pleasure in presenting the Fifty-Eighth Annual Report on the business and operations of the company together with the audited financial statements for the year ended 31st March 2023.

FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the financial year ended 31st March, 2023 are as under:

Particulars	(Amount ₹ in Lakhs)	
	31 st March, 2023	31 st March, 2022
Revenue from Operations	2,17,550.23	1,74,359.36
Other Income	2,991.34	4,854.08
Total Revenue	2,20,541.57	1,79,213.44
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense (EBIDTA)	26,962.49	25,117.30
Less: Depreciation/ Amortisation/ Impairment	(6,698.45)	(6,357.65)
Profit before Finance Costs, Exceptional items and Tax Expense	20,264.04	18,759.65
Less: Finance Costs	(2,853.99)	(1,319.92)
Profit before Tax Expense	17,410.05	17,439.73
Less: Tax Expense (Current & Deferred)	(5,645.54)	(4302.95)
Profit after Tax Expenses for the year	11,764.51	13,136.78
Total Comprehensive Income net of tax	(426.64)	(41.76)
Total Comprehensive Income for the year	11,337.87	13,095.02

STATE OF COMPANY'S AFFAIRS, SEGMENT-WISE PERFORMANCE AND FUTURE OUTLOOK

Your Company recorded a total revenue of ₹ 2,17,550.23 Lakhs as compared to ₹ 1,74,359.36 Lakhs in the previous year. The profit before tax was ₹ 17,410.05 Lakhs as compared to ₹ 17,439.73 Lakhs in the previous year. The Company's net profit after taxes stood at ₹ 11,764.51 Lakhs as against ₹ 13,136.78 Lakhs 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.

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 July 27th, 2023. The dividend shall be payable post shareholders' approval at the 58th Annual General Meeting.

During the Financial year under review, ₹ 1,322.25 Lakhs 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 ₹ 4,56,544 relating to the financial year 2015-2016 was due for transfer on 13.09.2022 to the Investor Education and Protection Fund established by the Central Government. This was transferred on 15.09.2022 on finalization of the mode of payment/deposit.

Further, the unclaimed and unpaid interim dividend relating to financial year 2016-17 is due for transfer to the Investor Education and Protection Fund established by the Central Government.

SHARE CAPITAL

During the financial year under review, the paid-up equity share capital as on 31st March, 2023 stood at ₹ 1,127.94 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 31st March, 2023, 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://www.merinoindia.com/downloads.php>

NUMBER OF BOARD MEETINGS

During the year under review, four (4) 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
22.04.2022	13	12
17.08.2022	12	12
15.11.2022	13	12
23.02.2023	13	12

MERINO INDUSTRIES LIMITED

S. no.	DIN	Name of Director	Eligible to Attend	Attended	Attendance at Previous AGM
1	00061111	Shri Prasan Lohia	4	4	Yes
2	00063274	Shri Prakash Lohia	4	4	Yes
3	00063278	Shri Madhusudan Lohia	4	4	No
4	00063290	Shri Rup Chand Lohia	4	4	Yes
5	00109269	Dr. Gautam Bhattacharjee*	1	1	NA
6	00127775	Shri Manoj Lohia	4	4	Yes
7	00127790	Shri Nripen Kumar Dugar	4	4	Yes
8	00127797	Shri Ruchira Lohia	4	2	Yes
9	00154013	Shri Bikash Lohia	4	4	No
10	00154027	Shri Deepak Lohia	4	4	Yes
11	02539556	Shri K T Prasad **	2	2	No
12	03124712	Shri Prabal Kumar Sarkar	4	4	No
13	08199055	Shri Bama Prasad Mukhopadhyay	4	4	Yes
14	08332261	Shri Anurag Lohia	4	3	Yes
15	00063284	Shri Anil Jajoo***	0	0	NA

(*Cessation as Independent Director w.e.f. 31st July, 2022)

(**Appointment as Non-Executive Director w.e.f. 17th August, 2022)

(***Appointment as Additional Director w.e.f. 23rd February, 2023)

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 30th March, 2023.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

During the Financial Year 2022-23 your company has complied with the provisions of Section 186 of Companies Act, 2013.

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

The management of the company inherits managing the business risk, 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 Company's attitude towards addressing business risks is comprehensive and includes review of such risks at periodic intervals and deriving a framework for mitigation and reporting mechanism of such risks.



DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors at its meeting held on June 20, 2023 and July 27, 2023, subject to approval of the shareholders, approved the re-appointment of the following Directors who are liable to retire by rotation, shall retire at this Annual General Meeting and being eligible offer themselves for re-appointment:

S. no	DIN No.	Name of Director	Designation	Tenure	Effective From
1	00127775	Shri Manoj Lohia	Whole Time Director	3 Years	01 st December, 2023
2	00154027	Shri Deepak Lohia	Whole Time Director	3 Years	01 st December, 2023

The Board of Directors at its meeting held on February 23, 2023, subject to approval of the shareholders, approved the appointment of the following Director: -

1. Shri Anil Jajoo as Whole Time Director (Additional) of the Company w.e.f. 23rd February, 2023.

The members of the Company at the 57th Annual General Meeting approved the re-appointment of following directors:

S. no	DIN No.	Name of Director	Designation	Tenure	Effective From
1	00063274	Shri Prakash Lohia	Managing Director	3 Years	01 st March, 2023
2	08199055	Shri Bama Prasad Mukhopadhyay	Independent Director	3 Years	13 th September, 2023
3	00061111	Shri Prasan Lohia	Whole Time Director	3 Years	01 st October, 2022
4	00127797	Ms. Ruchira Lohia	Whole Time Director	3 Years	01 st April, 2023

Also, the members of the Company at the 57th Annual General Meeting regularized the appointment of Shri K. T. Prasad as a Non-Executive Director of the Company w.e.f. 17th August, 2022.

The Board accepted the resignation of Shri Gautam Bhattacharjee as the Independent Director on 31.07.2022 and noted the valuable contributions made by him during his tenure as Independent Director.

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 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

During the FY 2022-23, 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

M/s Walker Chandio & Co LLP, Chartered Accountants (FRN 001076N/N500013) was appointed as the Statutory Auditor of the Company at the 57th AGM. They have audited the financial statements of the Company for the Financial Year 2022-23. 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.

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 in prescribed Form MR 3 for the financial year 2022-23 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 on 31st March, 2023. 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 re-constituted the Corporate Social Responsibility ('CSR') Committee on 17th August 2022 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	Shri Bama Prasad Mukhopadhyay	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

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 17th August, 2022.

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 2022-23 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 31st March, 2023, Audit Committee comprised of three Directors viz. Shri Prabal Kumar Sarkar (DIN: 03124712) Independent Director as Chairman of the Committee, 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 17th August, 2022, after the resignation of Dr. Gautam Bhattacharjee 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 and the Company's risk management policies. 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 2022-23, four 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 Audit Committee	Directors eligible	Directors present
22.04.2022	4	4
17.08.2022	3	3
15.11.2022	3	3
23.02.2023	3	3

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

(*Cessation as Independent Director w.e.f. 31st July, 2022)

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 31st March, 2023, the Committee comprised of Shri K T Prasad (DIN: 02539556) Non-Executive Director as the 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 17th August, 2022. Shri K T Prasad was appointed as a member of the Committee after the resignation of Dr. Gautam Bhattacharjee.

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
17.08.2022	3	3
23.02.2023	3	3

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

(*Cessation as Independent Director w.e.f. 31st July, 2022)

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 31st March, 2023, the Committee comprised Shri Bama Prasad Mukhopadhyay (DIN: 08199055) (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 the year the Committee was reconstituted in the meeting of the Board of directors held on 17th August, 2022. Shri Bama Prasad Mukhopadhyay was appointed as a member of the committee after the resignation of Dr. Gautam Bhattacharjee.

During Financial year 2022-23, 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
21.06.2022	2	2
17.08.2022	2	2
09.09.2022	2	2
15.12.2022	2	2

S. No.	Name of Member	Meetings eligible	Meetings attended
1	Dr. Gautam Bhattacharjee*	1	1
2	Shri Prasan Lohia	4	4
3	Shri Bama Prasad Mukhopadhyay	3	3

(*Cessation as Independent Director w.e.f. 31st 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 54** 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 victimized 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 31st March, 2023, 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 31st March, 2023 and of the profit of your Company for the financial year ended on 31st March, 2023;
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 31st March, 2023 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 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: 27.07.2023



ANNEXURE-1

Conservation of energy & water, technology absorption, foreign exchange earnings and outgo

The details of conservation of energy and water, technology absorption for the financial year 2022-23 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.

- 1) Back pressure turbine retrofitting resulting in saving of 4.29 MWh of electricity and 42900 KL of water per annum.
- 2) Synchronization of blower running time with coolant pump leading to a saving of 5428.8 KWH of electricity per annum.
- 3) Re-restoration of Automation for Heating & Cooling System in the Hot Press cycle to optimize Pump/cooling tower.
- 4) Installation of Bailing machine resulting in reduction of 12.354 Tonnage of CO₂/year and energy savings of 195.9 GJ/year
- 5) Augmentation in heating zone facilities with existing Impregnation lines to nullify the need of new PF Impregnation lines.
- 6) Insulation of Hot well and Thermic fluid line valves
- 7) Operational optimization with Hot-Press power requirements.
- 8) Installations of Air Booster & energy optimization at CNC HOLZER machine.
- 9) Reduction of electrical energy by fixing motion sensor on quality table.
- 10) Installation of higher rating crusher at incinerator to utilize maximum waste heat recovery.

B. Water Stewardship: Key initiatives for Water conservation or efficiency taken during 2022-23

1. 1.7 MW Backpressure turbine retrofitting-the cooling tower operation minimized due to elimination of condenser in the turbine resulting in water savings of 42,900 KL annually.
2. Installation of Condenser to arrest flash steam & pump the condensate resulting in water savings of 726 KL annually.
3. Reuse of reactor Distillate in the Chemical section which reduces the raw water consumption by 189 KL annually.
4. Installation of RO of 220 KLD capacity to treat high TDS rainwater and use in process thus reducing ground water consumption by around 20,000 KL annually.

C. The capital investment on energy & water conservation equipment.

Capital investment of ₹ 559.28 lakhs have been made for overall energy and water Conservations project implementations.

D. Technology absorption:

1. Installation of new hot press to increase productivity (Dahej).
2. Installation of Scrubber in Impregnation (Rohad, Hapur).
3. Installation of New 4 Ft MF Impregnation line to improve productivity and product quality (Rohad).
4. Reuse of reactor Distillate in the Chemical section (Hapur).
5. Bio-refinery (Pilot plant, Hapur).
6. Saw dust making machine (Hapur).
7. Bailing Machine (Hapur).

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 (2022-23)

	(₹ In Lakhs)
Earnings:	
Foreign Exchange earned (Actual Inflow)	61,802.28
Outgo:	
CIF Value of Imports	
a) Raw materials	50,269.32
b) Components & Spare Parts (including Stores)	422.90
c) Capital Goods	23,105.36
d) Trading Items - acrylic solid surface	4,671.66
e) Trading Item - PVC F TILES	317.16
Expenditure in foreign currency	
a) Commission	188.67
b) Travelling	157.58
c) Professional fees	116.06
d) Export Promotion	839.63
e) Royalty / Fees and Subscription	134.05
f) Interest	91.58
g) Others	56.49
h) Foreign branch office expenses	905.50



ANNEXURE-2

To
The Members
Merino Industries Limited
5, Alexandra Court, 60/1,
Chowringhee RO Kolkata,
West Bengal-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)
Authorized Signatory
M. No.: 33095
COP:15232
UDIN: A033095E000642737
P R Certificate: 2121/2022

Place: Delhi
Date: 19th July, 2023



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[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 RO Kolkata,
West Bengal-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 authorized 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 31st March, 2023 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 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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;
- (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, 2018 and amendments from time to time; **Not Applicable**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021:- **Not Applicable**
- (f) 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021:- **Not Applicable**
- (h) The Securities and Exchange Board of India (Buy back of securities) Regulations, 2018- **Not Applicable**
- (i) 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.



During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes took place in the composition of the Board of Directors of the Company during the period under review which were carried out in compliance with the provisions of the Act.

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)
Authorized Signatory
M. No.: 33095
COP:15232

Place: Delhi
Date: 19th July, 2023

UDIN: A033095E000642737
P R Certificate: 2121/2022



ANNEXURE-3

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR 2022-23

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 and distribution of Mid-day Meal to students.
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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	Shri Bama Prasad Mukhopadhyay	Member	1	1

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.	<p>CSR committee - https://www.merinoindia.com/CSR.php</p> <p>CSR Policy - http://www.merinoindia.com/pdf/Merino%20CSR%20Policy.pdf</p> <p>CSR Projects - https://www.merinoindia.com/pdf/Annual%20Action%20Plan%202023-24.pdf</p>
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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
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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 ₹ Lakhs)	Amount required to be setoff for the financial year, if any (in ₹ Lakhs)
1	2022-23	146.93	

6. Average net profit of the company as per section 135(5): ₹ 15,066.46 Lakhs

7.	(a)	Two percent of average net profit of the company as per section 135(5):	₹ 301.33 Lakhs
	(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.	₹ 146.93
	(d)	Total CSR obligation for the financial year (7a + 7b - 7c)	₹ 165.07 Lakhs



8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Lakhs)	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 ₹ Lakhs)	Date of transfer	Name of Fund	Amount (in ₹ Lakhs)	Date of transfer
₹ 266	-	-		-	

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

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 ₹ Lakhs)	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

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 ₹ Lakhs)	Amount spent in the current financial Year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakhs)	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		236.94 Lakhs	NIL	Through Trust	Sri Hara Kasturi Memorial Trust	CSR00000699
2	Mid-Day Meal	(i)	Yes	U.P.	Hapur, U.P.	Current year		29.06 Lakhs	NIL	Through Trust	Sri Hara Kasturi Memorial Trust	CSR00000699
	Total							266.00 Lakhs				

(d)	Amount spent in Administrative Overheads	-
(e)	Amount spent on Impact Assessment, if applicable	Not Applicable
(f)	Total amount spent for Financial Year (8b+8c+8d+8e)	₹ 266 Lakhs

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

S. No.	Particular	Amount (in ₹ Lakhs)
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	266.00
iii.	Excess amount spent for the financial year	80.07*
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	80.07

*The amount includes the set off amount for FY 2022-23 (₹ 266.00 - ₹ 185.93 Lakhs) [₹ 332.86 Lakhs - ₹ 146.93 Lakhs = ₹ 185.93 Lakhs]

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 ₹ Lakhs)	Amount spent in the reporting Financial Year (in ₹ Lakhs)	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 ₹ Lakhs)
				Name of the Fund	Amount (in ₹ Lakhs).	Date of transfer	
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 ₹ Lakhs)	Amount spent on the project in the reporting Financial Year (in ₹ Lakhs)	Cumulative amount spent at the end of reporting Financial Year (in ₹ Lakhs)	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**

(a)	Date of creation or acquisition of the capital asset(s).
(b)	Amount of CSR spent for creation or acquisition of capital asset.
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
(d)	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.
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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: 27.07.2023

ANNEXURE-4

ANNEXURE TO DIRECTORS' REPORT 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 31st March, 2023

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 (₹ Lakhs)	Qualifications	Experience (Years)	Date of Commencement of Employment	% of Equity Share held	Last Employment/ Position held
Shri Rup Chand Lohia	83	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	149.56	B.M.E. (Mech)	61	01.01.2002	11.00	Whole-time Director in Merino Exports Pvt. Ltd.
Shri Prakash Lohia	68	Managing Director -Management of the business and affairs of the Company as a whole	260.96	B. Tech. (Chem) - IIT Delhi M.E.P (IIM-Ahmedabad)	46	01.05.1976	10.63	First employment
Shri Prasan Lohia	55	Whole-time Director-Overseeing Corporate Office Administration, Supervision of Export-Import Documentation, Foreign Exchange Risk Management and Domestic Sales and Marketing of Eastern Region	182.63	AB (Econ.) USA, BS (Elect. Engg.) USA, MBA (USA)	31	01.10.2004	1.86	Vice-President (Global Operations) in Merino Industries Ltd.
Ms. Ruchira Lohia	55	Whole-time Director-Public Relations and Overseeing Export and Import functions and marketing of food products.	176.97	B.A., M.E.P (IIM-Ahmedabad)	29	01.04.2000	6.55	Vice-President (Delhi Operations) in Merino Industries Ltd.
Shri Bikash Lohia	53	Whole-time Director-Overseeing factory operations and overall management, and addressing Information Technology related issues.	207.11	Privately Educated & M.E.P (IIM-Ahmedabad)	31	01.10.2006	1.69	Whole-time Director in Merino Panel Products Ltd.
Shri Madhusudan Lohia	43	Whole-time Director-Overseeing sales and marketing of the Company's furniture and panel products division and new product introduction	225.39	Graduate in Business Process management, (Operations & International Business) - Indiana University, U.S.A,	21	01.10.2006	8.92	Whole-time Director in KBGB Agritech Private Limited (Earlier known as Kasturi Bai Gopi Babu Cold Storage Pvt. Ltd.)



Name	Age (in years)	Designation/ Nature of employment	Remuneration (₹ Lakhs)	Qualifications	Experience (Years)	Date of Commencement of Employment	% of Equity Share held	Last Employment/ Position held
Shri Deepak Lohia	47	Whole-time Director- Overseeing production, import of design papers, raw materials, chemicals, etc.	281.85	B.E. (Mech.)	26	01.12.2020	1.31	Whole-time Director in Merino Panel Products Ltd.
Shri Manoj Lohia	51	Whole-time Director- Overseeing marketing and sale of Company's Products in Southern India	175.78	B.Com.	27	01.12.2020	1.27	Whole-time Director in Merino Panel Products Ltd.
Shri Anurag Lohia	26	Whole-time Director - Overseeing factory operations and overall management, and addressing Information Technology related issues	130.90	Bachelor of Science in Finance Indiana University Bloomington, IN, USA	3	01.12.2020	0.89	Whole-time Director in Merino Panel Products Ltd.
Shri Amit Arora	52	National Sales Head	112.63	BE, PGDM	28	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 (₹ Lakhs)	Qualifications	Experience (Years)	Date of Commencement of Employment	% of Equity Share held	Last Employment/ Position held

- 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: 27.07.2023
Place: Bangalore

Rup Chand Lohia
Executive Chairman
DIN: 00063290

Financial Section

Independent Auditor's Report

To the Members of Merino Industries Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Merino Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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 in the audit or otherwise appears to be materially misstated.

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.
6. In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 an audit conducted in accordance with Standards on Auditing 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.

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism 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 with reference to financial statements 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 Board of Directors' 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; and
- 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;

10. 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.

Other Matter

11. The financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor, Singhi & Co, who have expressed an unmodified opinion on those financial statements vide their audit report dated 17 August 2022.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

13. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying financial statements;
- 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 financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
- 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:

- i. The Company, as detailed in note 43 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
- ii. the Company, as detailed in note 29 to the financial statements, has made provision as at 31 March 2023, as required under the applicable law or accounting standards, for material foreseeable losses, on the derivative contracts. The Company does not have any long-term contracts for which there were any material foreseeable losses as at 31 March 2023;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
- iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 55 (iv)(1) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 55 (iv)(2) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses iv(a) and iv(b) above contain any material misstatement.
- v. The final dividend paid by the Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. Further, as stated in note 60 to the accompanying financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend; and
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Ashish Gera

Partner

Place: New Delhi

Date: 27 July 2023

Membership No.: 508685

UDIN: 23508685BGYCSG2676

Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Merino Industries Limited on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment, capital work-in-progress and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3(a) to the financial statements are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:

Description of property	Gross carrying value (₹ in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land	459.20	Merino Export Private Limited	No	1 April 2019	Land transferred under business combination. Payment for stamp duty under approval.
	96.17	Century Laminating Company Limited	No	27 July 2007	Change in title under process
	0.37			10 January 1994	Land was taken over by Hapur Pilakhua Development Authority ('HPDA') under compulsory acquisition while award is not yet received.
	8.25			14 January 2003	Land was taken over by HPDA under compulsory acquisition. Company has taken stay in court to come out from compulsory acquisition.
	104.29			12 June 2006	Aabadi plots were on the name of erstwhile company Century Laminating Company Limited. As per the Uttar Pradesh government policy there is restriction to transfer these land in the name of present Company Merino Industries limited.
	72.13			15 March 2005	
Building	0.76			18 December 1992	Change in title under Process

For title deeds of immovable properties in the nature of land situated at Hapur and Hosur with gross carrying values of ₹ 143.08 lakhs and ₹ 392.20 lakhs as at 31 March 2023, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders as detailed in note 26(b) to the financial statements.

- (d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.

- (e) 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 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.
- (b) As disclosed in note 26 to the financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crore by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods which were not subject to audit/review, except for the following (also refer note 55(xi) to the financial statements):

Name of the Bank	Working capital limit sanctioned (₹ in lakhs)	Nature of current assets offered as security	Quarter	Amount disclosed as per statement (₹ in lakhs)	Amount as per books of accounts (₹ in lakhs)	Difference (₹ in lakhs)
Consortium (All banks)	12,500	Inventories and trade receivables	December 2022	18,749.88	18,739.34	10.54

- (iii) (a) The Company has made investments in and provided loans to Others during the year as per details given below:

Particulars	Loans (₹ in lakhs)
Aggregate amount provided/granted during the year:	
- Others	171.44
Balance outstanding as at balance sheet date in respect of above cases:	
- Others	135.65

- (b) The Company has not provided any guarantee or given any security or advances in the nature of loans during the year. However, the Company has made investment in 140 entities amounting to ₹ 4,597.66 Lakhs (year-end balance ₹ 2,702.70 Lakhs). Further, the Company has provided loans amounting to ₹ 171.44 lakhs (year-end balance ₹ 135.65 Lakhs) and in our opinion, and according to the information and explanations given to us, such investments made and loans provided are, prima facie, not prejudicial to the interest of the Company.
- (d) There is no overdue amount in respect of loans granted to such other parties.
- (e) The Company has granted loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans.
- (f) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:



Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax excluding Interest Post Order	8,382.25	660.73	AY 2007-08 AY 2008-09 AY 2012-13 AY 2013-14 AY 2014-15 AY 2015-16 AY 2017-18 AY 2018-19 AY 2020-21 AY 2021-22	CIT (Appeals)
		2,960.02	228.00	AY 2014-15 AY 2016-17	Income Tax Appellate tribunal
		151.74	-	AY 2019-20	Assessing Officer
	Tax deducted at source	225.89	-	FY 2007-08 to 2022-23	ITO TDS, TDS Circle 1(1), Kolkata
Customs Act 1962	Custom duty	9.55	3.50	FY 2004-05	CESTAT, Ahmedabad
		14.32	5.00	FY 2002-03	Commissioner (Ahmedabad)
Central Excise Act 1944	Excise duty	96.00	-	FY 1988-1989 FY 2005-06 FY 2009-10	Additional Commissioner (Noida)
		137.19	-	FY 2015-16	Allahabad High court
		48.99	8.69	FY 2003-09 FY 2004-05 FY 2004-07 FY 2005-06 FY 2006-07 FY 2010-12 FY 2012-13 FY 2014-15	Assistant Commissioner
		2.63	0.46	FY 2009-10 FY 2015-17	CESTAT
		1,560.73	10.00	FY 2005-11 FY 2015-17	Commissioner (Noida)
		2,581.44	10.00	FY 2007-08 FY 2010-12 FY 2011-12 FY 2011-13 FY 2012-13 FY 2013-14 FY 2014-15 FY 2015-16	Supreme court
Goods and Services Tax Act 2017	GST	1.11	-	FY 2017-19	Superintendent
		10.38	0.94	FY 2019-20	Comm. (Appeal)
		0.36	0.36	FY 2021-22	Additional Commissioner cum Appellate Authority Panchkula



Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, Local Sales Tax Act	Sales Tax	28.64	28.64	FY 2011-12	II Appeal Tribunal, Ghaziabad
		177.34	58.50	FY 2017-18 FY 2015-16 FY 2016-17 FY 2017-18	Deputy Commissioner, Comm. Tax, Hapur
		1.57	-	FY 2015-16	Appeal Tribunal, Kochi
		15.42	13.01	FY 2014-15	Additional Commissioner Appeal -I, Comm. Tax, Ghaziabad
Chapter V of Finance Act 1994	Service Tax	15.30	-	FY 2016-17	Rohtak GST Commissionerate
Entry Tax Act	Entry Tax	25.20	25.20	FY 2001-02 FY 2002-03	High Court, Allahabad

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. Loans amounting to ₹ 6,878.09 lakhs are repayable on demand. Further, such loans and interest thereon have not been demanded for repayment as on date.
- (b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilized for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.



- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC (Core Investment Company).
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is 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 realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating that 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gera
Partner

Place: New Delhi
Date: 27 July 2023

Membership No.: 508685
UDIN: 23508685BGYCSG2676



Standalone Balance Sheet

As at 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Particulars	Notes	31 March 2023	31 March 2022 (Restated)
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3(a)	44,172.55	45,435.83
(b) Right of use assets	3(a)	8,775.08	8,848.91
(c) Capital work-in-progress	3(b)	60,456.40	14,093.48
(d) Other intangible assets	3(c)	23.31	49.88
(e) Intangible assets under development	3(d)	-	2.42
(f) Financial assets			
(i) Investments	4	5,002.38	4,194.08
(ii) Loans	5	19.82	28.73
(iii) Others	6	4,479.33	17,333.93
(g) Non current tax asset (net)	7	1,968.05	1,912.31
(h) Other non-current assets	8	3,310.57	2,441.22
Total non-current assets		1,28,207.49	94,340.79
(2) Current assets			
(a) Inventories	9	58,144.08	42,790.24
(b) Biological assets other than bearer plants	10	1,526.24	1,081.00
(c) Financial assets			
(i) Investments	11	9,399.77	10,272.66
(ii) Trade receivables	12	17,520.44	16,528.34
(iii) Cash and cash equivalents	13	982.86	3,286.57
(iv) Bank balances other than (iii)	14	630.25	5,739.85
(v) Loans	15	146.74	162.33
(vi) Others	16	4,828.34	6,287.40
(d) Other current assets	17	9,617.40	4,026.58
Total current assets		1,02,796.12	90,174.97
Total assets		2,31,003.61	1,84,515.76
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	1,127.94	1,127.94
(b) Other equity	19	1,23,713.08	1,13,381.29
Total equity		1,24,841.02	1,14,509.23
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	28,389.65	6,576.36
(ii) Lease liabilities	21	1,781.69	1,903.55
(iii) Other financial liabilities	22	18.40	3.39
(b) Provisions	23	38.49	-
(c) Deferred tax liabilities (net)	24	1,422.87	2,009.90
(d) Other non-current liabilities	25	72.12	78.21
Total non-current liabilities		31,723.22	10,571.41
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	31,071.92	22,934.40
(ii) Lease Liabilities	27	837.79	660.03
(iii) Trade payables	28		
-Total outstanding dues of micro enterprises and small enterprises		1,889.10	1,921.11
-Total outstanding dues of creditors other than micro enterprises and small enterprises		18,456.70	22,636.66
(iv) Other financial liabilities	29	12,652.64	6,882.65
(b) Other current liabilities	30	5,249.29	3,364.79
(c) Provisions	31	4,177.88	1,035.48
(d) Current tax liabilities (net)	32	104.05	-
Total current liabilities		74,439.37	59,435.12
Total liabilities		1,06,162.59	70,006.53
Total equity and liabilities		2,31,003.61	1,84,515.76

Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date

For **Walker Chandok & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N/N500013

Ashish Gera

Partner

Membership Number : 508685

Place : New Delhi

Date : 27 July 2023

For and on behalf of the Board of Directors

Rup Chand Lohia

Executive Chairman

DIN : 00063290

Place : Bangalore

Date : 27 July 2023

Prakash Lohia

Managing Director

DIN : 00063274

Place : Hapur (U.P.)

Date : 27 July 2023

Sachin Selot

Chief Financial Officer

Place : New Delhi

Date : 27 July 2023

Bala Ji

Company Secretary

M. No. - F9919

Place : New Delhi

Date : 27 July 2023



Statement of Profit and Loss

for the year ended 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Particulars	Notes	31 March 2023	31 March 2022 (Restated)
Income			
Revenue from operations	33	2,17,550.23	1,74,359.36
Other income	34	2,991.34	4,854.08
Total income		2,20,541.57	1,79,213.44
Expenses			
Cost of materials consumed	35	1,11,232.07	94,397.91
Purchases of stock-in-trade		8,754.30	4,910.33
Changes in inventories of finished goods, stock-in-trade, work-in-progress and biological assets	36	(5,233.71)	(3,680.97)
Employee benefits expense	37	24,716.61	20,178.91
Finance costs	38	2,853.99	1,319.92
Depreciation and amortization expenses	39	6,698.45	6,357.65
Other expenses	40	54,109.81	38,289.97
Total expenses		2,03,131.52	1,61,773.72
Profit before tax		17,410.05	17,439.72
Tax expense	41		
- Current tax		6,089.07	4,308.00
- Deferred tax		(443.53)	(5.05)
Total tax expense		5,645.54	4,302.95
Net profit for the year		11,764.51	13,136.77
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment benefit obligations		(578.14)	(61.85)
(ii) Income tax relating to items that will not be reclassified to profit or loss		145.51	15.57
(B) Items that will be reclassified to profit or loss			
(i) Changes in fair value of FVOCI equity instruments		8.00	6.04
(ii) Income tax relating to items that will be reclassified to profit or loss		(2.01)	(1.52)
Total other comprehensive income		(426.64)	(41.76)
Total comprehensive income for the year		11,337.87	13,095.01
Earnings per equity share	42		
Basic		105.24	117.52
Diluted		105.24	117.52

Summary of significant accounting policies

2

The accompanying notes are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N/N500013

For and on behalf of the Board of Directors

Ashish Gera

Partner

Membership Number : 508685

Place : New Delhi

Date : 27 July 2023

Rup Chand Lohia

Executive Chairman

DIN : 00063290

Place : Bangalore

Date : 27 July 2023

Prakash Lohia

Managing Director

DIN : 00063274

Place : Hapur (U.P)

Date : 27 July 2023

Sachin Selot

Chief Financial Officer

Place : New Delhi

Date : 27 July 2023

Bala Ji

Company Secretary

M. No.- F9919

Place : New Delhi

Date : 27 July 2023



Statement of Changes in Equity

for the year ended 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Notes	Amount
As at 1 April 2021		1,127.94
Changes during the year	18	-
As at 31 March 2022		1,127.94
Changes during the year	18	-
As at 31 March 2023		1,127.94

B. Other equity

Particulars	Notes	Statutory reserve	Capital reserve	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings	FVOCI - equity instruments	Total other equity
Balance as at 1 April 2021*	19	233.59	(1,675.56)	3.16	339.72	12,596.25	90,981.33	6.09	1,02,484.58
Prior period adjustments / reclassifications	58	-	1,675.56	-	-	(1,675.56)	(1,527.58)	-	(1,527.58)
Balance as at 1 April 2021 (Restated)		233.59	-	3.16	339.72	10,920.69	89,453.75	6.09	1,00,957.00
Profit for the year*	58	-	-	-	-	-	13,136.77	-	13,136.77
Other comprehensive income for the year									
Remeasurements loss on post-employment benefit obligations (net of tax)		-	-	-	-	-	(46.28)	-	(46.28)
Net fair value gain on investment measured through OCI (net of tax)		-	-	-	-	-	-	4.52	4.52
Total comprehensive income for the year		-	-	-	-	-	13,090.49	4.52	13,095.01
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)
Balance as at 31 March 2022 (Restated)	19	233.59	-	3.16	339.72	12,242.94	1,00,551.27	10.61	1,13,381.29

* Refer Note 58



Statement of Changes in Equity

for the year ended 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Particulars	Notes	Statutory reserve	Capital reserve	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings	FVOCI - equity instruments	Total other equity
Balance as at 1 April 2022	19	233.59	-	3.16	339.72	12,242.94	1,00,551.27	10.61	1,13,381.29
Profit for the year		-	-	-	-	-	11,764.51	-	11,764.51
Other comprehensive income for the year									-
Remeasurements loss on post-employment benefit obligations (net of tax)		-	-	-	-	-	(432.63)	-	(432.63)
Net fair value gain on investment measured through OCI (net of tax)"		-	-	-	-	-	-	5.99	5.99
Total comprehensive income for the year		-	-	-	-	-	11,331.88	5.99	11,337.87
Transfer to/(from) general reserve/(retained earnings)		-	-	-	-	1,176.45	(1,176.45)	-	-
Final dividend on equity shares for the year 2021-22		-	-	-	-	-	(1,006.08)	-	(1,006.08)
Balance as at 31 March 2023	19	233.59	-	3.16	339.72	13,419.39	1,09,700.62	16.60	1,23,713.08

The accompanying notes are an integral part of these financial statements.

This is the Statement of Changes in Equity referred to in our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration Number : 001076N/N5000013

Ashish Gera

Partner
Membership Number : 508685
Place : New Delhi
Date : 27 July 2023

For and on behalf of the Board of Directors

Rup Chand Lohia

Executive Chairman
DIN : 00063290
Place : Bangalore
Date : 27 July 2023

Prakash Lohia

Managing Director
DIN : 00063274
Place : Hapur (U.P)
Date : 27 July 2023

Sachin Selot

Chief Financial Officer
Place : New Delhi
Date : 27 July 2023

Bala Ji

Company Secretary
M. No.- F9919
Place : New Delhi
Date : 27 July 2023

Cash flow statement

for the year ended 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Particulars	31 March 2023	31 March 2022 (Restated)
A. Cash flow from operating activities :		
Net profit before tax as per statement of profit and loss*	17,410.05	17,439.72
Adjustment for :		
Depreciation and amortisation expenses*	6,698.45	6,357.65
Loss/(profit)on sale/disposal of property, plant and equipment (net)	142.84	(13.21)
Fair value changes of derivative measured at FVTPL (gain)	(29.28)	(196.86)
Finance costs	2,853.99	1,319.92
Expected Credit loss of financial assets	107.95	137.48
Advances written off	0.25	9.47
Unrealized foreign exchange loss /(gain) (net)	127.51	(106.86)
Net gain on sale of investment measured at FVTPL	(18.94)	(176.21)
Loss/(Gain) on fair valuation of financial instruments measured at FVTPL	287.60	(894.58)
Gain on lease modification	(1.40)	(9.79)
Interest income	(950.52)	(1,514.65)
Dividend income	(31.47)	(30.51)
Recovery of bad debts	(21.74)	(16.84)
Income due to amortisation of government grants	(6.09)	(6.09)
Provisions/liabilities no longer required written back (net)	(106.75)	(99.09)
Operating profit before working capital changes and other adjustments	26,462.45	22,199.56
Working capital changes and other adjustments :		
Trade receivables	(985.79)	(1,394.21)
Other non-current and current financial assets	19,507.40	(574.16)
Other non-current and current other assets	(5,643.39)	(1,354.26)
Inventories	(15,353.84)	(8,250.86)
Biological assets other than bearer plants	(445.24)	(358.60)
Trade payables	(4,378.02)	5,496.40
Other non-current and current financial liabilities	741.73	1,150.47
Other non-current and current liabilities/provisions	4,575.01	1,329.89
Cash generated from operations	24,480.31	18,244.23
Net direct taxes paid	(6,040.76)	(5,408.25)
Net cash flow from operating activities (A)	18,439.55	12,835.98
B. Cash flow from investing activities :		
Acquisition of property, plant and equipment and capital work-in-progress	(46,738.68)	(20,976.06)
Acquisition of intangible assets and intangible assets under development	(7.14)	(27.57)
Proceeds from sale of property, plant and equipment/intangible assets	100.63	289.69
Purchase of investment	(4,564.06)	(8,495.69)
Proceeds from sale of investment	4,367.99	5,780.02
Interest received	937.36	1,499.00
Dividend income	31.47	30.51
Net cash used in investing activities (B)	(45,872.44)	(21,900.10)
C. Cash flow from financing activities :		
Proceeds from non current borrowings	23,423.20	4,562.86
Repayment of non current borrowings	(1,853.15)	(2,478.15)
Increase in current borrowings	7,675.22	10,926.53
Principal payment of lease liabilities	(775.94)	(678.49)
Interest payment of lease liabilities	(200.46)	(190.84)
Finance cost paid	(2,594.23)	(1,078.92)



Cash flow statement

for the year ended 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Particulars	31 March 2023	31 March 2022 (Restated)
Dividend paid	(1,007.89)	(670.48)
Net cash flow from financing activities (C)	24,666.75	10,392.51
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(2,766.14)	1,328.39
Exchange differences on translation of foreign currency cash and cash equivalents	0.13	0.01
Net change in cash and cash equivalents (D)	(2,766.01)	1,328.40
Cash and cash equivalents at the beginning of the year (refer note 13)	3,286.57	2,350.27
Less- Cash credit at the beginning of the year	(4.99)	(397.09)
Cash and cash equivalents at the beginning of the year as per cash flow statement (E)	3,281.58	1,953.18
Cash and cash equivalents at the end of the year (refer note 13)	982.86	3,286.57
Less- Cash credit at the end of the year	(467.29)	(4.99)
Cash and cash equivalents at the end of the year as per cash flow statement (D+E)	515.57	3,281.58

* Refer Note 58

The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows"

Change in liability arising from financing activities	31 March 2022	Cash flow	Non cash changes			31 March 2023
			New leases	Others	Foreign exchange	
Non current borrowings	8,562.16	21,570.05	-	-	36.48	30,168.69
Current borrowings	22,934.40	8,137.52	-	-	-	31,071.92
Lease liability	2,563.58	(976.40)	882.11	150.19	-	2,619.48

Change in liability arising from financing activities	31 March 2021	Cash flow	Non cash changes			31 March 2022
			New leases	Others	Foreign exchange	
Non current borrowings	6,424.85	2,084.71	-	-	52.60	8,562.16
Current borrowings	9,846.17	13,088.23	-	-	-	22,934.40
Lease liability	854.44	(869.33)	2,456.63	121.84	-	2,563.58

The accompanying notes are an integral part of these financial statements.

This is the Cash flow statement referred to in our report of even date

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration Number : 001076N/N500013

For and on behalf of the Board of Directors

Ashish Gera
Partner
Membership Number : 508685
Place : New Delhi
Date : 27 July 2023

Rup Chand Lohia
Executive Chairman
DIN : 00063290
Place : Bangalore
Date : 27 July 2023

Prakash Lohia
Managing Director
DIN : 00063274
Place : Hapur (U.P)
Date : 27 July 2023

Sachin Selot
Chief Financial Officer
Place : New Delhi
Date : 27 July 2023

Bala Ji
Company Secretary
M. No.- F9919
Place : New Delhi
Date : 27 July 2023



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

CIN : U51909WB1965PLC026556

1. Company Information

Merino Industries Limited ("the Company") is a domestic 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, prelaminated boards, furniture, potato flakes, acrylic solid surface and agricultural produce.

2. General information and summary of significant accounting policies

2.1 Basis of preparation

(i) Statement of 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. 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. The financial statements for the year ended 31 March 2023 were authorised and approved for issue by the Board of Directors on 27 July 2023.

(ii) Basis of preparation

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. 2.7 accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at their fair value.

2.2 Recent accounting pronouncement issued but not made effective

MCA, vide its circular dated 31 March 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Companies (Indian Accounting Standards) Rules, 2015. Key amendments include:

- **Ind AS 1:** Requirement to disclose 'material accounting policies' instead of 'significant accounting' policies and related guidance included to determine whether the policy is material or not.

- **Ind AS 8:** Definition of 'accounting estimates' now included in the standard enabling distinction between change in accounting estimates from change in accounting policies.
- **Ind AS 12:** Transactions that does not give rise to equal taxable and deductible temporary differences at the time of initial transaction have now been included in the exemptions for recognition of deferred tax liability and deferred tax assets in case of taxable temporary differences.
- These amendment rules are effective from 01 April 2023 and the Company is evaluating the requirement of the said amendments and its impact on the financial statements is expected not to be material.

2.3 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 purchase cost related acquisition expenses, pre-operative expenses, project development expenses, etc. Such costs also include borrowing cost if the recognition criteria are met.
- (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

Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023

CIN : U51909WB1965PLC026556

believes that the useful lives of the components best represent the period over which the management expects to use those components. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Nature of assets	Useful life
Buildings	
(a) Buildings (other than factory buildings) RCC frame structure	60 years
(b) Buildings (other than factory buildings) other than RCC frame structure	30 years
(c) Factory buildings	30 years
(d) Fences, wells, tube wells	5 years
(e) Others (including temporary structure, etc.)	3 years
Culverts	30 years
Roads	
(a) Carpeted roads- RCC	10 years
(b) Carpeted roads- other than RCC	5 years
(c) Non-carpeted roads	3 years
Plant and Machinery	
(a) General plant and machinery*	15 years
(b) Continuous process plant (formaldehyde plant)	25 years
(c) Plant and Machinery used in generation, transmission and distribution of power	40 years
(d) Electric distribution plant	35 years
(e) Plant and machinery used in civil construction	12 years
Furniture and fittings	10 years
Motor Vehicles	
(a) Motor cycles, scooters and other mopeds	10 years
(b). Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	8 years
(c) Motor tractors, harvesting combines and heavy vehicles	8 years
(d) Electrically operated vehicles including battery powered or fuel cell powered vehicles	8 years
Office equipment	5 years

Nature of assets	Useful life
Computers and data processing units	
(a) Servers and networks	6 years
(b) End user devices such as desktops, laptops, etc.	3 years
Laboratory equipment	10 years
Electrical installations and equipment	10 years

* The useful lives of general plant and machinery is further subjected to it's uses depending on the double and triple shift basis. Depreciation rate for double & triple shift will be 50% and 100% respectively, over and above the single shift rate depreciation thereby reducing the useful life accordingly.

- (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.
- (g) Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost.

The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

2.4 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.

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

CIN : U51909WB1965PLC026556

2.5 Current/non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

2.6 Impairment reporting of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss. An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

2.7 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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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.

Financial asset not measured at amortised cost or at FVOCI is carried at Fair value through the statement of profit and loss (FVTPL).

Impairment of financial assets

In accordance with Ind AS 109 'Financial Instruments', the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- (i) All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets;
- (ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- (iii) Trade receivables:

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

- (iv) Other financial assets:

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not



Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
CIN : U51909WB1965PLC026556

increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

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 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. For derivative contracts where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss.

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.

2.8 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.



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

CIN : U51909WB1965PLC026556

2.9 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. 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. For harvested biological assets (i.e. agriculture produce) refer note 2.11.

2.10 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.

2.11 Biological assets

On initial recognition and at the end of each reporting period, the biological assets are measured at cost due to non availability of fair value. 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.

2.12 Revenue from contracts with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount of transaction price (net of variable consideration) allocated to performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on

account of various discounts and schemes offered by the Company as part of the contract. Sales, as disclosed, are exclusive of goods and services tax, where applicable. 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 to customers or transporter, considering the delivery terms.

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.

(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.

Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
CIN : U51909WB1965PLC026556

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 note 2.7 Financial instruments – initial recognition and subsequent measurement.

Transfer of trade receivables

The Company transfers certain trade receivables under bill discounting arrangements with banks. These transferred receivables do not qualify for derecognition as the Company retains the credit risk with respect to these transferred receivables due to the existence of the recourse arrangement. Consequently, the proceeds received from such transfers with recourse arrangements are recorded as borrowings from banks and classified under current borrowings.

Contract liabilities

When either party to a contract has performed its obligation, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment.

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.

2.13 Revenue recognition - other items

Interest: Interest income is recognized using effective interest method.

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.

Export incentives and duty drawback: Income from export incentives such as duty drawback, premium on sale of import licenses and lease license fee are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

Other items are recognised on accrual basis.

2.14 Employee benefits

(a) Short-term employee benefits :

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet. Contribution to Central Government administered Employees' State Insurance Scheme for eligible employees is recognised as charge in Statement of Profit and Loss in the year in which they arise.

(b) Defined contribution plans:

The Company pays contribution under provident fund scheme and part of the pension fund scheme for eligible employees. The Company recognises contribution payable to the respective employee benefit fund scheme as an expenditure, as and when they are due. The Company has no obligations other than to make the specified contributions.

(c) 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 liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans

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are the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

(d) Other long term benefits :

The liabilities for compensated absences are those that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(e) Termination benefits :

Termination benefits in the nature of voluntary retirement benefits are recognized as an expense when as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

2.15 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.

The Company recognises deferred tax assets for unabsorbed depreciation or carry forward of losses under tax laws only if there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2.16 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.



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(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. However, grants received for import of capital goods under Export promotion capital goods (EPCG) scheme are presented in the balance sheet by deducting the grant from the carrying value of asset.

2.17 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.

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.

2.18 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.

2.19 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.



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2.20 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.

2.21 Segment reporting

Segments are organised based on businesses which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

2.22 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.

2.23 Royalty income

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

2.24 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 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.

2.25 Prior period errors

The Company corrects prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by (a) restating the comparative amounts for the prior periods presented in which the error occurred; or (b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

2.26 Rounding off of amounts

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

2.27 Significant management judgement in applying accounting policies and estimation uncertainty:

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities:



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(i) Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires, the management to make an assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

(ii) Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

(iii) Defined benefit obligation ('DBO')

Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

(iv) Provisions

At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

(v) Leases

The Company enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

(vi) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, (refer note 43). By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur.

The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments by management and the use of estimates regarding the outcome of future events.

(vii) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and share based payments. This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to financial statements.

(viii) Inventories

The Company estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

(ix) Useful lives of depreciable and amortisable assets

Management reviews its estimate of the useful lives of depreciable and amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

(x) Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The extent to which deferred tax assets/minimum alternate tax credit can be recognised is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilised.



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3 (a) Property, Plant and Equipment

Particulars	Land		Buildings on leasehold land	Buildings on freehold land	Culverts	Roads	Plant and equipment	Electrical fittings	Laboratory Equipment	Furniture and fittings	Computers & data processing units	Office equipment	Vehicles	Total	Right of use land	Right of use buildings	Total
	Leasehold acquisition and development expenses [refer (a)(i) below]	Freehold															
Balance as at 1st April, 2021*	3.95	7,336.83	4,742.36	6,196.11	155.70	1,035.26	40,511.29	1,959.03	191.96	1,142.78	1,258.00	746.19	1,438.32	66,717.78	2,692.01	1,296.21	70,706.00
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	5,015.10	1,407.88	11,874.15
Disposals	-	28.34	-	22.76	-	-	278.56	1.92	2.00	30.92	109.11	40.99	71.10	585.70	57.50	375.43	1,018.63
Balance as at 31 March 2022*	3.95	8,567.07	4,814.04	7,120.77	155.70	1,045.75	42,222.84	2,305.66	220.00	1,323.44	1,400.89	847.23	1,555.91	71,583.25	7,649.61	2,328.66	81,561.52
Additions	-	-	161.21	139.61	-	5.88	3,044.65	189.73	30.71	180.03	397.95	144.37	435.82	4,729.96	56.06	833.94	5,619.96
Disposals	-	3.11	2.06	-	-	-	365.24	9.94	4.91	8.20	68.47	40.16	194.27	696.36	-	412.15	1,108.51
Balance as at 31 March 2023	3.95	8,563.96	4,973.19	7,260.38	155.70	1,051.63	44,902.25	2,485.45	245.80	1,495.27	1,730.37	951.44	1,797.46	75,616.85	7,705.67	2,750.44	86,072.97
Accumulated Depreciation																	
As at 1st April 2021*	1.99	-	876.41	958.72	7.49	438.74	15,463.48	610.58	48.61	369.55	980.38	473.17	747.85	20,976.97	126.96	562.96	21,666.89
Charge for the year*	0.39	-	209.21	263.92	5.19	104.45	4,081.88	201.14	18.86	117.92	186.48	109.21	186.68	5,485.33	316.02	497.15	6,298.50
Disposals	-	-	-	4.11	-	-	83.20	0.67	0.94	18.88	108.44	38.80	59.84	314.88	21.88	351.85	688.61
As at 31 March 2022	2.38	-	1,085.62	1,218.53	12.68	543.19	19,462.16	811.05	66.53	468.59	1,058.42	543.58	874.69	26,147.43	421.10	708.26	27,276.78
Charge for the year	0.39	-	234.97	301.02	5.19	87.68	4,212.63	238.73	23.15	138.48	198.13	123.24	186.15	5,749.76	381.81	533.17	6,664.74
Disposals	-	-	0.53	-	-	-	166.98	7.80	4.26	6.02	67.95	38.53	160.82	452.89	-	363.30	816.19
As at 31 March 2023	2.77	-	1,320.06	1,519.55	17.87	630.87	23,507.81	1,041.98	85.42	601.05	1,188.60	628.29	900.02	31,444.30	802.91	878.13	33,125.33
Net carrying amount																	
As at 31 March 2022*	1.57	8,567.07	3,728.42	5,902.24	143.02	502.56	22,760.68	1,494.61	153.47	854.85	342.47	303.65	681.22	45,435.83	7,228.51	1,620.40	54,284.74
As at 31 March 2023*	1.18	8,563.96	3,653.13	5,740.83	137.83	420.76	21,394.44	1,443.47	160.38	894.22	541.77	323.15	897.44	44,172.55	6,902.76	1,872.32	52,947.63

*Refer Note 58

(i) Development expenditure of ₹ 23.45 incurred on leasehold land taken on 13th December, 1994, under a lease of 30 years has been amortised over the period of lease. Remaining life of the leasehold land is one year.

(ii) Freehold land with carrying value of ₹ 535.28 (31 March 2022 : ₹ 535.28) have been mortgaged for availing working capital loan from Axis Bank Consortium (Refer Note No 26 and 46).

(iii) Certain Property, plant and equipment have been given as security for borrowings (Refer Note No 46)



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(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 March 2023	Gross carrying value as on 31 March 2022	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	459.20	459.20	Merino Export Private Limited	No	1 April 2019	Land transferred under business combination arrangement between Merino Export Private Limited & Merino Industries Limited from appointed date 1 st April 2019. Payment for stamp duty to transfer the title in the name of Merino Industries Limited is under approval with District Magistrate Hapur(Uttar Pradesh), India.
	96.17	96.17	Century Laminating Company Limited	No	27 July 2007	Land title bearing erstwhile name Century Laminating Company Limited. Change in title name to Merino Industries Limited is in process.
	0.37	0.37			10 January 1994	Land was taken over by Hapur Pilkhuwa Development Authority under compulsory acquisition while award is not yet received.
	8.25	8.25			14 January 2003	Land was taken over by Hapur Pilkhuwa Development Authority under compulsory acquisition. Company has taken stay in court to comeout from compulsory acquisition.
	104.29	104.29			12 June 2006	Aabadi plots were on the name of erstwhile company Century Laminating Company Limited. As per the Uttar Pradesh government policy there is restriction to transfer these land in the name of present company Merino Industries Limited.
	72.13	72.13			15 March 2005	
Building	0.76	0.76	Century Laminating Company Limited	No	18 December 1992	Building title bearing erstwhile name Century Laminating Company Limited. Change in title name to Merino Industries Limited is in process.



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3(b) Capital work-in progress :

(i) Capital work-in progress ageing schedule:

Particulars	Amount in CWIP as at 31 March 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress* :	47,334.85	13,102.53	19.02	-	60,456.40
Projects temporarily suspended :	-	-	-	-	-
Total	47,334.85	13,102.53	19.02	-	60,456.40

* Includes capital goods-in-transit of ₹ 31.74

Note - Borrowing Cost amounting to ₹ 1,051.45 pertaining to loan taken from Axis bank for construction of particle board plant at Halol has been capitalised in accordance with Ind AS 23 'Borrowing Costs'.

Particulars	Amount in CWIP as at 31 March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress* :	13717.75	202.26	103.40	57.30	14,080.71
Projects temporarily suspended :	10.87	-	1.90	-	12.77
Total	13728.62	202.26	105.30	57.30	14093.48

* Includes capital goods-in-transit of ₹ 3,755.40

Note - Borrowing Cost amounting to ₹ 45.67 pertaining to loan taken from Axis bank for construction of particle board plant at Halol has been capitalised in accordance with Ind AS 23 'Borrowing Costs'.

(ii) Capital work-in progress, 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 March 2023, to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress :					
Project - S01000050	225.95	-	-	-	225.95
Project - S01000239	168.18	-	-	-	168.18
Project - S01000293	345.23	-	-	-	345.23
Project - S01000540	161.38	-	-	-	161.38
Project- LD1000228	881.79	-	-	-	881.79
Project- LD1000229	473.19	-	-	-	473.19
Project- LD1000230	435.60	-	-	-	435.60
Project- LD1000238	321.63	-	-	-	321.63
Project - Halol	57,053.53	-	-	-	57,053.53
Other Projects*	342.91	19.74	-	-	362.65
Total	60,409.39	19.74	-	-	60,429.13

*Individual projects less than ₹ 50.00 have been clubbed together in other projects.

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- (ii) Capital work-in progress, 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 March 2023, to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress :					
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
Projects temporarily suspended :					
Other Projects*	12.77	-	-	-	12.77
Total	782.33	-	-	-	782.33

*Individual projects less than ₹ 50.00 have been clubbed together in other projects.

3 (c) Other intangible assets

Particulars	Computer Software (Acquired item)	Total
Balance as at 1 April 2021	593.37	593.37
Additions	25.15	25.15
Disposals	173.10	173.10
Balance as at 31 March 2022	445.42	445.42
Additions	7.14	7.14
Disposals	20.71	20.71
Balance as at 31 March 2023	431.85	431.85
Accumulated amortisation		
As at 1 April 2021	509.49	509.49
Charge for the year	59.15	59.15
Disposals	173.10	173.10
As at 31 March 2022	395.54	395.54
Charge for the year	33.71	33.71
Disposals	20.71	20.71
As at 31 March 2023	408.54	408.54
Net carrying amount		
As at 31 March 2022	49.88	49.88
As at 31 March 2023	23.31	23.31

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3(d) Intangible assets under development

(i) Intangible assets under development ageing schedule:

Particulars	Amount in CWIP as at 31 March 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	-	-	-	-	-
Projects temporarily suspended :	-	-	-	-	-
Total	-	-	-	-	-

Particulars	Amount in CWIP as at 31 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 :	-	-	-	-	-
Total	2.42	-	-	-	2.42

(ii) There are no intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

Note: 4 Non current investments

Particulars	31 March 2023		31 March 2022	
	Number of units/shares*	Amount	Number of units/shares*	Amount
Investments in Equity Instruments measured at FVOCI				
- Quoted				
Bank of Baroda	10,000	16.89	10,000**	11.16
Greenply Industries Limited	1,000	1.39	1,000**	2.20
Greenlam Industries Limited	1,000	3.00	1,000**	3.63
Star Paper Mills Limited	100	0.15	100**	0.16
Greenpanel Industries Limited	1,000	2.72	-	-
LIC Limited	442	2.36	-	-
Axis Bank Limited	119	1.02	-	-
Bajaj Finance Limited	27	1.52	-	-
Bajaj Finserv Limited	180	2.28	-	-
Coromandel International Limited	82	0.72	-	-
Grasim Industries Limited	141	2.30	-	-
HCL Technologies Limited	50	0.54	-	-
HDFC Bank Limited	77	1.24	-	-
Hindalco Industries Limited	540	2.19	-	-
Hindustan Unilever Limited	44	1.13	-	-
Infosys Limited	104	1.49	-	-
Nestle India Limited	9	1.77	-	-
NMDC Limited	1,874	2.09	-	-
NMDC Steel Limited	1,874	0.58	-	-
State Bank Of India	334	1.75	-	-
Tata Steel Limited	2,020	2.11	-	-
TCS Limited	66	2.12	-	-
Ultratech Cement Limited	14	1.07	-	-

**Summary of significant accounting policies and other explanatory information**

As at 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 4 Non current investments (Contd.)

Particulars	31 March 2023		31 March 2022	
	Number of units/shares*	Amount	Number of units/shares*	Amount
- Unquoted				
National Stock Exchange Of India Limited	4,000	131.80	-	-
Kitply Industries Limited #	100**	-	100**	-
Merinoply and Chemicals Limited (refer (a) below)	1,64,006	17.50	1,64,006	17.50
Less: Provision for diminution in value of investments		(17.50)		(17.50)
Sanghi Polyesters Limited	500	0.20	500**	0.20
Less: Provision for diminution in value of investments		(0.20)		(0.20)
KHSL Industries Limited	1,000**	0.20	1,000**	0.20
Less: Provision for diminution in value of investments		(0.20)		(0.20)
Investment in Alternative Investment fund measured at FVTPL				
- Unquoted				
Aventus Absolute Return Fund-Class A6	38,419.35	499.62	50,055.43	625.69
Tata Capital Healthcare Fund II	50,000	199.42	50,000	121.36
Blume Ventures Fund 1X	1,00,000	206.28	1,00,000	169.34
ICICI Prudential Compact Fund	99,880.13	132.62	99,880.13	147.43
ICICI Prudential Compact Fund- Series II	2,14,445.08	242.13	2,14,445.08	270.63
SC Credit Trust-Sc Credit Fund	20.40	221.30	20.40	211.35
Alteria Capital India Fund - I	42,391.01	51.85	90,589.58	102.02
IIFL India Private Equity Fund Series 1A - Class A	10,00,570.36	95.10	10,00,570.36	103.24
Kotak Optimus Moderate Scheme Class A	94.54	120.91	94.54	123.18
Kotak Optimus Aggressive Scheme Class A	174.22	230.66	174.22	240.30
Trifecta Venture Debt Fund - III	1,32,460.00	139.22	86,460.00	91.10
White Oak India Select Equity Fund - Class A	12,06,594.18	201.46	12,06,594.18	222.37
IIFL Special Opportunities Fund Series - 8	21,29,826.55	249.05	21,29,826.55	267.84
Inflexor Technology Fund	39.19	32.14	35.00	32.83
Kotak Pre IPO Opportunities Fund	12,989.80	126.78	12,989.80	139.24
Kotak India Renaissance Fund-I	20,408.12	202.63	20,408.12	210.16
Sixth Sense India Opportunities III	17,000.00	185.97	11,000.00	118.00
Tata Equity Plus Absolute Return Fund	9,999.50	101.12	-	-
ICICI Prudential Long Short Fund SR-II	99,995.00	103.63	-	-
Mirae Asset Late Stage Opportunities Fund	44.11	43.61	-	-
Investment in Alternative Investment Fund measured at amortised cost				
- Unquoted				
India Real Estate Investment Fund	1,74,114.00	174.11	1,22,535.00	122.54
Aventus Structured Credit Fund - II	71.32	71.32	40.00	40.00
Investment in bond measured at amortised cost				
- Quoted				
State Bank of India SR I 7.72 BD Perpetual	5	509.75	5	509.75
Investment in promissory note measured at amortised cost				
- Unquoted				
Artison Agrotech Private Limited**	-	10.00	-	10.00
Less: Provision for diminution in book value of investments**	-	(10.00)	-	(10.00)



Summary of significant accounting policies and other explanatory information

As at 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 4 Non current investments (Contd.)

Particulars	31 March 2023		31 March 2022	
	Number of units/shares*	Amount	Number of units/shares*	Amount
Investment in non convertible debenture measured at amortised cost (secured)				
- Quoted				
Aseem Infrastructure Finance Limited	30	322.98	30.0	300.24
Nuvama Wealth Finance Limited SR	20	204.83	-	-
Investment in REIT measured at FVTPL				
- Quoted				
Mindspace Business Parks Real Estate Investment Trust	2,400	7.85	2,400	8.32
- Unquoted				
Invit Of India Infrastructure Trust	2,00,000	141.81		-
		5,002.38		4,194.08
Aggregate amount of quoted investments		1,097.82		835.46
Aggregate amount of unquoted investments		3,932.46		3,386.52
Aggregate amount of impairment in value of investments		27.90		27.90

*Number of units are in absolute terms.

**Includes investments acquired through business combination, pending transfer in the name of the Company.

#The stated figure nil represents value less than ₹ 0.01.

Note-

- (a) Merinopoly and Chemicals Limited is under liquidation. Investment is carried at nil value. Cost of investment was ₹ 17.50 (31 March 22: ₹ 17.50). Further, Company believes that there is no impact on the financial statements other than the impairment provision already made in the books of accounts.

Note: 5 Non current loans

Particulars	31 March 2023	31 March 2022
Loans to employees	19.82	28.73
	19.82	28.73

Note: 6 Other non current financial assets

Particulars	31 March 2023	31 March 2022
Security deposits	727.48	457.60
Share application money	-	132.00
Bank deposit (refer (a, b & c) below)	3,330.80	15,860.15
Interest accrued on bank deposits (refer (a, b & c) below)	421.05	884.18
	4,479.33	17,333.93

Note-

- (a) Bank deposit amounting ₹ nil (31 March 22: ₹ 234.24) along with interest accrued thereon is pledged against long term borrowing.(refer note 46)
- (b) Bank deposit amounting ₹ 394 (31 March 22: ₹ 6,998.62) along with interest accrued thereon is on lien against letter of credit (refer note 46)
- (c) Bank deposit amounting ₹ 3.70 (31 March 22: 3.33) having maturity more than one year pledged with custom and excise authority



Summary of significant accounting policies and other explanatory information

As at 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 7 Non current tax asset (net)

Particulars	31 March 2023	31 March 2022
Advance Income tax (Net of provision of ₹ 42,932.90 (31 March 2022: ₹ 42,988.64))	1,968.05	1,912.31
	1,968.05	1,912.31

Note: 8 Other non-current assets

Particulars	31 March 2023	31 March 2022*
Capital advances	2,151.34	1,335.67
Prepaid expense	94.87	37.87
Balance with government authorities	1,053.04	1,056.86
Security deposit	11.32	10.82
	3,310.57	2,441.22

Note: 9 Inventories

Particulars	31 March 2023	31 March 2022*
<i>(At lower of cost and net realisable value)</i>		
Raw materials	33,412.34	23,318.98
[includes materials-in-transit 31 March 2023: ₹ 4,534.49 (31 March 2022: ₹ 3,841.40)]		
Work-in-progress	1,867.31	1,381.80
[includes materials-in-transit 31 March 2023: ₹ 16.84 (31 March 2022: ₹ 17.05)]		
Stock in trade	2,950.82	1,517.65
[includes materials-in-transit 31 March 2023: ₹ 335.84 (31 March 2022: ₹ 54.63)]		
Finished goods	16,385.48	13,515.72
[includes materials-in-transit 31 March 2023: ₹ 3,458.10 (31 March 2022: ₹ 4,805.91)]		
Stores and spares	3,528.13	3,056.09
[includes materials-in-transit 31 March 2023: ₹ 126.46 (31 March 2022: ₹ 72.88)]		
	58,144.08	42,790.24

(a) Inventories are hypothecated to secure the current and non current borrowings (refer note 46).

(b) Write down of inventories to net realisable value relating to stores and spares amounted to ₹ 336.82 (31 March 2022: ₹ 424.98).



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 10 Biological assets other than bearer plants

Particulars	31 March 2023	31 March 2022
Potato seed		
Opening value of biological assets	1,078.33	721.30
Cost incurred during the year	1,525.76	1,078.34
Harvested potatoes transferred to inventories and sold during the year	(1,078.33)	(721.31)
Closing value of biological assets - Potato Seed	1,525.76	1,078.33
Crops		
Opening value of biological assets	2.67	1.10
Cost incurred during the year	0.48	31.09
Purchases	3.77	6.67
Harvested crops transferred to inventories and sold during the year	(3.97)	(35.70)
Harvested crops transferred to inventories	(2.46)	(0.49)
Closing value of biological assets - crops	0.49	2.67
Total	1,526.24	1,081.00

(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. Harvested biological assets transferred to inventory at fair value amounting to ₹ 645.12 (31 March 2022 : ₹ 787.77)

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

(b) Inventories are hypothecated to secure short-term and long-term borrowings (refer note 46).

Note: 11 Current investments

(₹ in lakhs, unless otherwise stated)

Particulars	31 March 2023		31 March 2022	
	Number of units/shares*	Amount	Number of units/shares*	Amount
Investments in Equity Instruments measured at FVTPL				
- Quoted				
3M India Limited	-	-	11	2.17
Aarti Industries Limited	131	0.68	-	-
ABB India Limited	51	1.72	-	-
Abbott India Limited	26	5.74	19	3.36
Aditya Birla Capital Limited	2,345	3.60	-	-
Ajanta Pharma Limited	240	2.90	160	2.90
Akzo Nobel India Limited	75	1.73	-	-
Alkyl Amines Chemicals Limited	4,007	86.37	1,006	28.76
Ambuja Cements Limited	347	1.27	-	-
Apl Apollo Tubes Limited	320	3.85	-	-
Asian Paints Limited	6,003	165.78	4,174	128.56
Astral Limited	232	3.10	303	6.13
Astral Polytechnik Limited	185	2.47	-	-



Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 11 Current investments (Contd.)

Particulars	31 March 2023		31 March 2022	
	Number of units/shares*	Amount	Number of units/shares*	Amount
Atul Limited	268	18.65	163	16.78
AU Small Finance Bank Limited	598	3.46	-	-
Avenue Supermarts Limited	52	1.77	-	-
Axis Bank Limited	4,823	41.41	4,999	38.05
Bajaj Finance Limited	3,265	183.39	1,360	98.74
Bajaj Finserv Limited	569	7.21	37	6.31
Balkrishna Industries Limited	112	2.19	-	-
BEML Land Assets Limited	82	0.25	-	-
BEML Limited	147	1.85	82	1.49
Berger Paints India Limited	4,414	25.68	2,960	20.71
Bharti Airtel Limited	284	2.13	-	-
Bharti Airtel PP Limited	1,240	4.55	-	-
Birla Corporation Limited	231	2.06	-	-
Campus Activewear Limited	389	1.30	-	-
Cartrade Tech Limited	68	0.26	68	0.39
CG Power And Industrial Solutions Limited	837	2.51	-	-
Cholamandalam Investment And Finance Company Limited	1,714	13.05	1,410	10.13
Cipla Limited	407	3.67	607	6.18
CMS Info Systems Limited	2,559	7.09	-	-
Coforge Limited	159	6.06	92	4.10
Computer Age Management Services Limited	79	1.60	108	2.50
Container Corporation of India Limited	432	2.51	-	-
Coromandel International Limited	1,234	10.85	2,861	22.88
Craftsman Automation Limited	49	1.60	-	-
Crompton Greaves Consumer Electricals Limited	8,325	24.39	6,333	23.69
Data Patterns India Limited	129	1.77	-	-
DCM Shriram Limited	1,894	14.16	-	-
Divis Laboratories Limited	1,300	36.70	536	23.59
Dixon Technologies India Limited	18	0.52	77	3.32
Dodla Dairy Limited	412	1.91	412	1.84
Dr Lal Pathlabs Limited	6,727	122.98	3,222	84.12
Eclerx Services Limited	744	9.60	-	-
Eicher Motors Limited	123	3.63	50	1.23
Fine Organic Industries Limited	15	0.65	69	2.76
Five-Star Business Finance Limited	256	1.38	-	-
FSN E-Commerce Ventures Limited	1,053	1.31	89	1.50
Garware Technical Fibres Limited	121	3.52	125	3.53
GMM Pfaudler Limited	4,878	71.51	786	35.81
Godrej Consumer Products	955	9.25	3,171	23.70
Grindwell Norton Limited	163	3.06	-	-
Havells India Limited	269	3.20	-	-
HCL Technologies Limited	364	3.95	-	-



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 11 Current investments (Contd.)

Particulars	31 March 2023		31 March 2022	
	Number of units/shares*	Amount	Number of units/shares*	Amount
HDFC Bank Limited	12,006	193.24	7,332	107.81
HDFC Life Insurance Company Limited	21,497	107.31	11,461	61.68
Hindalco Industries Limited	741	3.00	698	3.98
Hindustan Aeronautics Limited	558	15.24	-	-
Honeywell Automation India Limited	5	1.82	-	-
ICICI Bank Limited	2,819	24.73	4,887	35.69
ICICI Lombard General Insurance Company Limited	3,168	33.88	2,732	36.29
ICICI Securities Limited	3,038	13.00	-	-
IDFC Limited	2,812	2.21	-	-
IIFL Finance Limited	1,132	5.53	-	-
Indiamart InterMesh Limited	14	0.70	-	-
Indigo Paints Limited	246	2.48	246	3.95
Info Edge India Limited	84	3.13	50	2.25
Infosys Limited	851	12.15	1,117	21.30
Intellect Design Arena Limited	-	-	430	4.07
Ipca Laboratories Limited	114	0.92	-	-
Jindal Stainless Limited	1,019	2.95	-	-
KEC International Limited	712	3.25	-	-
KNR Constructions Limited	-	-	342	0.97
Kotak Mahindra Bank Limited	1,631	28.26	1,907	33.45
Larsen And Toubro Limited	392	8.48	-	-
Lemon Tree Hotels	12,692	9.80	-	-
LNT Technology Services Limited	3,718	125.61	660	33.69
LTI Mindtree Limited	24	1.14	-	-
Mahindra Holiday & Resort India Limited	4,180	11.28	-	-
Maruti Suzuki India Limited	79	6.55	73	5.52
Mastek Limited	106	1.63	-	-
Max Financial Services Limited	558	3.54	-	-
Metropolis Healthcare Limited	88	1.10	88	1.79
Mphasis Limited	-	-	184	6.21
Multi Commodity Exchange Of India Limited	184	2.79	184	2.60
Narayana Hrudayalaya Limited	2,492	19.29	1,176	8.77
Natco Pharma Limited	1,518	8.55	2,019	15.27
Navin Fluorine International Limited	105	4.48	105	4.29
Nestle India Limited	464	91.43	472	82.04
Newgen Software Technologies Limited	-	-	318	1.48
NIIT Limited	3,806	12.42	2,442	15.18
NTPC Limited	1,905	3.34	-	-
Orient Electric Limited	-	-	673	2.16
Page Industries Limited	339	128.49	179	77.31
Patanjali Foods Limited	251	2.43	-	-
Persistent Systems Limited	120	5.53	158	7.53
Phoenix Mills Limited	202	2.63	158	1.74

**Summary of significant accounting policies and other explanatory information**

For the year ended 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 11 Current investments (Contd.)

Particulars	31 March 2023		31 March 2022	
	Number of units/shares*	Amount	Number of units/shares*	Amount
PI Industries Limited	92	2.78	-	-
Pidilite Industries Limited	3,166	74.50	3,626	88.99
Poly Medicare Limited	185	1.76	131	1.24
Polycab India Limited	736	21.20	630	14.90
Rainbow Childrens Medicare Limited	316	2.31	-	-
Rbl Bank Limited	11,709	16.52	-	-
Redington India Limited	6,948	11.58	-	-
Reliance Industries Limited	147	3.43	-	-
RHI Magnesita India Limited	228	1.44	-	-
Saregama India Limited	810	2.68	81	3.91
SBI Life Insurance Company Limited	17	0.19	-	-
Sequent Scientific Limited	1,146	0.83	1,146	1.53
Sonata Software Limited	3,546	29.66	2,291	16.94
State Bank Of India	7,111	37.24	4,831	23.84
Sun Pharmaceutical Industries Limited	405	3.98	-	-
Suprajit Engineering Limited	33,419	115.23	7,936	27.16
Suven Pharmaceuticals Limited	-	-	324	2.00
Syngene International Limited	418	2.49	-	-
Tamilnad Mercantile Bank Limited	954	3.89	-	-
Tata Communications Limited	203	2.53	-	-
Tata Consultancy Services Limited	4,362	139.84	1,862	69.64
Tata Steel Limited	1,754	1.83	100	1.31
Titan Company Limited	6,574	165.33	3,422	86.79
Torrent Pharmaceuticals Limited	171	2.63	-	-
Tube Investments Of India Limited	525	13.37	865	14.05
United Spirits Limited	-	-	1,788	15.88
UPL Limited	582	4.18	-	-
Varun Beverages Limited	-	-	1,528	14.38
Vedant Fashions Limited	223	2.54	186	1.80
V-Mart retail Limited	2,710	58.60	653	25.90
Investment in mutual funds measured at FVTPL				
- Quoted				
Aditya Birla Sunlife Short Term Opportunities Fund	-	-	1,88,388.49	72.13
IDFC Corporate Bond Fund	-	-	9,21,234.45	144.95
IDFC Banking and Psu Debt Fund-REG(G)	-	-	31,71,396.78	634.80
Axis Banking and Psu Debt Fund	-	-	24,228.97	518.68
Axis Focused 25 Fund Growth (AFGPG)	5,46,112.39	199.17	5,46,112.39	235.43
HDFC Fmp 1372 Days, September 2018 (1) - Regular-Growth	-	-	15,00,000.00	198.35
ICICI Pru - Equity Savings Fund	1,87,837.76	34.13	1,87,837.76	32.31
ICICI Pru - Balanced Advantage Fund	29,00,529.32	1,523.36	29,00,529.32	1,437.22
L & T Triple Ace Bond Fund	-	-	4,25,920.68	254.13
Mirae Asset Large Cap Fund- Regular Growth Plan	8,20,182.88	628.68	5,57,486.66	431.57



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 11 Current investments (Contd.)

Particulars	31 March 2023		31 March 2022	
	Number of units/shares*	Amount	Number of units/shares*	Amount
Mirae Asset Focused Fund-Regular Plan Growth	9,72,877.66	173.40	9,72,877.66	185.63
Edelweiss Flexi Cap Fund-Regular Plan-Growth	15,17,036.55	346.03	15,17,036.55	347.01
Aditya Birla Sun Life Flexi Cap Fund -Growth-Rp	7,047.84	76.73	7,047.84	80.05
Kotak Emerging Equity Fund-Growth(Regular Plan)	2,01,983.89	150.03	2,01,983.89	144.21
Kotak Flexicap Fund-Grwoth (Regular Plan)	5,55,307.90	294.40	5,55,307.90	288.60
Aditya Birla Sunlife Flexi Cap Fund-Growth-Direct Plan	8,162.94	97.50	8,162.94	100.85
UTI Flexi Cap Fund - Regular Plan Growth	55,753.22	122.81	55,753.22	136.58
AXIS Treasury Advantage Fund - Regular Plan Growth	-	-	2.55	0.06
AXIS Bluechip Fund - Regular Plan Growth	18,81,308.96	779.80	18,81,308.96	842.45
ICICI Prudential Equity Savings Fund-Cumulative	18,70,230.68	339.82	18,70,230.68	321.68
Kotak Balanced Advantage Fund-Growth-Regular Plan	30,64,361.46	458.83	37,35,103.96	538.15
Kotak Pioneer Fund Growth-Regular Plan	9,35,811.79	162.97	9,35,811.79	167.59
Edelweiss Balanced Advantage Fund-Regular Growth	-	-	7,47,570.28	265.84
SBI Focused Equity Fund Regular Growth	61,626.59	134.18	61,626.59	141.99
Axis Balanced Advantage Fund-Regular Growth	33,54,995.75	473.72	33,54,995.75	472.72
Mirae Aest Midcap Fund Regular Plan Growth	16,78,074.17	342.18	16,78,074.17	345.08
Nippon India Mutual Fund ETF Nifty BeES	50,000.00	94.97	50,000.00	95.58
Nippon India Mutual Fund ETF Junior BeES	10,000.00	39.99	10,000.00	43.94
Kotak Bluechip Fund	41,139.89	152.81	-	-
SBI Bluechip Fund	3,31,278.71	204.59	-	-
ICICI Prudential Liquid ETF	500.00	5.00	-	-
HDFC Overnight Fund - Growth Option-Direct Plan	-	-	6,415.57	202.57
		9,399.77		10,272.66
Aggregate amount of quoted investments		9,399.77		10,272.66
Aggregate amount of unquoted investments	-	-	-	-

Note - Refer note 58

* Number is in absolute terms.

Note: 12 Trade receivables

Particulars	31 March 2023	31 March 2022
Unsecured		
Considered good	16,939.41	16,029.60
Credit impaired	435.67	346.71
	17,375.08	16,376.31
Less: Impairment allowance	435.67	346.71
	16,939.41	16,029.60
Secured		
Considered good	581.03	498.74
	17,520.44	16,528.34

(a) Trade receivables have been hypothecated to secure the short term and long term borrowings (refer note 46).

(b) Includes receivable from related parties of ₹ 8.14 (31 March 2022 : ₹ 14.56) (refer note 54).

(c) The amount is secured against security deposit received from customers.

Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 12 Trade receivables (Contd.)

Trade receivables ageing schedule

As at 31 March 2023	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	
Undisputed							
(i) Considered good	13,281.30	3,422.89	493.84	201.14	2.71	118.56	17,520.44
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	61.65	87.15	47.45	7.96	50.14	254.35
Disputed							
(i) Considered good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	2.44	-	67.76	29.13	81.99	181.32
Total	13,281.30	3,486.98	580.99	316.35	39.80	250.69	17,956.11
Less: Impairment allowance							435.67
Total Trade receivables							17,520.44

As at 31 March 2022	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	
Undisputed							
(i) Considered good	10,932.75	5,310.71	121.44	41.62	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	117.15	242.71
Disputed							
(i) Considered good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	2.21	43.49	58.29	103.99
Total	10,932.75	5,319.48	121.55	142.10	87.50	271.66	16,875.04
Less: Impairment allowance							346.71
Total Trade receivables							16,528.34

Note: 13 Cash and cash equivalents

Particulars	31 March 2023	31 March 2022
Cash and cash equivalents:		
Cash on hand	8.99	12.84
Foreign currency on hand	5.48	4.52
Bank deposit having original maturity less than 3 months	-	2,464.98
Cash in PMS portfolio*	28.46	53.38
Balances with banks:		
On current accounts	393.19	106.48
Cheques and drafts on hand	4.80	-
On cash credit accounts	541.94	644.37
	982.86	3,286.57

* Refer note 58

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 14 Bank balances other than (iii)

Particulars	31 March 2023	31 March 2022
Unpaid dividend accounts (refer (a) below)	19.65	21.46
Bank deposits* (refer (b & c) below)	594.41	5,648.02
Interest accrued on bank deposits	16.19	70.37
	630.25	5,739.85

* deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the balance sheet date.

Note:

- Earmarked for payment of unpaid / unclaimed dividends. The corresponding liability is disclosed as unclaimed dividend in note 29.
- Bank deposit amounting ₹ 594.30 (31 March 22: ₹ 570.13) along with interest accrued thereon is pledged against credit facility drawn by Kasturi Bai Gopi Babu Cold Storage.(refer note 46, 54 & 56)
- Bank deposit amounting ₹ Nil (31 March 22: ₹ 2,521.75) along with interest accrued thereon is on lien against letter of credit (refer note 46).

Note: 15 Loans

Particulars	31 March 2023	31 March 2022
Loans to Employees	146.74	162.33
	146.74	162.33

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: 16 Other current financial assets

Particulars	31 March 2023	31 March 2022
Security Deposits		
Considered good	92.73	162.46
Doubtful	7.50	7.50
Less: Provision for doubtful security deposit	(7.50)	(7.50)
Net Security deposits	92.73	162.46
Bank deposits* (refer (a) & (b) below)	3,209.87	5,025.20
Margin money deposit (refer (c) below)	13.32	13.87
Interest accrued on bank deposits	382.94	317.65
Dividend receivable	0.13	0.04
Insurance claim receivable	0.08	-
Interest accrued on deposits and others	45.81	32.65
Derivative assets	334.18	279.79
Others receivables	745.42	455.32
Receivable from statutory/government authorities	3.86	0.42
	4,828.34	6,287.40

- Bank deposit amounting ₹ 520.53 (31 March 22: ₹ 500) along with interest accrued thereon is pledged against credit facility drawn by Kasturi Bai Gopi Babu Cold Storage. (refer note 46, 54 and 56)
- Bank deposit amounting ₹ 649.00 (31 March 22: ₹ 3,346.20) along with interest accrued thereon is on lien against letter of credit (refer note 46).
- Margin money given towards bank guarantee (refer note 46)

Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 17 Other current assets

Particulars	31 March 2023	31 March 2022
Advances to suppliers		
Considered good	528.39	339.61
Considered doubtful	16.43	16.43
Less : Impairment allowance	(16.43)	(16.43)
Net advances to suppliers	528.39	339.61
Advances recoverable in cash or kind		
Considered good	57.18	84.87
Considered doubtful	1.31	1.31
Less: Provision for doubtful advances	(1.31)	(1.31)
Net advances recoverable in cash or kind	57.18	84.87
Export incentives receivable	55.87	284.34
Prepaid expenses	1,116.79	1,153.68
Balance with statutory/government authorities	7,798.19	2,103.20
Others	60.98	60.88
	9,617.40	4,026.58

Note: 18 Equity share capital

Particulars	31 March 2023	31 March 2022
Authorised		
1,97,50,000 (31 March 2022: 1,97,50,000) equity shares of ₹ 10/- each	1,975.00	1,975.00
Issued		
1,13,75,179 (31 March 2022 : 1,13,75,179) equity shares of ₹ 10/- each	1,137.52	1,137.52
Subscribed and paid-up		
1,11,78,679 (31 March 2022 : 1,11,78,679) equity shares of ₹ 10/- each fully paid up	1117.87	1117.87
Add : Forfeited equity shares :		
Amount paid-up on 1,96,500 (31 March 2022 : 1,96,500) equity shares	10.07	10.07
	1,127.94	1,127.94

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

Particulars	31 March 2023	31 March 2022
Balance outstanding at the beginning of the year	1,11,78,679	1,11,78,679
Addition during the year	-	-
Balance outstanding at the end of the year	1,11,78,679	1,11,78,679

(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.

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 18 Equity share capital (Contd.)

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

Name of the shareholders	31 March 2023		31 March 2022	
	Number of shares*	%held	Number of shares*	%held
Mrs. Sita Devi Lohia	2,57,456.00	2.30	18,46,639	16.52
Mr. Champalal Lohia**	12,76,091	11.42	12,76,091	11.42
Mr. Rup Chand Lohia	12,29,662	11.00	12,29,651	11.00
Mrs. Tara Devi Lohia	11,63,847	10.41	11,63,847	10.41
Mr. Prakash Lohia	11,88,389	10.63	4,75,481	4.25
Mr. Madhusudan Lohia	9,97,336	8.92	3,96,005	3.54
Mrs. Praveena Lohia	9,80,486	8.77	9,80,486	8.77
Ms. Ruchira Lohia	7,32,145	6.55	7,32,126	6.55
	78,25,412	70.00	81,00,326	72.46

*Number is in absolute terms.

**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	31 March 2023			31 March 2022		
	Number of shares*	% of shares	% increase / (decrease) during the year	Number of shares*	% of shares	% increase / (decrease) during the year
Mrs. Sita Devi Lohia	2,57,456	2.30	(14.22)	18,46,639	16.52	14.04
Mr. Prakash Lohia	11,88,389	10.63	6.38	4,75,481	4.25	(6.37)
Prakash Lohia (HUF)	68	-	-	68	-	-
Mrs. Neera Lohia	4,58,322	4.10	2.46	1,83,321	1.64	(2.46)
Mr. Madhusudan Lohia	9,97,336	8.92	5.38	3,96,005	3.54	(5.36)
Mrs. Mita Lohia	136	-	-	136	-	-
Ms. Vani Lohia	3,390	0.03	-	3,390	0.03	-
Mr. Mihir Man Lohia	1,356	0.01	-	1,356	0.01	(0.02)
Mr. Champalal Lohia**	12,76,091	11.42	-	12,76,091	11.42	-
Champalal Lohia (HUF)	68	-	-	68	-	-
Mrs. Tara Devi Lohia	11,63,847	10.41	-	11,63,847	10.41	6.78
Mr. Bikash Lohia	1,89,192	1.69	-	1,89,158	1.69	(1.77)
Mrs. Shashi Lohia	20,505	0.18	-	20,505	0.18	-
Mr. Deepak Lohia	1,46,165	1.31	-	1,46,132	1.31	(2.00)
Ms. Usha Lohia	2,03,392	1.82	-	2,03,392	1.82	-
Mrs. Sheela Lohia	3,05,871	2.74	-	3,05,871	2.74	0.08
Ms. Ruchira Lohia	7,32,145	6.55	-	7,32,126	6.55	-
Mr. Rupchand Lohia	12,29,662	11.00	-	12,29,651	11.00	3.08
Mr. Rupchand Lohia (HUF)	68	-	-	68	-	-
Mrs. Praveena Lohia	9,80,486	8.77	-	9,80,486	8.77	6.50
Mr. Prasan Lohia	2,08,005	1.86	-	2,07,982	1.86	(1.24)
Mr. Prasan Lohia (HUF)	68	-	-	68	-	-
Mrs. Meghna Lohia	70,023	0.63	-	70,023	0.63	(1.82)
Mr. Abhiroop Lohia	35,011	0.31	-	35,011	0.31	(1.49)
Ms. Anuja Lohia	35,011	0.31	-	35,011	0.31	(0.16)
Mr. Manoj Lohia	1,42,016	1.27	-	1,41,993	1.27	(1.85)



Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023

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(₹ in lakhs, unless otherwise stated)

Note: 18 Equity share capital (Contd.)

Promoter Name	31 March 2023			31 March 2022		
	Number of shares*	% of shares	% increase / (decrease) during the year	Number of shares*	% of shares	% increase / (decrease) during the year
Manoj Lohia (HUF)	68	-	-	68	-	-
Mrs. Vandana Lohia	87,533	0.78	-	87,533	0.78	(2.28)
Ms. Pragya Lohia	34,500	0.31	-	34,500	0.31	(0.48)
Ms. Prekshi Lohia	84,000	0.75	-	84,000	0.75	-
Mrs. Uma Singhi & Mr. Madan Mohan Singhi (Jointly)	80,068	0.72	-	80,068	0.72	-
Mr. Madan Mohan Singhi & Mrs. Uma Singhi (Jointly)	25,800	0.23	-	25,800	0.23	-
Mrs. Nayantara Agrawal	81,118	0.73	-	81,118	0.73	-
Mr. Govind Mundra & Mrs. Asha Mundra (Jointly)	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	-
Ms. Radhika Lohia	50,000	0.45	-	50,678	0.45	(1.34)
Mr. Anurag Lohia	1,00,000	0.89	(0.01)	1,00,678	0.90	(1.79)
Ms. Priyanka Lohia	3,00,000	2.68	-	3,00,000	2.68	-
Mr. Madan Mohan Singi	100	-	-	100	-	-
Kasturi Bai Gopi Babu Cold Storage Private Limited	67,800	0.61	-	67,800	0.61	-
	1,06,45,734	95.23	(0.01)	1,06,46,890	95.24	0.05

The above promoter shareholding is in accordance with the definition of promoter as per Section 2(69) of The Companies Act, 2013.

* Number is in absolute terms.

**Probate of will of Mr. Champalal Lohia is still awaited to transfer the shares in the name of legal heirs.

Note: 19 Other equity

Particulars	31 March 2023	31 March 2022
Reserves and surplus*:		
Securities premium reserve	339.72	339.72
Capital redemption reserve	3.16	3.16
Statutory reserve	233.59	233.59
General reserve	13,419.39	12,242.94
Retained earnings	1,09,700.62	1,00,551.27
Total (I)	1,23,696.48	1,13,370.68
Other comprehensive income :		
Equity instruments through other comprehensive income	16.60	10.61
Total (II)	16.60	10.61
Total other equity (I+II)	1,23,713.08	1,13,381.29

* Refer note 58



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 19 Other equity (Contd.)

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 Redemption reserve

This Reserve has been transferred to the Company in the course of business combinations and can be utilized 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.

Equity Instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of investments in equity securities which are not held for trading 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.

Note: 20 Non current borrowings

(₹ in lakhs, unless otherwise stated)

Particulars	31 March 2023	31 March 2022
Secured		
Term loan		
From banks		
Indian rupee loans (refer (a) below)	27,986.05	4,937.86
Foreign currency loan (refer (b) below)	2,182.64	3,624.30
	30,168.69	8,562.16
Less:- Current maturities of long term debt (payable within a year)		
Indian rupee loans (refer (a) below)	32.93	375.00
Foreign currency loan (refer (b) below)	1,746.11	1,610.80
	1,779.04	1,985.80
	28,389.65	6,576.36

(a) Repayment terms and nature of security given for Indian rupee loan from banks:

Bank	31 March 2023	31 March 2022	Nature of Securities	Repayment Terms
Axis Bank Limited	27,986.05	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 April 2024 to 1 October 2026 and last instalment of ₹ 2,712 is due in January 2027. Interest is payable monthly at the rate of 5.80 % p.a. Company has drawdown the amount of ₹ 28,200 till the reporting date.



Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 20 Non current borrowings (Contd.)

Bank	31 March 2023	31 March 2022	Nature of Securities	Repayment Terms
The Hong Kong and Shanghai Banking Corporation Limited	-	375.00	It had a exclusive charge on the solar plant situated at Budak Village District 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.	Last instalment was paid on 21 November 2022. Interest was payable monthly at the rate of 7.26 % p.a.
	27,986.05	4,937.86		

(b) Repayment terms and nature of securities given for foreign currency term loan from bank:

Bank	31 March 2023	31 March 2022	Nature of Securities	Repayment Terms
Citibank N . A	2,182.64	3,624.30	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 July 2020. Interest is payable in every three months at the rate of 8.04% p.a on fully hedged basis. The balance amount of the loan is repayable in equal five quarterly instalments on fully hedged basis. Last instalment will be due on 23 April 2024.
	2,182.64	3,624.30		

- (c) Outstanding balances of loan as indicated in (a) & (b) above is inclusive of current maturities of such loan as disclosed in note 26
- (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	31 March 2023	31 March 2022	Reasons
Axis Bank Limited	-	5,800.00	Charge satisfied on 28 September 2022
Kotak Mahindra Bank Limited	2,300.00	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 (UPFC)	1.18	1.18	This charge was last modified on 12 February 1986 and 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 October 1982 being an old case the Company is in discussion with bank for satisfaction of charge with Registrar of Companies.



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

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(₹ in lakhs, unless otherwise stated)

Note: 20 Non current borrowings (Contd.)

(ii) There are certain charges yet to be created with Registrar of Companies.

Bank Name	31 March 2023	31 March 2022	Reasons
The Hong Kong and Shanghai Banking Corporation Limited	-	375.00	NOC received from bank. It was pursuant to business combination facility merged with the Company.
Axis Bank Limited	7,000.00	7,000.00	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.

Note: 21 Non current lease liabilities

Particulars	31 March 2023	31 March 2022
Lease liabilities (refer note 45)	1,781.69	1,903.55
	1,781.69	1,903.55

Note: 22 Other non current financial liabilities

Particulars	31 March 2023	31 March 2022
Employee benefits payable	18.40	3.39
	18.40	3.39

Note: 23 Non current provisions

Particulars	31 March 2023	31 March 2022
Provision for decommissioning	38.49	-
	38.49	-

Note: 24 Deferred tax liabilities (net)

Particulars	31 March 2023	31 March 2022*
Deferred tax liabilities		
Property, plant and equipment and other intangible assets - depreciation and amortisation	1,881.17	2,015.53
Fair valuation of financial instruments- Investments	349.00	462.18
Others	-	8.66
	2,230.17	2,486.37
Deferred tax assets		
Lease liabilities (net of right-of-use assets)	51.07	35.09
Provision for employee benefits	460.29	218.72
Expected credit loss/impairment of financial and non-financial assets	116.00	93.61
Expenses allowed for tax purpose on payment basis	117.71	95.10
Others	62.23	33.95
	807.30	476.47
	1,422.87	2,009.90

* Refer note 58

Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 24 Deferred tax liabilities (net) (Contd.)

Movements in deferred tax liabilities

Particulars	1 April 2022	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	31 March 2023
Deferred tax liabilities				
Property, plant and equipment and other intangible assets - depreciation and amortisation	2,015.53	-	(134.36)	1,881.17
Fair valuation of financial instruments- Investments	462.18	2.01	(115.19)	349.00
Others	8.66		(8.66)	-
Sub total (A)	2,486.37	2.01	(258.21)	2,230.17
Deferred tax assets				
Lease liabilities (net of right-of-use assets)	35.09	-	15.98	51.07
Provision for employee benefits	218.72	145.51	96.06	460.29
Expected credit loss/impairment of financial and non-financial assets	93.61	-	22.39	116.00
Expenses allowed for tax purpose on payment basis	95.10	-	22.61	117.71
Others	33.95	-	28.28	62.23
Sub total (B)	476.47	145.51	185.32	807.30
Total (A-B)	2,009.90	(143.50)	(443.53)	1,422.87

Particulars	1 April 2021	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	31 March 2022
Deferred tax liabilities				
Property, plant and equipment and other intangible assets - depreciation and amortisation	2,147.32	-	(131.79)	2,015.53
Fair valuation of financial instruments- Investments	289.04	1.52	171.62	462.18
Others	2.79	-	5.87	8.66
Sub total (A)	2,439.15	1.52	45.70	2,486.37
Deferred tax assets				
Lease liabilities (net of right-of-use assets)	21.03	-	14.06	35.09
Provision for employee benefits	162.96	15.57	40.19	218.72
Expected credit loss/impairment of financial and non-financial assets	67.57	-	26.04	93.61
Expenses allowed for tax purpose on payment basis	109.98	-	(14.88)	95.10
Others	48.61	-	(14.66)	33.95
Sub total (B)	410.15	15.57	50.75	476.47
Total (A-B)	2,029.00	(14.05)	(5.05)	2,009.90

Note: 25 Other non-current liabilities

Particulars	31 March 2023	31 March 2022
Deferred government grants	72.12	78.21
	72.12	78.21

Government grants are related to acquisition of plant & machinery for Potato flakes plant & CO-GEN plant. There are no unfulfilled conditions or other contingencies attached to these grants. The company did not benefit directly from any other forms of government assistance.

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 26 Current borrowings

Particulars	31 March 2023	31 March 2022
Secured		
Working capital loans (refer (a) and (b) below)		
From banks:		
Cash credit	467.29	4.99
Rupee packing credit loan (refer (c) below)	4,100.00	2,700.00
Working capital demand loan (refer (d) below)	504.59	2,506.67
Current maturities of long-term debt (refer note 20)	1,779.04	1,985.80
Others (refer (e) below)		
Bills discounted with bank	837.50	712.50
Unsecured	7,688.42	7,909.96
Working capital loans		
From banks:		
Rupee packing credit loan (refer (c) below)	17,010.00	9,498.32
Working capital demand loan (refer (d) below)	3,000.00	2,500.00
Others:		
From related parties (refer (f) and (g) below)	3,373.50	3,026.12
	23,383.50	15,024.44
	31,071.92	22,934.40

(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) Freehold land with carrying value of ₹ 535.28 (31 March 2022 : ₹ 535.28) have been mortgaged for availing working capital loan from Axis Bank Consortium. Details are as follows:

Description	Land area (in sq mtr.)	31 March 2023	31 March 2022
Factory Land-Plot No 20/1B & 19	13,597.43	96.17	96.17
Factory Land-Plot No 49/1A & 48/2C	3,035	56.19	56.19
Factory Land-Plot No 49/1A & 49/1B	1,012	24.65	24.65
Factory Land-Plot No 49/1B	4,046.85	70.13	70.13
Factory Land-Khasara 364/419,367	3,600	8.25	8.25
Factory Land-Khasara 420	150	0.02	0.02
Factory Land-Khasara 421	8,350	0.49	0.49
Factory Land-Khasara 422	5,190	0.42	0.42
Factory Land-Khasara 423	2,350	0.78	0.78
Factory Land-Khasara 429	6,830	1.68	1.68
Factory Land-Khasara 435	18,000	59.32	59.32
Freehold Land HPDA-PB-01	4,397.88	72.13	72.13
Land at Hosur-Plot No: 49/1A , 48/2C	3,035	78	78
Land at Hosur-Plot No: 49/1A , 49/1B	1,821	67.05	67.05
Total		535.28	535.28



Summary of significant accounting policies and other explanatory information

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(₹ in lakhs, unless otherwise stated)

Note: 26 Current borrowings (Contd.)

- (c) Packing credit loan is repayable within 180 days (31 March 2022 : within 180 days) from the date of drawdown by the Company. The effective weighted-average contractual rate of 5.71 % per annum (31 March 2022 : 2.62 % per annum) calculated using the effective interest rates for the respective borrowings as at reporting dates.
- (d) Working capital demand loan is repayable within 180 days ((31 March 2022: within 180 days) from the date of drawdown by the Company. The effective weighted-average contractual rate of 7.83 % per annum (31 March 2022 : 4.10 % per annum) calculated using the effective interest rates for the respective borrowings as at reporting dates.
- (e) 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 March 2022) of the sanctioned limits.
- (f) Loan from Merino Properties Private Limited ₹ 3,373.50 (31 March 2022: ₹ 2,439) are unsecured, repayable on demand bearing interest rate 10.50%.
- (g) The Company has repaid the unsecured loan amounting to ₹ 587.12 and interest thereon ₹ 70.09 (Net of TDS ₹ 7.78) to the depositor in the current year which devolved on the Company by operation of law consequent to merger of Residual Business of Merino Exports (P) Ltd ("MEXPL") which was dissolved without winding up vide ("NCLT Order") the National Company Law Tribunal, Kolkata Bench. The said loan was in contravention of certain provisions of Foreign Exchange Management Act, 1999. The Company had applied for compounding of the matter suo moto with the Reserve Bank of India ("RBI") on 27 June 2022. Subsequent to the year end, the Company has received the final order dated 22 June 2023 confirming compounding fee of ₹ 3.90, which has been paid on 26 June 2023.

Note: 27 Current lease liabilities

Particulars	31 March 2023	31 March 2022
Lease liabilities (refer note 45)	837.79	660.03
	837.79	660.03

Note: 28 Trade payables

Particulars	31 March 2023	31 March 2022
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises ('MSME')	1,889.10	1,921.11
- Total outstanding dues of creditors other than MSME	18,456.70	22,636.66
	20,345.80	24,557.77

Note - Includes payable to related parties of ₹ 770.53 (31 March 2022 : ₹ 647.84) (refer note 54)

Trade payables ageing schedule

31 March 2023	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	1,514.04	357.79	12.33	4.55	0.39	1,889.10
ii) Others	17,666.21	701.41	16.48	4.88	9.16	18,398.14
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - others	-	-	-	-	58.56	58.56
Total	19,180.25	1,059.20	28.81	9.43	68.11	20,345.80



Summary of significant accounting policies and other explanatory information

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(₹ in lakhs, unless otherwise stated)

Note: 28 Trade payables (Contd.)

31 March 2022	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	1,659.68	243.75	13.70	3.98	-	1,921.11
ii) Others	16,757.83	5,659.07	76.53	83.95	16.97	22,594.35
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - others	-	-	-	4.21	38.10	42.31
Total	18,417.51	5,902.82	90.23	92.14	55.07	24,557.77

Note: 29 Other current financial liabilities

Particulars	31 March 2023	31 March 2022
Interest accrued but not due on borrowings	190.61	131.31
Liabilities for purchase of capital assets	7,358.41	2,190.97
Derivative liability	25.11	-
Employee benefits payable	1,220.86	1,699.87
Deposits from customers and suppliers	975.70	791.67
Contract liability against loyalty points and others	1,766.11	1,151.14
Refund liability against periodical schemes	765.67	527.75
Unpaid dividend*	19.65	21.46
Other payables	330.52	368.48
	12,652.64	6,882.65

* There are 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.

Note: 30 Other current liabilities

Particulars	31 March 2023	31 March 2022
Advances from customers/contract liabilities	4,114.68	2,679.43
Statutory dues	1,134.61	685.36
	5,249.29	3,364.79

Note: 31 Current provisions

Particulars	31 March 2023	31 March 2022
Provision for employee benefits (refer note 49)		
Compensated absences*	1,186.59	770.12
Defined benefit obligations (gratuity)	642.30	98.93
Provision for litigation	2,348.99	166.43
	4,177.88	1,035.48

* The provision for compensated absences has been considered as current since employees have an unconditional right of availment of leave at any time.

Note: 32 Current tax liabilities (net)

Particulars	31 March 2023	31 March 2022
Provision for income tax (net of Advance tax: ₹ 4,750.00 and TDS/TCS receivable: ₹ 222.02)	104.05	-
	104.05	-

Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 33 Revenue from operations

Particulars	2022-23	2021-22*
(i) Sale of products		
Domestic	1,51,870.68	1,19,726.31
Export	64,071.74	53,358.24
	2,15,942.42	1,73,084.55
(ii) Other operating revenues		
Export incentives	201.47	308.86
Scrap sales	1,364.51	947.83
Others	41.83	18.12
Revenue from operations	2,17,550.23	1,74,359.36

* Refer note 58

Note 33.1: 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:	2022-23					
	Type of goods or service	Laminates	Panel product & furniture	Potato flakes	Others	Total
India		1,08,451.25	31,968.25	2,496.96	8,954.22	1,51,870.68
Outside India		51,294.54	7,252.51	5,481.92	42.77	64,071.74
Total revenue from contracts with customers		1,59,745.79	39,220.76	7,978.88	8,996.99	2,15,942.42

Timing of revenue recognition- Goods transferred at a point in time

Segment:	2021-22					
	Type of goods or service	Laminates	Panel product & furniture	Potato flakes	Others	Total
India		87,244.87	22,414.73	2,691.16	7,375.55	1,19,726.31
Outside India		42,598.30	7,345.36	3,384.45	30.13	53,358.24
Total revenue from contracts with customers		1,29,843.17	29,760.09	6,075.61	7,405.68	1,73,084.55

Timing of revenue recognition- Goods transferred at a point in time

1.2: Contract balances

Particulars	31 March 2023	31 March 2022
Trade receivables	17,956.11	16,875.05
Less: Impairment allowance	435.67	346.71
Net receivables	17,520.44	16,528.34
Contract liability against loyalty points	1,766.11	1,151.14
Refund liability against periodical schemes	765.67	527.75

1.3: Changes in contract liabilities - advances from customers

Particulars	31 March 2023	31 March 2022
Opening balance	2,679.43	1,660.72
Addition during the year	3,985.68	2,637.91
Revenue recognised during the year	2,550.43	1,619.20
Closing balance	4,114.68	2,679.43

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.

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

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(₹ in lakhs, unless otherwise stated)

Note 33.1: Disclosure as per Ind AS 115 (Contd.)

1.4: Reconciling the amount of revenue recognised in the Statement of Profit and Loss with contracted price:

Particulars	31 March 2023	31 March 2022
Revenue as per contracted price	2,24,304.13	1,78,066.26
Less:		
Discounts, rebates and schemes	7,377.92	4,491.70
Loyalty points	983.79	490.01
Revenue from contract with customers	2,15,942.42	1,73,084.55

1.5: Performance obligation

Information about the Company's performance obligations are:

The performance obligation is satisfied upon delivery/confirmation of the products and services.

Note: 34 Other income

Particulars	2022-23	2021-22
(i) Interest income from financial assets		
- On bank and other deposits	880.47	1,495.15
- On loans to others	0.57	3.28
- On Others	69.48	16.22
(ii) Dividend income	31.47	30.51
(iii) Other non-operating Income		
Claims from insurance company	439.23	215.54
Provisions/liabilities no longer required written back	106.75	99.09
Profit on sale of property, plant and equipment	-	13.21
Recovery of bad debts	21.74	16.84
Fair value changes of financial assets measured at FVTPL	-	894.58
Fair value changes of derivative measured at FVTPL (net)	29.28	196.86
Profit on sale of financial assets measured at FVTPL	18.94	176.21
Net gain on foreign currency transactions and translations	1,314.51	1,593.71
Miscellaneous income	78.90	102.88
	2,991.34	4,854.08

Note: 35 Cost of materials consumed

Particulars	2022-23	2021-22
Raw materials consumed*		
Opening stock	23,318.98	18,906.32
Purchases during the year	1,21,325.43	98,810.57
	1,44,644.41	1,17,716.89
Less: Closing stock	33,412.34	23,318.98
	1,11,232.07	94,397.91

* Refer note 58



Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023

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(₹ in lakhs, unless otherwise stated)

Note: 36 Changes in inventories of finished goods, stock-in-trade, work-in-progress and biological assets

Particulars	2022-23	2021-22
Opening stock		
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
	17,496.17	13,815.20
Less: Closing stock		
Finished goods	16,385.50	13,515.72
Stock in trade	2,950.83	1,517.65
Work-in-progress	1,867.31	1,381.80
Biological assets	1,526.24	1,081.00
	22,729.88	17,496.17
	(5,233.71)	(3,680.97)

Note: 37 Employee benefits expense

Particulars	2022-23	2021-22
Salaries and wages	15,973.82	13,197.94
Contractual wages	6,789.45	5,507.46
Contribution to provident and other funds (refer note 49)	1,324.46	1,018.31
Staff welfare expenses	628.88	455.20
	24,716.61	20,178.91

Note: 38 Finance costs

Particulars	2022-23	2021-22
Interest expense		
- On borrowings	2,648.30	1,064.89
Less: Interest expense capitalised in capital work in progress	(1,051.45)	(45.67)
	1,596.85	1,019.22
- On lease liabilities	200.46	190.84
- On Income tax provisions	969.88	-
Other borrowing costs	86.80	109.86
	2,853.99	1,319.92

Note: 39 Depreciation and amortization expenses

Particulars	2022-23	2021-22
Depreciation of property, plant and equipment*	5,749.76	5,485.33
Amortization of intangible assets	33.71	59.15
Depreciation of right of use asset	914.98	813.17
	6,698.45	6,357.65

* Refer Note 58



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

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(₹ in lakhs, unless otherwise stated)

Note: 40 Other expenses

Particulars	2022-23	2021-22
Consumption of stores and spare parts	3,861.08	3,262.70
Power and fuel	11,152.75	8,258.24
Job work charges*	230.52	186.14
Short-term and low value lease rentals (refer note 45)	1,470.95	1,077.64
Rates and taxes	781.71	237.59
Repairs to :		
Buildings	213.98	308.00
Plant and machinery	485.64	376.55
Others	1,149.76	880.14
Legal and professional	4,980.67	1,231.61
Vehicle upkeep	922.29	786.61
Carriage outward	9,456.53	9,082.55
Packing and forwarding	3,941.95	3,300.23
Installation expenses	376.60	231.76
Financial assets measured at FVTPL (net)	287.60	-
Royalty fees	108.23	69.18
Insurance	964.61	819.50
Commission	2,071.59	1,618.31
Printing and stationery	92.77	53.10
Postage and courier	154.36	121.35
Advertisement and business promotion	5,629.64	2,599.32
Travelling	1,616.63	875.69
Communication	235.00	220.37
Expected credit loss on trade receivable	107.95	137.48
Advances written off	0.25	9.47
Payments to the auditors (refer (a) below)	45.75	34.75
Bank charges and commission	124.83	115.18
Loss on sale/disposal of property, plant and equipment	142.84	-
Corporate social responsibility expenditure (refer note 48)	266.00	312.00
Agricultural expenses	1,736.40	868.16
Research & development expenses	26.31	33.90
Miscellaneous expenses	1,474.62	1,182.45
	54,109.81	38,289.97

* Refer note 58

(a) Amount paid / payable to the auditors (excluding goods and services tax, as applicable)

Particulars	2022-23	2021-22
As statutory auditors :		
Statutory audit fees	40.00	28.10
Tax audit fees	5.00	5.00
Other matters	-	0.15
Reimbursement of expenses	0.75	1.50
	45.75	34.75



Summary of significant accounting policies and other explanatory information

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(₹ in lakhs, unless otherwise stated)

Note : 41 Tax expense

The key components of income tax expense for the year ended 31 March 2023 and 31 March 2022 are as follow

(a) Income tax expense

Particulars	31 March 2023	31 March 2022
Current tax		
In respect of current year	5,047.79	4,308.00
In respect of earlier years	1,041.28	-
Total current tax expense	6,089.07	4,308.00
Deferred tax		
Deferred tax credit for the year	(443.53)	(5.05)
Total deferred tax expense	(443.53)	(5.05)
Income tax expense	5,645.54	4,302.95

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	31 March 2023	31 March 2022
Profit before tax	17,410.05	17,439.72
Statutory income tax rate	25.17%	25.17%
Tax expense at statutory income tax rate	4,381.76	4,389.23
Reasons for differences are indicated below		
Tax impact of expenses which will never be allowed	343.38	68.46
Tax impact of income not considered for tax laws	(30.88)	-
Tax impact of exempted income	(168.88)	(169.09)
Tax impact of items on which tax is applicable at differential rates	(6.84)	(10.38)
Tax impact of earlier year tax expense	1,041.28	-
Others	85.72	24.73
Total Income tax expense	5,645.54	4,302.95

Note: 42 Earnings per share

Particulars		31 March 2023	31 March 2022
(i) Basic			
Number of equity shares at the beginning of the year		1,11,78,679	1,11,78,679
Number of equity shares at the end of the year		1,11,78,679	1,11,78,679
Weighted average number of equity shares outstanding during the year	(A)	1,11,78,679	1,11,78,679
Nominal value of each equity Share (₹)		10	10
Profit for the year*	(B)	11,764.51	13,136.77
Earnings per share (Basic) (₹)	(B/A)	105.24	117.52
(ii) Diluted			
Weighted average number of equity shares outstanding during the year		1,11,78,679	1,11,78,679
Earnings per share (Diluted) (₹)		105.24	117.52

* Refer Note 58



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 43 Contingent liabilities

Particulars	31 March 2023	31 March 2022
(a) Claims against the Company not acknowledged as debts*:		
Demands for sales tax and entry tax excluding interest (deposit under protest ₹ 125.35 (31 March 2022 : ₹ 125.35))	2.25	166.63
Demands for excise, custom duty, service tax excluding interest (deposit under protest ₹ 37.65 (31 March 2022 : ₹ 42.42))	4,442.01	5015.87
Demands for GST excluding interest (deposit under protest ₹ 1.31 (31 March 2022 : ₹ 0.36))	11.86	10.74
Demands for income tax excluding interest (deposit under protest ₹ 888.73 (31 March 2022 : ₹ 888.73))	7,992.21	6244.19
Miscellaneous claims by suppliers and customers etc. against the Company	245.77	281.54
(b) Guarantee given:		
Non financial bank guarantees	2,280.82	1,572.45
(c) Differential bonus for 2014-15**	151.52	151.52
(d) Other Income tax matters	703.42	-
	15,829.86	13,442.94

Note:-

* Based on discussions with the solicitors / favourable decisions in similar cases / legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision is considered necessary.

** Payment of Bonus (Amendment) Bill 2015 was passed with retrospective effect w.e.f. 01 April 2014 raising the salary limit and wage ceiling for calculating the bonus. The Company has filed writ against the retrospective effect of new bonus limit. The case is pending to be listed in Allahabad High Court for hearing.

Note: 44 Capital and other commitments

Particulars	31 March 2023	31 March 2022
(a) Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for [Net of advance of ₹ 2,151.34 (31 March 2022 : ₹ 1,335.67)]	19,244.92	32,536.18
(b) Other commitments		
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 ₹ 9,600.98 (31 March 2022 : ₹ 7,427.18) is yet to be received.	17,839.55	10,204.46
Obligation under advance licenses	398.96	3,012.21
Outstanding letters of credit for materials yet to be received*	1,401.47	2,064.54
TOTAL	38,884.90	47,817.39

*Net of capital commitments

Summary of significant accounting policies and other explanatory information

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(₹ in lakhs, unless otherwise stated)

Note: 45 Leases

As a lessee

The following lease payments are not recognised as lease liability

Particulars	31 March 2023	31 March 2022
Short-term lease expenses	668.61	845.23
Low value lease expenses	802.34	232.41
Total lease expenses	1,470.95	1,077.64

Movement of lease liabilities

Particulars	31 March 2023	31 March 2022
Opening	2,563.58	854.44
Interest	200.46	190.83
Addition during the year	882.11	2,456.63
Deletion during the year (net of modification)	(50.27)	(68.99)
Lease payment	(976.40)	(869.33)
Closing	2,619.48	2,563.58

Maturity analysis

Particulars	Total	Less than 1 year	Between 1-3 years	Between 3-5 years	More than 5 years
As on 31 March 2023					
Lease liabilities	2,619.48	837.79	1,074.21	350.69	356.79
	2,619.48	837.79	1,074.21	350.69	356.79

Note:-Weighted average effective interest rate 8%

Particulars	Total	Less than 1 year	Between 1-3 years	Between 3-5 years	More than 5 years
As on 31 March 2022					
Lease liabilities	2,563.58	660.03	1,135.86	359.04	408.65
	2,563.58	660.03	1,135.86	359.04	408.65

Note:-Weighted average effective interest rate 8%

As lessor:

The annual lease payment received by the the Company as on 31 March 2023 : ₹ nil (31 March 2022 : ₹ 1.89)

Note: 46 Assets given as security

The Carrying amount of assets given as security for current and non current borrowing are:

Particulars	31 March 2023	31 March 2022
Current		
Financial assets		
Trade receivables	17,520.44	16,528.34
Investment and other bank balance	1,777.15	6,951.95
Non-financial assets		
Inventories	58,144.08	42,790.24
Biological assets	1,526.24	1,081.00
Total current assets given as security	78,967.91	67,351.53

Summary of significant accounting policies and other explanatory information

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(₹ in lakhs, unless otherwise stated)

Note: 46 Assets given as security (Contd.)

Particulars	31 March 2023	31 March 2022
Non current		
Financial assets		
Investments	394.00	7,232.86
Non-financial assets		
Property, plant and equipment*	50,531.12	51,860.62
Capital work-in-progress	60,456.40	14,093.48
Total non current assets given as security	1,11,381.51	73,186.96
Total assets given as security	1,90,349.42	1,40,538.49

* Including leasehold land

Note: 47 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	31 March 2023	31 March 2022
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
- Principal	3,761.02	2,198.56
- Interest	0.41	0.13
ii) The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
- Principal	458.86	1534.82
- Interest	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	1.31	1.01
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	6.35	4.63
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	4.63	3.49

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: 48 Corporate social responsibility expenditure

Particulars	2022-23	2021-22
(a) Gross amount required to be spent by the Company during the year	332.86	301.33
(b) Amount spent during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	266.00	312.00
(c) Set-off of excess spent of previous years, if any	66.86	-
(d) Excess / (shortfall)	-	10.67

Summary of significant accounting policies and other explanatory information

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(₹ in lakhs, unless otherwise stated)

Note: 48 Corporate social responsibility expenditure (Contd.)

Particulars	2022-23	2021-22
(e) Details of related party transactions such as Contribution to trust controlled by the company :		
i) Sri Hara Kasturi Memorial Trust	266.00	312.00
(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	NA	NA
(h) Nature of CSR activities:	Promoting Education, Mid-day meal	Promoting Education, Mid-day meal
(i) Reconciliation of carry forward of amount spent in excess of requirement		
Opening balance of carry forward of excess amount spent in previous years	146.92	136.25
Set-off made during the year	(66.86)	-
Excess amount spent during the year	-	10.67
Closing balance of excess amount spent allowed to be carried forward to subsequent years	80.06	146.92

Note: Company is carrying forward the amount spent in excess of requirement, up to immediate succeeding three financial years, amounting to ₹ 10.67 upto 31 March 2025 and ₹ 69.39 upto 31 March 2024.

Note: 49 Employee benefits obligations

(i) Defined contribution plans:

Defined contribution plans are Government provident fund, family pension fund and national pension fund scheme for eligible employees. The Company recognises contribution payable to the respective employee benefit fund scheme as an expenditure, as and when they are due. The Company has no obligations other than to make the specified contributions.

Particulars	31 March 2023	31 March 2022
Contribution to Government Provident Fund and Family Pension Fund	784.44	653.74
Contribution to National Pension Scheme (NPS)	47.78	29.89
	832.22	683.63

(ii) Long-term Employment Benefits

Compensated absences

The Company provides for compensated absences to employees as per the leave rules of the Company. The amount of leave entitlement payable is basis the accumulated privilege leave days on exit from service due to retirement, resignation or death determined on the employees last drawn monthly salary divided by 30 days and multiplied by the accumulated leave days. Compensated absences are provided for based on actuarial valuation using the projected unit credit method at the year end. Actuarial gains or losses are recognized in Statement of Profit and Loss.

Gratuity [Defined benefit plan]

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company operates a gratuity plan through the "LIC Gratuity Fund", a group gratuity scheme from Life Insurance Corporation of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2023. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the projected unit credit method.

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note: 49 Employee benefits obligations (Contd.)

Based on the actuarial valuation obtained in this respect, the following tables sets out the status of the Gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Net assets / (liability) as at year end

Particulars	31 March 2023	31 March 2022
A. I. Change in defined benefit obligation during the year		
Present value of obligations at the beginning of the year	2,059.76	1,807.79
Included in statement of profit and loss:		
Current service cost	430.58	280.63
Interest cost	143.49	125.68
Included in other comprehensive income:		
Actuarial losses/ (gains) arising from:		
Experience adjustments	(24.66)	146.43
Financial assumptions	607.71	(95.72)
Others		
Benefits paid	(155.74)	(205.05)
Present value of obligation at the end of the year	3,061.14	2,059.76
II. Change in fair value of plan assets during the year		
Plan assets at the beginning of the year	1,960.83	1,794.59
Included in statement of profit and loss:		
Interest income	141.97	132.26
Included in other comprehensive income:		
Expected return/(loss) on plan assets	4.91	(11.14)
Others:		
Employer's contribution	466.87	250.17
Benefits paid	(155.74)	(205.05)
Plan assets at the end of the year	2,418.84	1,960.83
III. Reconciliation of present value of defined benefit obligation and fair value of plan assets		
1. Present Value of obligation as at year end	(3,061.14)	(2,059.76)
2. Fair Value of plan assets at year end	2,418.84	1,960.83
3. Funded status deficit	(642.30)	(98.93)
Net liability	(642.30)	(98.93)
IV. Expenses recognised in the statement of profit and loss		
1. Current service cost	430.58	280.63
2. Interest cost/(income)	1.52	(6.58)
Total expense	432.10	274.05
V. Expenses recognised in the statement of other comprehensive income		
1. Net actuarial loss	583.05	50.71
2. Expected (return)/loss on plan assets excluding interest income	(4.91)	11.14
	578.14	61.85

Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 49 Employee benefits obligations (Contd.)

B. Major category of plan assets

Particulars	31 March 2023		31 March 2022	
	%	Amount	%	Amount
Funds managed by Life Insurance Corporation of India	100%	2,418.84	100%	1,960.83

C. Actuarial assumptions:

Particulars	31 March 2023	31 March 2022
1. Discount rate	7.24%	7.37%
2. Expected rate of return on plan assets	7.24%	7.37%
3. Expected rate of salary increase	9.00%	7.00%
4. Attrition rate	21.01%	1.00%
5. Mortality rate	IALM 2012-2014 Ultimate	IALM 2012-2014 Ultimate
6. Retirement age	58	58

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

D. Present benefit obligation at the end of the year as per schedule III to the Companies Act, 2013

Particulars	31 March 2023	31 March 2022
Non-current liability (amount due over one year)	-	-
Current liability (amount due within one year)	642.30	98.93

E. Sensitivity analysis

Particulars	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 0.5%)	2,891.06	3,247.13	1,949.15	2,180.48
% change compared to base due to sensitivity	(5.56%)	6.08%	(5.37%)	5.86%
Salary growth rate (-/+ 0.5%)	3,225.36	2,907.07	2,172.53	1,954.73
% change compared to base due to sensitivity	5.37%	(5.03%)	5.48%	(5.10%)
Attrition rate (-/+ 0.5%)	3,052.13	3,070.29	2,059.18	2,060.33
% change compared to base due to sensitivity	(0.29%)	0.30%	(0.03%)	0.03%
Life expectancy/ mortality rate (-/+ 10%)	3,059.60	3,062.69	2,059.86	2,059.65
% change compared to base due to sensitivity	(0.05%)	0.05%	0.01%	(0.01%)

The above sensitivity analysis are 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 as when calculating the defined benefit liability recognised in the balance sheet. The method and type of assumptions used in preparing the sensitivity analysis did not change as compared to previous year.

F. Expected contributions to defined benefit plans for the year ending 31 March 2024 is ₹ 1,195.56 (31 March 2023 ₹ 415.16).

The weighted average duration of the defined benefit obligation is 18 years (31 March 2022 : 17 years).

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note: 49 Employee benefits obligations (Contd.)

G. Expected maturity analysis of undiscounted defined benefit plans

Particulars	31 March 2023	31 March 2022
Year 1	223.85	124.08
Year 2	172.47	144.79
Year 3	204.41	132.13
Year 4	235.05	162.21
Year 5	187.83	196.66
Year 6 to Year 10	978.61	693.42
Beyond 10 years	6,758.85	4381.21

Description of risk exposures:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

- (i) **Asset volatility :** The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a return lesser than the yield. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to minimise risk to an acceptable level.
 - (ii) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefits obligation will tend to increase.
 - (iii) **Salary risk:** Higher than expected increase in salary will increase the defined benefit obligation.
 - (iv) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawals, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.
- H. The impact on employee benefit obligations pursuant to change in actuarial assumptions is taken to other comprehensive income.
- I. **Significant estimates :**
Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Note : 50 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.

Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 50 Capital management (Contd.)

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, 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 and lease liabilities. The Debt equity ratio of the Company is as follows:

Debt Equity Ratio

Particulars	31 March 2023	31 March 2022
Current borrowings (refer note 26)	31,071.92	22,934.40
Non current borrowings (refer note 20)	28,389.65	6,576.36
Lease liabilities (refer note 21 and 27)	2,619.48	2,563.58
Net debt	62,081.05	32,074.34
Equity share capital (refer note 18)	1,127.94	1,127.94
Other equity (refer note 19)	1,23,713.08	1,13,381.29
Total capital	1,24,841.02	1,14,509.23
Net debt equity ratio	0.50	0.28

(b) Dividend

Particulars	31 March 2023	31 March 2022
(i) Equity shares		
Final dividend of ₹ 9 per fully paid share for the year 2021-22 (31 March 2022 : ₹ 6 per fully paid share for the year 2020-21)	1,006.08	670.72

Note : 51 Category wise classification of financial instruments

The fair values of the financial assets and financial liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the financial year 2021-22. The following methods and assumptions were used to estimate the fair values:

- The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
- The fair values of other investments measured at FVOCI and FVTPL are determined based on observable market data other than quoted prices in active market.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in these financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	12,934.95	184.22	1,282.99	13,477.06	17.15	972.53
Security deposits	-	-	727.48	-	-	457.60
Loans to employees	-	-	166.56	-	-	191.06
Bank deposits	-	-	7,955.26	-	-	27,805.57
Trade receivables	-	-	17,520.44	-	-	16,528.34
Cash and cash equivalents	-	-	982.86	-	-	3,286.57

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 51 Category wise classification of financial instruments (Contd.)

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Other bank balances	-	-	19.65	-	-	21.46
Derivative assets	334.18	-	-	279.79	-	-
Other financial assets	-	-	795.30	-	-	488.43
Total financial assets	13,269.13	184.22	29,450.54	13,756.85	17.15	49,751.56
Financial liabilities						
Borrowings and interest thereon	-	-	59,652.18	-	-	29,642.07
Lease Liabilities	-	-	2,619.48	-	-	2,563.58
Trade payables	-	-	20,345.80	-	-	24,557.77
Liabilities for purchase of capital assets	-	-	7,358.41	-	-	2,190.97
Derivative Liability	25.11	-	-	-	-	-
Employee Benefits payable	-	-	1,239.26	-	-	1,703.26
Deposits from customers and suppliers	-	-	975.70	-	-	791.67
Contract liability against loyalty points	-	-	1,766.11	-	-	1,151.14
Refund liability against periodical schemes	-	-	765.67	-	-	527.75
Unpaid/unclaimed dividends	-	-	19.65	-	-	21.46
Other payables	-	-	330.52	-	-	368.48
Total financial liabilities	25.11	-	95,072.78	-	-	63,518.15

(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 and 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 and investments in alternative investment fund.

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.



Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 51 Category wise classification of financial instruments (Contd.)

(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	31 March 2023			31 March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets:						
Investments	9,452.19	3,535.18	131.80	10,289.81	3,204.40	-
Derivative financial assets	-	334.18	-	-	279.79	-
	9,452.19	3,869.36	131.80	10,289.81	3,484.19	-
Financial Liabilities:						
Derivative financial liabilities	-	25.11	-	-	-	-
	-	25.11	-	-	-	-

(iv) 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.

Note : 52 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 arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are also set accordingly.

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.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Company considers reasonable and supportive forward-looking information.

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 low concentration of credit risk as the customer base is widely distributed both economically and geographically.



Summary of significant accounting policies and other explanatory information

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Note : 52 Financial risk management (Contd.)

Summary of change in loss allowances measured using life-time expected credit losses :

Particulars	31 March 2023	31 March 2022
Opening	346.71	265.25
Provided during the year	107.95	137.48
Amount written off	(18.99)	(56.02)
Closing	435.67	346.71

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 a 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 March 2023 and 31 March 2022 is the carrying amounts as illustrated in note 52B

(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 and 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	31 March 2023	31 March 2022
- Expiring within one year (bank overdraft and other facilities)	7,428.12	7,288.34
- Cash and Cash Equivalents	982.86	3,286.57
	8,410.98	10,574.91

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.

(ii) Maturities of financial liabilities

Refer table below for bifurcating the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

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 March 2023	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Trade payables	20,345.80	-	-	-	20,345.80
Lease liabilities	837.79	1,074.21	350.69	356.79	2,619.48
Borrowings	31,071.92	28389.65	-	-	59,461.57
Interest on borrowings	1,718.86	1,934.53	-	-	3,653.39
Liabilities for purchase of capital assets	7,358.41	-	-	-	7,358.41
Employee benefits payable	1,220.86	18.40	-	-	1,239.26



Summary of significant accounting policies and other explanatory information

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(₹ in lakhs, unless otherwise stated)

Note : 52 Financial risk management (Contd.)

Contractual maturities of financial liabilities as at 31 March 2023	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Deposits from customers and suppliers	975.70	-	-	-	975.70
Derivative liability	25.11	-	-	-	25.11
Contract liability against loyalty points	1,766.11	-	-	-	1,766.11
Refund liability against periodical schemes	765.67	-	-	-	765.67
Unpaid/unclaimed dividends	19.65	-	-	-	19.65
Other payables	330.52	-	-	-	330.52
Total financial liabilities	66,436.40	31,416.79	350.69	356.79	98,560.67

Contractual maturities of financial liabilities as at 31 March 2022	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Trade payables	24,557.77	-	-	-	24,557.77
Lease liabilities	660.03	1,135.86	359.04	408.65	2,563.58
Borrowings	22,934.40	6,576.36	-	-	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 liabilities	-	-	-	-	-
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	368.48	-	-	-	368.48
Total financial liabilities	55,381.54	8,093.44	359.04	408.65	64,242.67

(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.

Summary of significant accounting policies and other explanatory information

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Note : 52 Financial risk management (Contd.)

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	31 March 2023					31 March 2022			
	GBP	USD	EUR	SGD	Yen	GBP	USD	EUR	Yen
Financial assets									
Trade receivables	124.25	6,344.22	(299.52)		-	1,005.68	6,399.05	69.22	-
Derivatives (including those on future exports)	-	(6,819.28)	-		-	(621.59)	(6,985.54)	(84.22)	-
Financial liabilities									
Long term borrowings	-	2,182.64	-		-	-	3,624.31	-	-
Trade payables	-	2,831.10	8,168.43	(4.13)	183.38	-	4,747.97	6,148.54	250.18
Derivatives	-	(2,732.01)	(223.60)		-	-	(3,790.32)	(1,211.59)	-
Net exposure to foreign currency risk against receivables / (payables)	124.25	(2,756.79)	(8,244.35)	4.13	(183.38)	384.09	(5,168.45)	(4,951.95)	(250.18)

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 March 2023	31 March 2022	31 March 2023	31 March 2022
USD sensitivity				
INR depreciates by 8% (31 March 2022 - 7%)*	(220.54)	(361.79)	(165.03)	(270.73)
INR appreciates by 8% (31 March 2022 - 7%)*	220.54	361.79	165.03	270.73
EURO sensitivity				
INR depreciates by 7% (31 March 2022 - 7%)*	(577.10)	(346.64)	(431.86)	(259.40)
INR appreciates by 7% (31 March 2022 - 7%)*	577.10	346.64	431.86	259.40
GBP sensitivity				
INR depreciates by 2% (31 March 2022 - 7%)*	2.49	26.89	1.86	20.12
INR appreciates by 2% (31 March 2022 - 7%)*	(2.49)	(26.89)	(1.86)	(20.12)
SGD sensitivity				
INR depreciates by 3% (31 March 2022 - 3%)*	0.12	-	0.09	-
INR appreciates by 3% (31 March 2022 - 3%)*	(0.12)	-	(0.09)	-
Yen sensitivity				
INR appreciates by 1% (31 March 2022 - 7%)*	(1.83)	(17.51)	(1.37)	(13.10)
INR appreciates by 1% (31 March 2022 - 7%)*	1.83	17.51	1.37	13.10

* Assuming all other variables to be constant.



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Note : 52 Financial risk management (Contd.)

(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.

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. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs comprehensive interest rate risk management. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

(a) Interest rate risk exposure

On Financial Liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	31 March 2023	31 March 2022
Variable rate borrowings	1,304.79	717.49
Fixed rate borrowings	58,156.78	28,793.27
Total borrowings	59,461.57	29,510.76

(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	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Interest expense rates - increase by 50 basis points (50 bps)*	(6.52)	(3.59)	(4.88)	(2.69)
Interest expense rates - decrease by 50 basis points (50 bps)*	6.52	3.59	4.88	2.69

* 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 other comprehensive income & equity securities held for trading 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 summarizes the impact of increases/decreases of the share prices

Particulars	Impact on total comprehensive income	
	31 March 2023	31 March 2022
Share price - Increase 5%*	137.44	80.48
Share price - Decrease 5%*	(137.44)	(80.48)

* Assuming all other variables to be constant.



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note : 52 Financial risk management (Contd.)

The table below summarizes the impact of increases/decreases of the investment other than share prices

Particulars	Impact on profit before tax	
	31 March 2023	31 March 2022
Investment other than share - Increase 5%*	518.51	594.23
Investment other than share - Decrease 5%*	(518.51)	(594.23)

* Assuming all other variables to be constant

(iv) Agricultural Risk

There are certain specific financial risks in cultivation of potato seeds and standing crops. 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 agricultural chemicals, fertilizers 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.

Note : 53 Segment reporting

The Company's operating segments are organised and managed through the respective segment managers, according to the nature of products manufactured and sold with each segment representing a strategic business unit. These segment operating results are regularly reviewed by the Board of Directors of the Company (Chief Operating Decision Maker - 'CODM').

The reporting segments of the Company and the type of products and services from the each reportable segments derived revenue are as below:

- Laminate - Comprises manufacturing and selling of decorative laminates, chemicals (primarily meant for captive consumption).
- Panel products and furniture - Comprises manufacturing and selling of panel boards and plywoods.
- Potato Flakes - This segment comprises manufacturing and sale of potato flakes.
- Others represent all unallocable items not included in segments majorly hanex trading and agricultural income.
- Geographical segments considered for disclosure are
 - Sales within India
 - Sales outside India

Segment revenue and results: The expenses and income which are not directly attributable to any operating segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and liabilities: Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

The measurement principles of segments are consistent with those used in preparation of these financial statements.



Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 53 Segment reporting (Contd.)

Summary of the segment information for the year ended 31 March 2023 is as follows:

Particulars	Laminate	Panel products and furniture	Potato flakes	Other (unallocable)	Elimination	Total
Segment revenue						
Revenue from operations	1,60,892.22	39,466.18	8,098.32	9,093.51	-	2,17,550.23
Inter segment sales	8,980.95				(8,980.95)	-
	1,69,873.17	39,466.18	8,098.32	9,093.51	(8,980.95)	2,17,550.23
Segment results [Profit/(loss) before interest and tax]	22,768.18	4,653.60	828.03	(7,985.76)	-	20,264.04
Finance cost	253.28	21.85	-	2,578.87	-	2,854.00
Profit/(loss) Before Tax	22,514.90	4,631.75	828.03	(10,564.63)	-	17,410.04
Less : Current Tax	-	-	-	6,089.07	-	6,089.07
Less : Deferred Tax	-	-	-	(443.53)	-	(443.53)
Profit after tax	22,514.90	4,631.75	828.03	(16,210.17)	-	11,764.51
Segment assets	79,519.22	91,029.90	5,250.87	55,203.62	-	2,31,003.61
Segment liabilities	24,119.42	38,869.06	682.32	42,491.79	-	1,06,162.59
Segment capital expenditure	2,552.70	954.60	118.19	1,111.61	-	4,737.10
Segment depreciation and amortisation	4,253.08	1,070.09	156.28	1,219.00	-	6,698.45

Summary of the segment information for the year ended 31 March 2022 is as follows:

Particulars	Laminate	Panel products and furniture	Potato Flakes	Other (unallocable)	Elimination	Total
Segment revenue						
Revenue from operations	1,30,626.25	30,019.99	6,172.53	7,540.59	-	1,74,359.36
Inter segment sales	8,382.30				(8,382.30)	-
	1,39,008.55	30,019.99	6,172.53	7,540.59	(8,382.30)	1,74,359.36
Segment results [Profit/(loss) before interest and tax]	17,683.56	2,410.69	25.51	(1,360.12)	-	18,759.64
Finance cost	887.66	9.13	-	423.13	-	1,319.92
Profit/(loss) before tax	16,795.90	2,401.56	25.51	(1,783.25)	-	17,439.72
Less : Current Tax	-	-	-	4,308.00	-	4,308.00
Less : Deferred Tax	-	-	-	(5.05)	-	(5.05)
Profit after tax	16,795.90	2,401.56	25.51	(6,086.20)	-	13,136.77
Segment assets	67,425.80	39,451.51	4,114.30	73,524.15	-	1,84,515.76
Segment liabilities	24,162.79	10,717.36	1,261.76	33,864.62	-	70,006.53
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	202.53	-	6,357.65



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

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(₹ in lakhs, unless otherwise stated)

Note : 53 Segment reporting (Contd.)

Geographical information

(a) Revenue from external customers:

Particulars	31 March 2023	31 March 2022
Within India	1,53,478.49	1,21,001.12
Outside India	64,071.74	53,358.24
	2,17,550.23	1,74,359.36

(b) Carrying amount of segment assets:

Particulars	31 March 2023	31 March 2022
Within India	2,23,517.91	1,76,885.70
Outside India	7,485.70	7,630.06
	2,31,003.61	1,84,515.76

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 March 2023 and 31 March 2022.

No material property, plant and equipment of the Company (excluding financial assets) are located outside India.

Note : 54 Related parties disclosure

1) 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	
a)	Key Management Personnel (KMP)	
	Mr. Rup Chand Lohia	Executive Chairman
	Mr. Prakash Lohia	Managing Director
	Mr. Prasan Lohia	Whole-time Director
	Ms. Ruchira Lohia	Whole-time Director
	Mr. Nripen Kumar Dugar	Whole-time Director
	Mr. Bikash Lohia	Whole-time Director
	Mr. Madhusudan Lohia	Whole-time Director
	Mr. Deepak Lohia	Whole-time Director
	Mr. Manoj Lohia	Whole-time Director
	Mr. Anurag Lohia	Whole-time Director
	Mr. Anil Jajoo	Whole-time Director (With effect from 23 February 2023)
	Mr. Gautam Bhattacharjee	Independent Director (Till 31 July 2022)
	Mr. Sisir Kumar Chakrabarti	Independent Director (Till 30 September 2021)
	Mr. Bama Prasad Mukhopadhyaya	Independent Director
	Mr. Prabal Kumar Sarkar	Independent Director
	Mr. Kooretti Titu Prasad	Independent Director (With effect from 17 August 2022)
	Mr. Sachin Selot	Chief Financial Officer
	Mr. Bala Ji	Company Secretary (With effect from 09 July 2021)

**Summary of significant accounting policies and other explanatory information**

For the year ended 31st March, 2023

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(₹ in lakhs, unless otherwise stated)

Note : 54 Related parties disclosure (Contd.)

b)	Relatives of KMP	Relationship
	Late Mr.Champa Lal Lohia	Father of Mr. Bikash Lohia
	Mrs. Tara Devi Lohia	Mother of Mr. Bikash Lohia
	Ms. Usha Lohia	Sister of Mr. Bikash Lohia
	Mrs. Nayantara Agarwal	Sister of Mr. Bikash Lohia
	Mrs. Asha Mundhra	Sister of Mr. Bikash Lohia
	Mrs. Sita Devi Lohia	Mother of Mr. Prakash Lohia
	Mrs. Uma Singi	Sister of Mr. Prakash Lohia
	Mrs. Kiran Maheshwari	Sister of Mr. Prakash Lohia
	Mrs. Neera Lohia	Wife of Mr. Prakash Lohia
	Mrs. Sheela Lohia	Mother of Ms. Ruchira Lohia
	Ms. Pragya Lohia	Daughter of Mr. Manoj Lohia
	Ms. Prekshi Lohia	Daughter of Mr. Manoj Lohia
	Mrs. Praveena Lohia	Wife of Mr. Rup Chand Lohia
	Mrs. Meghna Lohia	Wife of Mr. Prasan Lohia
	Mr. Abhiroop Lohia	Son of Mr. Prasan Lohia
	Ms. Anuja Lohia	Daughter of Mr. Prasan Lohia
	Mrs. Shashi Lohia	Wife of Mr. Bikash Lohia
	Mrs. Vandana Lohia	Wife of Mr. Manoj Lohia
	Mrs. Mita Lohia	Wife of Mr. Madhusudan Lohia
	Mr. Mihir Man Lohia	Son of Mr. Madhusudan Lohia
	Ms. Vani Lohia	Daughter of Mr. Madhusudan Lohia
	Ms. Radhika Lohia	Daughter of Mr. Bikash Lohia
	Mrs. Priyanka Lohia	Wife of Mr. Deepak Lohia
c)	Entities over which KMP together with their relatives have significant influence :	
	Merino Properties Private Limited	
	Merino Consulting Services Limited	
	Man Kumar Lohia and Brothers	
	Usha Agro Farm	
	Anupriya Marketing Limited	
	Kay Marketing Services Limited	
	Sri Harakasturi Memorial Trust	
	Sri Hara Kasturi Trust	
	KBGB Agritech Private Limited (Earlier known as Kasturi Bai Gopi Babu Cold Storage Private Limited)	
	Champa Lal Lohia - HUF	
	Prakash Lohia - HUF	
	Manoj Lohia - HUF	
	Rup Chand Lohia - HUF	
	Prasan Lohia - HUF	
	Sri Man Kumar Lohia Memorial Trust	
	Sri Prem Chand Lohia Memorial Trust	



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 54 Related parties disclosure (Contd.)

Particulars	KMP		Relatives of KMP		Entities over which KMP together with their relatives have significant influence	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Transactions during the year						
Directors' remuneration	1,861.98	1,608.11	-	-	-	-
Dividend paid	325.71	333.36	623.04	299.11	6.15	4.07
Donation for corporate social responsibility expenses	-	-	-	-	266.00	312.00
Security given	-	-	-	-	-	1,000.00
Interest paid	-	-	10.99	66.88	327.68	84.63
Marketing service provider fees	-	-	-	-	567.27	425.70
Purchase of tangible assets and intangible assets	-	36.00	-	-	0.17	4.69
Purchases/material consumed	-	-	-	-	2.42	6.76
Rent, other charges and reimbursement paid	38.07	37.21	47.67	47.27	2,128.50	1,687.05
Rent, other charges and reimbursement received	-	-	-	-	3.96	-
Revenue from operations	12.06	1.72	-	-	23.24	40.42
Salary	176.24	153.30	-	-	-	-
Sale of tangible assets and intangible assets	-	-	-	-	-	1.22
Sitting fees	4.65	3.90	-	-	-	-
Software/professional charges including prepaid	-	-	-	-	296.55	280.44
Unsecured loan repaid	-	-	587.12	-	2,197.50	1,856.00
Unsecured loan taken	-	-	-	-	3,132.00	4,295.00
Accrued interest paid	-	-	60.20	-	-	-
Outstanding balances						
Payables (trade and others)	4.61	7.97	0.01	-	770.52	647.84
Receivables (trade and others)	-	41.40	-	-	8.14	14.56
Unsecured loan	-	-	-	587.12	3,373.50	2,439.00
Accrued interest	-	-	-	60.20	-	-
Security	-	-	-	-	1,000.00	1,000.00

**Summary of significant accounting policies and other explanatory information**

For the year ended at 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note : 54 Related parties disclosure (Contd.)**2) Summary of related party transactions**

Sr No.	Related Party	Relationship	Outstanding as at 31 March 2023	Outstanding as at 31 March 2022	Payable/receivable/others	Nature of Transaction	2022-2023	2021-2022
1	Merino Properties Private Limited	Entities over which KMP together with their relatives have significant influence	3.56 3,373.50	- 2,439.00	Trade payables Unsecured loan	Rent, other charges and reimbursement paid Unsecured loan taken	970.67 3,132.00	873.93 4,295.00
			-	-		Unsecured loan repaid	2,197.50	1,856.00
			-	-		Interest paid	327.68	84.63
2	Merino Consulting Services Limited	Entities over which KMP together with their relatives have significant influence	-	6.87	Trade payables	Software / Professional charges including prepaid	296.55	280.44
			-	-	Other financial assets	Rent, other charges and reimbursement paid	12.96	5.72
			-	-	Trade payables	Purchase of tangible assets and intangible assets	0.17	4.69
			0.77	2.60	Trade receivables	Revenue from operations	1.36	23.31
3	KBGB Agritech Private Limited (Earlier known as Kasturi Bai Gopi Babu Cold Storage Private Limited)	Entities over which KMP together with their relatives have significant influence	0.51	0.07	Trade receivables	Revenue from operations	7.18	1.22
			-	-		Sale of tangible assets and intangible assets	-	1.20
			-	-		Purchases / Material consumed	0.41	0.29
			678.41	578.47	Trade payables	Rent, other charges and reimbursement paid	954.76	628.81
			-	-		Dividend paid	6.10	4.07
			-	-		Rent, other charges and reimbursement received	1.52	-
			1,000.00	1,000.00		Security given	-	1,000.00
4	Man Kumar Lohia and Brothers	Entities over which KMP together with their relatives have significant influence	0.09	0.82	Trade payables	Rent, other charges and reimbursement paid	148.34	143.36

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 54 Related parties disclosure (Contd.)

2) Summary of related party transactions (Contd.)

Sr No.	Related Party	Relationship	Outstanding as at 31 March 2023	Outstanding as at 31 March 2022	Payable/ receivable/others	Nature of Transaction	2022-2023	2021-2022
5	Usha Agro Farm	Entities over which KMP together with their relatives have significant influence	1.34	1.62	Trade payables	Purchases / Material consumed	2.01	1.97
			-	-		Rent, other charges and reimbursement paid	34.94	34.95
6	Sri Hara Kasturi Memorial Trust	Entities over which KMP together with their relatives have significant influence	6.57	8.16	Trade receivables	Revenue from operations	14.43	12.91
			-	-		Sale of tangible assets	-	0.02
			-	-		Rent, other charges and reimbursement received	2.44	-
			0.45	0.08	Trade payables	Rent, other charges and reimbursement paid	0.87	0.28
			-	-		Donation for corporate social responsibility expenses	266.00	312.00
7	Sri Man Kumar Lohia Memorial trust	Entities over which KMP together with their relatives have significant influence	-	0.94	Trade receivables	Revenue from operations	-	-
8	Sri Premchand Lohia Memorial Trust	Entities over which KMP together with their relatives have significant influence	0.29	2.79	Trade receivables	Revenue from operations	0.27	2.98
			0.48	0.68	Trade payables	Rent, other charges and reimbursement paid	5.96	-
			-	-		Purchases / Material consumed	-	4.50
9	Anupriya Marketing Limited	Entities over which KMP together with their relatives have significant influence	65.18	38.96	Trade payables	Marketing service provider fees	497.27	360.87
10	Kay Marketing Services Limited	Entities over which KMP together with their relatives have significant influence	21.01	20.34	Trade payables	Marketing service provider fees	70.00	64.83
11	Mr. Champa Lal Iohia	Relatives of KMP	-	-		Dividend paid***	114.85	76.57

**Summary of significant accounting policies and other explanatory information**

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 54 Related parties disclosure (Contd.)**2) Summary of related party transactions (Contd.)**

Sr No.	Related Party	Relationship	Outstanding as at 31 March 2023	Outstanding as at 31 March 2022	Payable/receivable/others	Nature of Transaction	2022-2023	2021-2022
12	Mr. Rup Chand Lohia	KMP	-	2.10	Advances recoverable**	Directors' remuneration	149.56	135.93
			-	-	-	Dividend paid	110.67	53.12
13	Mr. Prakash Lohia	KMP	-	5.70	Advances recoverable**	Directors' remuneration	260.96	218.37
			-	-	-	Revenue from operations	1.13	-
			-	-	-	Dividend paid	42.79	71.30
14	Mr. Bikash Lohia	KMP	-	4.40	Advances recoverable**	Directors' remuneration	207.11	186.24
			-	-	-	Dividend paid	17.02	23.25
			-	-	Trade payables	Rent Paid	10.56	10.25
			-	-	-	Revenue from Operations	1.28	0.35
15	Mr. Prasan Lohia	KMP	-	3.40	Advances recoverable**	Directors' remuneration	182.63	161.97
			-	-	-	Dividend paid	18.72	20.83
16	Ms. Ruchira Lohia	KMP	-	3.40	Advances recoverable**	Directors' remuneration	176.97	162.64
			-	-	-	Dividend paid	65.89	43.93
			-	-	-	Purchase of tangible assets - Land	-	36.00
			-	-	-	Revenue from operations	0.27	0.11
17	Mr. Madhusudan Lohia	KMP	-	4.20	Advances recoverable**	Directors' remuneration	225.39	179.81
			-	-	-	Dividend paid	35.64	59.72
			-	-	Trade payables	Rent Paid	7.87	7.63
			-	-	-	Revenue from Operations	9.36	1.21

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 54 Related parties disclosure (Contd.)

2) Summary of related party transactions (Contd.)

Sr No.	Related Party	Relationship	Outstanding as at 31 March 2023	Outstanding as at 31 March 2022	Payable/ receivable/others	Nature of Transaction	2022-2023	2021-2022
18	Mr. Nripen Kumar Dugar	KMP	-	-		Directors' remuneration	66.20	59.63
			-	-		Dividend paid	0.05	0.04
19	Mr. Anil Jajoo	KMP	-	2.42	Payable	Salary	41.07	40.46
			-	-	Payable	Directors' remuneration	4.63	-
20	Mr. Sachin Selot	Chief Financial Officer	4.38	4.38	Payable	Salary	114.86	97.74
21	Mr. Bala Ji	KMP	-	0.97	Payable	Salary	20.31	15.10
22	Mrs. Tara Devi Lohia	Relatives of KMP	-	-	-	Dividend paid	104.75	24.38
			0.01	-	Trade payables	Rent, other charges and reimbursement paid	2.10	2.10
23	Mr. Deepak Lohia	Whole-time Director	-	-	-	Dividend paid	13.15	22.18
			-	13.20	Advances recoverable**	Directors' remuneration	281.85	232.69
			-	-	-	Rent paid	16.14	15.83
			-	-	-	Revenue from operations	0.02	0.05
24	Mrs. Shashi Lohia	Relatives of KMP	-	-	-	Dividend paid	1.85	1.23
			-	-	-	Rent, other charges and reimbursement paid	1.68	1.68
25	Ms. Usha Lohia	Relatives of KMP	-	-	-	Dividend paid	18.31	12.20
26	Mrs. Nayantara Agarwal	Relatives of KMP	-	-	-	Dividend paid	7.30	4.87
			-	-	-	Rent paid	3.77	3.77
			-	587.12	Unsecured Loan*	Unsecured loan* paid	587.12	-
			-	-	-	Accrued interest* paid	60.20	-
			-	60.20	Interest accrued but not due	Interest paid*	10.99	66.88

**Summary of significant accounting policies and other explanatory information**

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 54 Related parties disclosure (Contd.)**2) Summary of related party transactions (Contd.)**

Sr No.	Related Party	Relationship	Outstanding as at 31 March 2023	Outstanding as at 31 March 2022	Payable/ receivable/others	Nature of Transaction	2022-2023	2021-2022
27	Mrs. Asha Mundhra	Relatives of KMP	-	-	-	Dividend paid	7.21	4.80
						Rent paid	2.90	2.90
28	Mr. Anurag Lohia	KMP	-	-	-	Rent paid	3.50	3.50
				1.60	Advances recoverable**	Directors' remuneration	130.90	112.63
						Dividend Paid	9.00	18.04
29	Mrs. Sita Devi Lohia	Relatives of KMP	-	-	-	Dividend paid	166.20	16.61
30	Mrs. Uma Singi	Relatives of KMP	-	-	-	Dividend paid	7.21	4.80
						Rent paid	3.73	3.73
31	Mrs. Kiran Maheshwari	Relatives of KMP	-	-	-	Rent, other charges and reimbursement paid	11.77	11.61
32	Mrs. Neera Lohia	Relatives of KMP	-	-	-	Dividend paid	16.50	27.50
						Rent paid	6.92	6.92
33	Mrs. Mita Lohia	Relatives of KMP	-	-	-	Dividend paid	0.01	0.01
						Rent paid	14.80	14.56
34	Mr. Mihir Man Lohia	Relatives of KMP	-	-	-	Dividend paid	0.12	0.20
35	Ms. Vani Lohia	Relatives of KMP	-	-	-	Dividend paid	0.31	0.20
36	Mrs. Sheela Lohia	Relatives of KMP	-	-	-	Dividend paid	27.53	17.84
37	Mrs. Praveena Lohia	Relatives of KMP	-	-	-	Dividend paid	88.24	15.26
38	Mrs. Meghna Lohia	Relatives of KMP	-	-	-	Dividend paid	6.30	16.42
39	Mr. Manoj Lohia	KMP	-	-	-	Dividend paid	12.78	20.95
				3.40	Advances recoverable**	Directors' Remuneration	175.78	158.20



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
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(₹ in lakhs, unless otherwise stated)

Note : 54 Related parties disclosure (Contd.)

2) Summary of related party transactions (Contd.)

Sr No.	Related Party	Relationship	Outstanding as at 31 March 2023	Outstanding as at 31 March 2022	Payable/receivable/others	Nature of Transaction	2022-2023	2021-2022
40	Mr. Abhiroop Lohia	Relatives of KMP	-	-	-	Dividend paid	3.15	12.11
41	Ms. Anuja Lohia	Relatives of KMP	-	-	-	Dividend paid	3.15	3.17
42	Mrs. Vandana Lohia	Relatives of KMP	-	-	-	Dividend paid	7.88	20.55
43	Ms. Pragya Lohia	Relatives of KMP	-	-	-	Dividend paid	3.11	5.31
44	Ms. Prekshi Lohia	Relatives of KMP	-	-	-	Dividend paid	7.56	5.04
45	Ms. Radhika Lohia	Relatives of KMP	-	-	-	Dividend paid	4.50	12.04
46	Mrs. Priyanka Lohia	Relatives of KMP	-	-	-	Dividend paid	27.00	18.00
47	Champa Lal Lohia - HUF	Entities over which KMP together with their relatives have significant influence	-	-	-	Dividend paid	0.01	-
48	Rup Chand Lohia - HUF	Entities over which KMP together with their relatives have significant influence	-	-	-	Dividend paid	0.01	-
49	Prakash Lohia - HUF	Entities over which KMP together with their relatives have significant influence	-	-	-	Dividend paid	0.01	-
50	Prasan Lohia - HUF	Entities over which KMP together with their relatives have significant influence	-	-	-	Dividend paid	0.01	-
51	Manoj Lohia - HUF	Entities over which KMP together with their relatives have significant influence	-	-	-	Dividend paid	0.01	-
52	Mr. Gautam Bhattacharjee	KMP	-	0.20	Sitting fee payable	Sitting Fees	0.60	1.50



Summary of significant accounting policies and other explanatory information

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Note : 54 Related parties disclosure (Contd.)

2) Summary of related party transactions (Contd.)

Sr No.	Related Party	Relationship	Outstanding as at 31 March 2023	Outstanding as at 31 March 2022	Payable/ receivable/others	Nature of Transaction	2022-2023	2021-2022
53	Mr. Sisir Kumar Chakrabarti	KMP	-	-		Sitting Fees	-	0.70
54	Mr. Bama Prasad Mukhopadhaya	KMP	0.23	-	Sitting fee payable	Sitting Fees	1.85	1.00
55	Mr. Kooretti Titu Prasad	KMP	-	-		Sitting Fees	0.75	-
56	Mr. Prabal Kumar Sarkar	KMP	-	-		Sitting Fees	1.45	0.70
Compensation to KMP other than Independent Directors							31-Mar-23	31-Mar-22
Short-term employee benefits							2,026.86	1,757.21
Post-employment benefits							11.36	4.20
Total compensation							2,038.22	1,761.41

Note: Transactions are inclusive of goods and services tax, wherever applicable

* Represents transactions due to Business Combination as per NCLT order

** Advances recoverable pertains to TDS deducted at year end pending to be recovered

*** Probate of will of Mr. Champalal Lohia is still awaited to transfer the shares in the name of legal heirs.



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note : 55 Additional regulatory information required by Schedule III of Companies Act, 2013

- (i) Details of Benami property: Company does not have any Benami properties, further there are no proceedings which 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 following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended.

Name of struck off Company	Nature of transactions	31 March 2023		31 March 2022		Relationship
		Amount during the year	Balance receivable/ (payable)	Amount during the year	Balance receivable/ (payable)	
Uphar India Gifting Solutions Private Limited	Material purchased	0.25	-	-	-	Vendor
Uphar India Gifting Solutions Private Limited	Payment made	0.25	-	-	-	Vendor
Planet 3 Studios Architecture Private Limited	Advance written off	0.04	-	-	(0.04)	Customer
Gar Business Solutions Private Limited	Debit note for central sales tax	0.05	-	-	(0.05)	Customer
Ms Modular Private Limited	Payment received	5.52	19.58	7.00	25.10	Customer
Good Health (I) Private Limited	Bad debts written off	-	-	0.48	-	Customer
Eps Inter Globe Private Limited	Bad debts written off	-	-	0.21	-	Customer
Eps Inter Globe Private Limited	Payment received	-	-	0.20	-	Customer
Hindusthan Radio & Electricals Private Limited	Sales of goods	2.67	-	-	-	Customer
Hindusthan Radio & Electricals Private Limited	Payment received	2.67	-	-	-	Customer

- (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:
- 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 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:
- 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.
- (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) Investment 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.

Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note : 55 Additional regulatory information required by Schedule III of Companies Act, 2013 (Contd.)

- (vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (viii) The Company does 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.
- (xi) Quarterly return or statements of current assets filed by the Company with banks are in agreement with the books of accounts except of the following :

Quarter ended for FY 2022-23	Particulars	As per quarterly statement filed with bank	As per Balance sheet	Short/ (Excess)	Reasons
31 December 2022	Creditors	18,749.88	18,739.34	10.54	Immaterial differences

Quarter ended for FY 2021-22	Particulars	As per quarterly statement filed with bank	As per Balance sheet	Short/ (Excess)	Reasons
30 June 2021	Stock	32,272.00	32,283.32	11.32	Immaterial differences
31 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	Due to non consideration of goods in transit, booking of expense and creditor advances.

Note : 56 Disclosure as per section 186(4) of Companies Act, 2013

Particulars	31 March 2023	31 March 2022
Security given by way of fixed deposits in favor of Axis Bank to M/s Kasturi Bai Gopi Babu Cold Storage Private Limited	1,000.00	1,000.00

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023

CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note : 57 Financial ratios

SN	Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	Variance
1	Current ratio (in times)	Current assets	Current liabilities	1.38	1.52	-8.98%
2	Debt equity ratio (in times)*	Total Debt = Borrowing + Lease liabilities	Shareholder's equity	0.50	0.28	77.54%
3	Debt service coverage ratio (in times)	Earning available for debt service= Net profit after taxes + Finance cost + Depreciation and amortization + Loss on sale/disposal of property, plant and equipment	Debt service = Interest + Lease payment + Repayment of non current borrowings (including current maturity)	3.91	4.65	-15.82%
4	Return on equity ratio (in %)	Net profit after taxes	Average shareholder's equity	9.83%	11.96%	-17.79%
5	Inventory turnover ratio (in days)	Cost of goods sold	Average inventory	165	151	9.04%
6	Trade receivable turnover ratio (in days)	Net revenue from operations less export incentives	Average trade receivable	29	33	-13.96%
7	Trade payable turnover ratio (in days)	Purchases + Other expenses	Average trade payable	45	56	-20.58%
8	Net capital turnover ratio (in times)	Revenue from operations	Average working capital	7.36	7.28	1.17%
9	Net profit margin (in %)**	Net profit after taxes	Revenue from operations	5.41%	7.53%	-28.23%
10	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Tangible net worth (Shareholder's equity - Intangible assets (including intangible asset under development) + Total borrowings + Deferred tax liability	10.91%	12.85%	-15.09%
11	Return on investment (in %)***	Changes in fair value of investments + Net gain/ (loss) on sale + Interest income + Dividend income	Average invested funds in treasury investment	-1.59%	8.87%	-117.90%

Note-No comments have been given wherein change in ratio as compared to the preceding year is of less than 25%.

* Increase in short term and long term borrowings to fund the set up of Halol plant in Gujarat.

** Increase in provision for disputed income tax dues along with certain consultancy services availed.

*** Decrease in return on investment is on account of fluctuation in market yields.



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note : 58 Re-statement of previous year financial statements for comparatives

The comparative financial information for the year ended 31 March 2022 included in these financial statements have been restated in accordance with the requirements of Ind AS 8, "Accounting Policies, changes in Accounting Estimates and Errors" the impact of which is detailed below. Further, the management has made an assessment of the impact of such errors on the opening balance sheet as at 1 April 2021 which is not considered to be material in accordance with Ind AS 1, Presentation of Financial Statements.

Balance Sheet

Particulars	As at 01 April 2021 (A)	Restatement as at 1 April 2021 (B)	As at 01 April 2021 (Restated) (C = A+B)	Restatement pertaining to FY 2021-22 (D)	Reclassification as on 31 March 2022 (E)	Total Adjustments as on 31 March 2022 (F=B+D+E)	As at 31 March 2022 (Restated) (G)	As at 31 March 2022 (Restated) (H = F + G)
	ASSETS:							
Non-current assets								
Property, plant and equipment:								
Gross Block:								
Plant and Machinery (refer note (i) and (ii) below)	41,784.18	(1,272.89)	40,511.29	-	-	(1,272.89)	43,495.73	42,222.84
Other PPE	26,206.49	-	26,206.49	-	-	-	29,360.40	29,360.40
Total (A)	67,990.67	(1,272.89)	66,717.78	-	-	(1,272.89)	72,856.13	71,583.24
Accumulated depreciation:								
Plant and Machinery (refer note (i) below)	14,421.91	1,041.56	15,463.47	65.97	-	1,107.53	18,354.62	19,462.15
Other PPE	5,513.49	-	5,513.49	-	-	-	6,685.26	6,685.26
Total (B)	19,935.40	1,041.56	20,976.96	65.97	-	1,107.53	25,039.88	26,147.42
Net property, plant and equipment (A-B) = C	48,055.27	(2,314.45)	45,740.82	(65.97)	-	(2,380.42)	47,816.25	45,435.83
Right of use assets	3,298.30	-	3,298.30	29.20	-	29.20	8,819.71	8,848.91
Non current investments (D) (refer note (iv), (v) & (vi) below)	32,567.65	-	32,567.65	-	(27,067.22)	(27,067.22)	31,261.30	4,194.08
Other non current financial assets (E) (refer note (v) below)	326.93	-	326.93	(31.41)	16,741.00	16,709.59	624.34	17,333.93
Non current tax assets (F) (refer note (ix) below)	-	-	-	-	1,912.31	1,912.31	-	1,912.31
Other non-current assets (G) (refer note (x) below)	393.66	-	393.66	-	1,056.86	1,056.86	1,384.36	2,441.22

Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
CIN : U51909WB1965PLCC026556

(₹ in lakhs, unless otherwise stated)

Particulars	As at 01 April 2021 (A)	Restatement as at 1 April 2021 (B)	As at 01 April 2021 (Restated) (C = A+B)	Restatement pertaining to FY 2021-22 (D)	Reclassification as on 31 March 2022 (E)	Total Adjustments as on 31 March 2022 (F=B+D+E)	As at 31 March 2022 (Restated) (G)	As at 31 March 2022 (Restated) (H = F + G)
	Non-current assets other than above (H)	1,787.55	-	1,787.55	-	-	-	14,174.51
Total non-current assets (C+D+E+F+G+H) = I	86,429.36	(2,314.45)	84,114.91	(68.18)	(7,357.05)	(9,739.68)	1,04,080.47	94,340.79
Current investments (J) (refer note (iv), (v) & (vi) below)	5,652.41	-	5,652.41	-	4,859.44	4,859.44	5,413.22	10,272.66
Cash and cash equivalents (K) (refer note (iv) below)	2,350.27	-	2,350.27	-	53.38	53.38	3,233.19	3,286.57
Bank balances other than above (L) (refer note (v) below)	40.32	-	40.32	-	56.50	56.50	5,683.35	5,739.85
Current tax asset (Net) (M) (refer note (ix) & (x) below)	2,557.59	-	2,557.59	-	(2,800.90)	(2,800.90)	2,800.90	-
Other current financial assets (N) (refer note (v) below)	760.16	-	760.16	-	5,356.76	5,356.76	930.64	6,287.40
Other current assets (O) (refer note (x) below)	2,845.83	-	2,845.83	-	(168.13)	(168.13)	4,194.71	4,026.58
Current assets other than above (P)	50,498.02	-	50,498.02	-	-	-	60,561.91	60,561.91
Total assets (I+J+K+L+M+N+O+P)	1,51,133.96	(2,314.45)	1,48,819.51	(68.18)	-	(2,382.63)	1,86,898.39	1,84,515.76
EQUITY AND LIABILITIES								
Equity								
Equity share capital (A)	1,127.94	-	1,127.94	-	-	-	1,127.94	1,127.94
Other equity (B)								
General Reserve (refer note (iii) below)	12,596.25	(1,675.56)	10,920.69	-	-	(1,675.56)	13,918.50	12,242.94
Capital Reserve	(1,675.56)	1,675.56	-	-	-	1,675.56	(1,675.56)	-
Retained earnings	90,981.33	(1,527.58)	89,453.75	(85.72)	-	(1,613.30)	1,02,164.57	1,00,551.27
Other reserves	582.56	-	582.56	-	-	-	587.08	587.08
Total equity (A+B) = C	1,02,484.58	(1,527.58)	1,00,957.00	(85.72)	-	(1,613.30)	1,14,994.59	1,13,381.29
	1,03,612.52	(1,527.58)	1,02,084.94	(85.72)	-	(1,613.30)	1,16,122.53	1,14,509.23

**Summary of significant accounting policies and other explanatory information**

For the year ended at 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Particulars	As at 01 April 2021	Restatement as at 1 April 2021	As at 01 April 2021 (Restated)	Restatement pertaining to FY 2021-22	Reclassification as on 31 March 2022	Total Adjustments as on 31 March 2022	As at 31 March 2022	As at 31 March 2022 (Restated)
	(A)	(B)	(C = A+B)	(D)	(E)	(F=B+D+E)	(G)	(H = F + G)
Liabilities								
Non-current and current liabilities								
Deferred tax liabilities (net) (refer note ii below)	2,815.87	(786.87)	2,029.00	17.54	-	(769.33)	2,779.23	2,009.90
Trade payables (refer note (xi) below)	18,517.80	-	18,517.80	-	599.54	599.54	23,958.23	24,557.77
Other current financial liabilities (refer note (xi) below)	4,995.76	-	4,995.76	-	(599.54)	(599.54)	7,482.19	6,882.65
Other current liabilities (refer note (xii) below)	2,448.51	-	2,448.51	-	(158.43)	(158.43)	3,523.22	3,364.79
Current provisions (refer note (xii) below)	672.31	-	672.31	-	158.43	158.43	877.05	1,035.48
Non-current and current liabilities other than above	18,071.19	-	18,071.19	-	-	-	32,155.94	32,155.94
Total liabilities (D)	47,521.44	(786.87)	46,734.57	17.54	-	(769.33)	70,775.86	70,006.53
Total equity and liabilities (C+D)	1,51,133.96	(2,314.45)	1,48,819.51	(68.18)	-	(2,382.63)	1,86,898.39	1,84,515.76



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note : 58 Re-statement of previous year financial statements for comparatives (Contd.)

Statement of profit and loss

Particulars	For the year ended 31 March 2022	Reclassification	Restatement	For the year ended 31 March 2022 (Restated)
	(A)	(B)	(C)	(D=A+B+C)
Income				
Revenue from operations (refer note (vii) below)	1,74,789.53	(430.17)	-	1,74,359.36
Other income	4,834.74	10.55	8.79	4,854.08
Total income	1,79,624.27	(419.62)	8.79	1,79,213.44
Expenses				
Cost of materials consumed (refer note (vii) below)	94,797.96	(400.05)	-	94,397.91
Purchases of stock-in-trade	4,910.33		-	4,910.33
Changes in inventories of finished goods, stock-in-trade, work-in-progress and biological assets	(3,680.97)		-	(3,680.97)
Employee benefits expense (refer note (viii) below)	20,797.12	(618.21)	-	20,178.91
Finance costs	1,319.92		-	1,319.92
Depreciation and amortization expenses	6,280.68		76.97	6,357.65
Other expenses (refer note (viii) below)	37,691.33	598.64	-	38,289.97
Total expenses	1,62,116.37	(419.62)	76.97	1,61,773.72
Profit before tax	17,507.90	-	(68.18)	17,439.72
Tax expense				
- Current tax	4,308.00		-	4,308.00
- Deferred tax	(22.59)		17.54	(5.05)
Total tax expenses	4,285.41		17.54	4,302.95
Profit for the year	13,222.49	-	(85.72)	13,136.77
Other comprehensive income	(41.76)	-	-	(41.76)
Total comprehensive income for the year	13,180.73	-	(85.72)	13,095.01
Earnings per share (EPS)				
Basic (in ₹)	118.28	-	(0.76)	117.52
Diluted (in ₹)	118.28	-	(0.76)	117.52

- (i) During the current year, management has reassessed the computation and useful life of the aforesaid plant and machinery considering the shift factor (double shift, triple shift as the case may be) in compliance with Schedule II of the Companies Act 2013 and accordingly recomputed the accumulated depreciation as at 31 March 2022, retrospectively, and restated the PPE and related balances, as disclosed in the above note.
- (ii) Out of the total restatement of accumulated depreciation, INR 1,272.89 was pertaining to financials years up to 31 March 2016, which is adjusted from the gross block since it was the year of transition to IND AS and management took deemed cost exemption under Para D7AA of IND AS 101- First-time Adoption of Indian Accounting Standards, wherein, Net WDV (Carrying value) of PPE as at 31 March 2016 was shown as Gross block and Accumulated depreciation was brought to zero. Deferred tax liability has been restated accordingly.



Summary of significant accounting policies and other explanatory information

For the year ended 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note : 58 Re-statement of previous year financial statements for comparatives (Contd.)

- (iii) Capital reserve amounting to INR (1,675.56) pertains to a common control business combination which took place in the year ended 31 March 2021 w.e.f 01 April 2019 pursuant to NCLT order. Management had been carrying negative capital reserve till 31 March 2022, but during the current year, as per guidance available under IND AS 103- Business Combinations, management re-classified negative capital reserve to General reserve.
- (iv) The management had been presenting investments in Portfolio Management Services (PMS) at FVTPL on an aggregate basis till 31 March 2022. However, during the current year, the management in accordance with the requirements of Ind AS 107, believes that the investments in PMS are to be presented on a disaggregate basis and accordingly has reclassified cash balance with PMS agency to Cash and Cash Equivalents, and has further disclosed respective individual investments in equity shares being managed by the PMS agency in the 'Current investments' schedule.
- (v) The management had been presenting certain bank deposits and interest accrued thereon under 'Investments'. However, during the current year, in accordance with the disclosure requirements of Schedule III, the same have been appropriately reclassified to other non current financial assets /other current financial assets / bank balance other than cash and cash equivalents.
- (vi) The management had been presenting investments in mutual funds at FVTPL under 'Non current investments' schedule. However, during the current year, the management in accordance with the requirements of Ind AS 109, the same have been appropriately reclassified under 'Current investments' schedule.
- (vii) The management had been presenting internally generated capital asset as sale of services under revenue from operations till 31 March 2022. However during the current year, the management, believes that the same has to be capitalised out of the relevant head where cost of generating the capital asset had been booked ie cost of material consumed and other expenses. The same has been reclassified accordingly.
- (viii) During the current year, the management has reclassified payments made till 31 March 22 towards certain commission paid to certain parties under 'other expense'.
- (ix) The management had been presenting excess amount of tax paid for earlier years under 'current tax assets (net)'. However, during the current year, the management in accordance with the requirements of Schedule III, has appropriately reclassified the same as Non current tax assets (net).
- (x) The management had been presenting demand paid under protest for certain income tax cases under 'current tax assets' and for indirect tax cases under 'other current assets'. However, during the current year, the same have been appropriately reclassified to other non current assets under 'Balance with government authorities'.
- (xi) The management had been presenting the provision for expenses under 'other payables'. However, during the current year, the management has appropriately reclassified to 'trade payable'.
- (xii) The management had been presenting certain 'Liabilities under indirect tax litigation' under 'other current liabilities'. However, during the current year, the management has appropriately reclassified it to 'Provision for litigation' under 'Current Provisions'.

Note : 59 Network intrusion

During the current year, the server was disrupted for a short duration due to network intrusion. According to the forensic report of an independent external specialist, there was no direct evidence found of unauthorized access to sensitive data nor evidence of data exfiltration which can have any impact on the financial statements. Further, the management believes that there is no impact due to server disruption on the financial statements for the year ended 31 March 2023.

Note : 60 Proposed Dividend

The Board of directors have recommended dividend of ₹ 9* (Previous Year ₹ 9*) per equity share aggregating ₹ 1,006.08 (Previous Year ₹ 1,006.08) for the financial year ended 31 March 2023 and same is subject to approval of shareholders at the ensuing Annual General Meeting and hence it is not recognised as a liability.

* Amount in absolute terms



Summary of significant accounting policies and other explanatory information

For the year ended at 31st March, 2023
CIN : U51909WB1965PLC026556

(₹ in lakhs, unless otherwise stated)

Note : 61 Subsequent events

No significant subsequent events have occurred post the balance sheet date 31 March 2023 which may require an adjustment to the financial statements.

Note : 62 Previous year's figures

Previous year's figures have been regrouped/rearranged wherever necessary.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number : 001076N/N500013

For and on behalf of the Board of Directors

Ashish Gera

Partner
Membership Number : 508685
Place : New Delhi
Date : 27 July 2023

Rup Chand Lohia

Executive Chairman
DIN : 00063290
Place : Bangalore
Date : 27 July 2023

Prakash Lohia

Managing Director
DIN : 00063274
Place : Hapur (U.P)
Date : 27 July 2023

Sachin Selot

Chief Financial Officer
Place : New Delhi
Date : 27 July 2023

Bala Ji

Company Secretary
M. No.- F9919
Place : New Delhi
Date : 27 July 2023

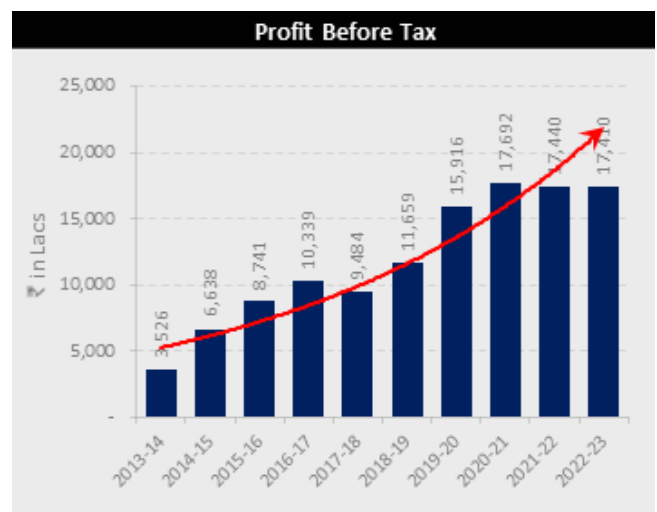
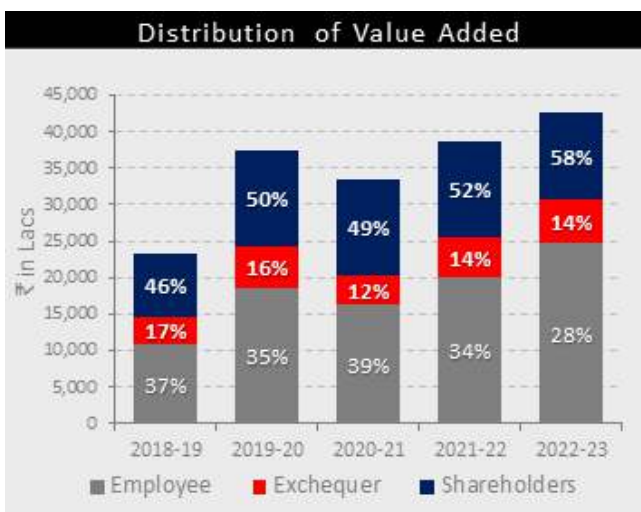
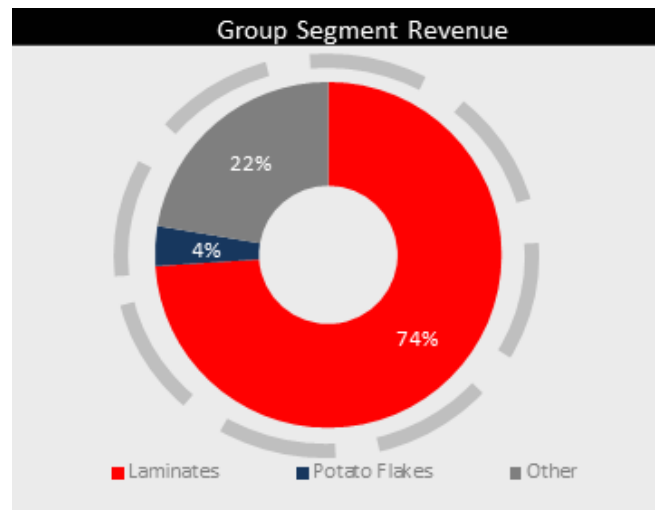
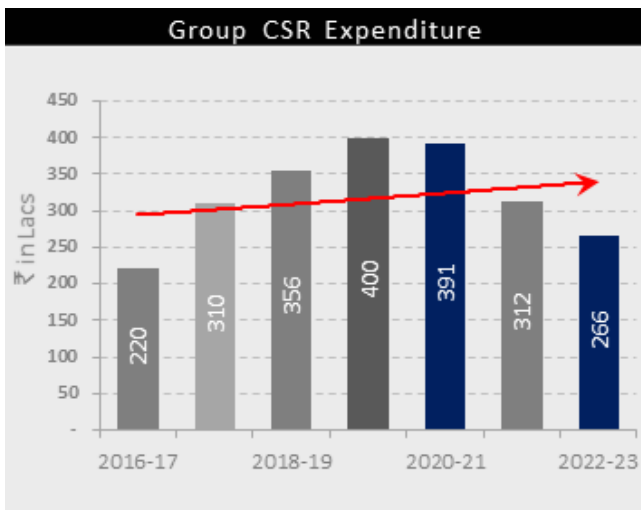
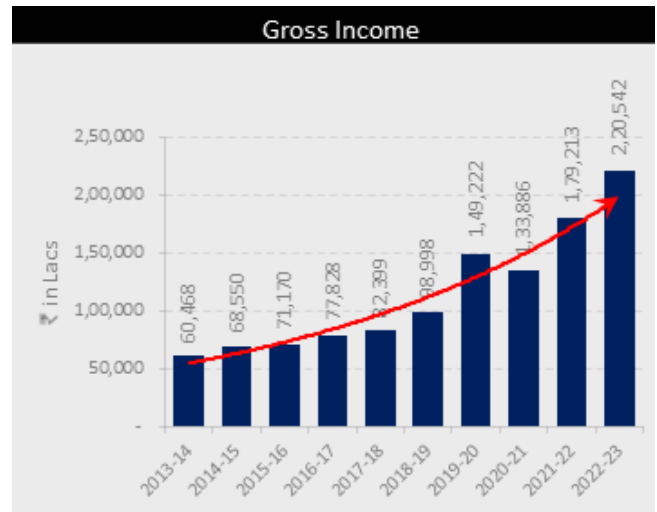
OPERATING RESULTS FOR TEN YEARS AT A GLANCE (₹ Lakhs)

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	As per Ind As									
Gross income	60467.90	68550.14	71169.66	77827.95	82399.43	98997.81	149221.98	133885.81	179213.44	220541.57
Gross expenditure	54190.59	58942.25	59415.61	64359.37	68792.26	82942.63	125326.91	108708.04	154096.15	193579.08
Finance Costs	1293.50	1365.19	1339.85	1074.86	1368.76	1467.95	2100.31	1816.97	1319.92	2853.99
Operating profit	4983.81	8242.70	10414.20	12393.72	12238.41	14587.23	21794.76	23360.80	23797.37	24108.50
Depreciation	1458.24	1605.20	1673.38	2054.76	2754.39	2927.95	5878.49	5668.62	6357.65	6698.45
Profit before tax and extraordinary item	3525.57	6637.50	8740.82	10338.96	9484.02	11659.28	15916.27	17692.18	17439.72	17410.05
Extraordinary Item	-	-	-	-	-	-	-	-	-	-
Tax - Current tax	1234.61	2080.19	2602.16	2255.28	2260.93	3246.64	4192.57	4129.03	4308.00	6089.07
-Deferred Tax Charge / (Credit)	96.02	283.36	232.54	552.64	472.04	(176.03)	(1219.79)	377.32	(5.05)	(443.53)
Profit after tax	2194.94	4273.95	5906.12	7531.04	6751.05	8588.67	12943.49	13185.83	13136.77	11764.51
Dividend (including tax)	166.12	170.68	404.91	404.91	404.91	405.32	663.43	-	670.72	1,006.08
Retained Profits	2028.82	4103.27	5501.21	7126.13	6346.14	8183.35	12280.06	13185.83	12466.05	10758.43
Earnings per share (₹)	21.17	41.22	56.96	72.63	65.10	82.83	115.78	117.95	118.28	105.24

* Considering the impact of Business Combination from 1st April, 2019

OPERATING RESULTS FOR TEN YEARS AT A GLANCE (₹ Lakhs)

	31.03.2014	31.03.2015	31.03.2016	31.03.2017	31.03.2018	31.03.2019	31.03.2020	3/31/2021	3/31/2022	3/31/2023
	As per Ind As									
SOURCES OF FUNDS										
Share capital	1047.03	1047.03	1047.03	1047.03	1047.03	1047.03	708.32	1127.94	1127.94	1127.94
Reserves and surplus	12983.45	17038.27	23367.37	30819.92	37467.26	47587.21	89537.25	102484.58	113381.29	123713.08
Shareholder's fund	14030.48	18085.30	24414.40	31866.95	38514.29	48634.24	90245.57	103612.52	114509.23	124841.02
Long term loan	2741.09	2116.00	2372.38	4995.56	2916.69	1648.11	6600.61	3871.05	6576.36	28389.65
Bank borrowings	6511.37	8065.24	8399.79	5822.55	8894.22	7139.53	6944.96	11812.85	7909.96	7688.42
Short term loan from banks	4095.07	4883.01	3400.00	4500.00	4000.00	7000.00	4500.00	-	11,998.32	20,010.00
Short term loan from Others	-	-	-	-	-	-	3388.38	587.12	3026.12	3373.50
Loan funds	13347.53	15064.25	14172.17	15318.11	15810.91	15787.64	21433.95	16271.02	29510.76	59461.57
Deferred tax liability(net)	838.32	1121.67	1650.16	2299.47	2875.23	3286.65	2369.08	2815.87	2009.90	1422.87
Funds available	28216.33	34271.22	40236.73	49484.53	57200.43	67708.53	114048.60	122699.41	146029.89	185725.46
APPLICATION OF FUNDS										
Fixed assets	22874.12	26993.74	20412.25	29303.84	34668.47	42429.94	71968.03	74815.48	96102.84	146961.21
Depreciation	9837.35	11072.96	-	2049.66	4667.22	7552.45	16424.63	21732.12	27672.32	33533.87
Fixed asstes (net)	13036.77	15920.78	20412.25	27254.18	30001.25	34877.49	55543.40	53083.36	68430.52	113427.34
Investments	152.82	152.82	1385.97	1813.96	2185.00	4724.49	12836.71	38220.06	14466.74	14402.15
Net Other Assets	15026.74	18197.62	18438.51	20416.39	25014.18	28106.55	45668.49	31396.00	63132.63	57895.97
Funds employed	28216.33	34271.22	40236.73	49484.53	57200.43	67708.53	114048.60	122699.42	146029.89	185725.46

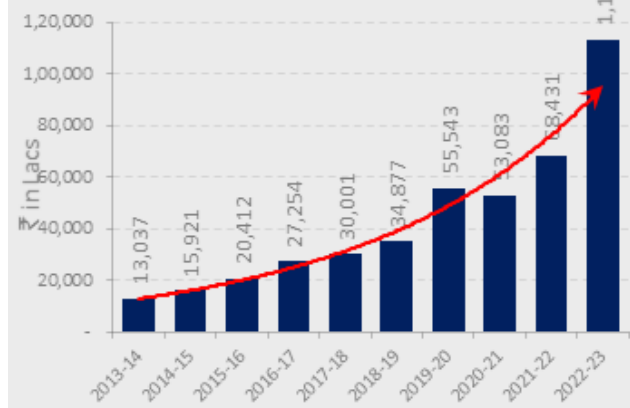




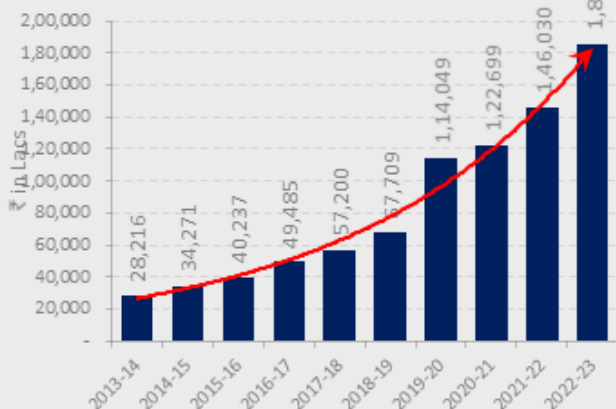
Shareholders' Equity



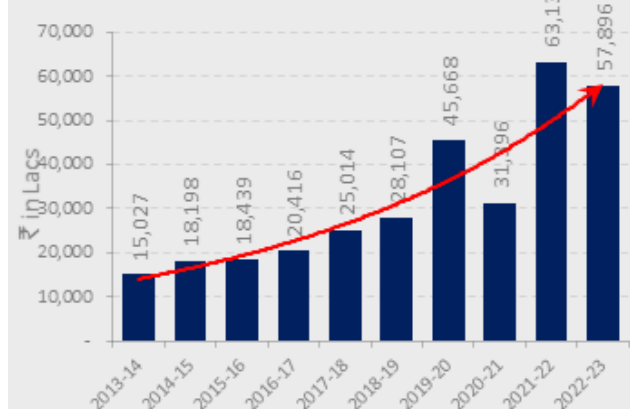
Property, Plant & Equipment



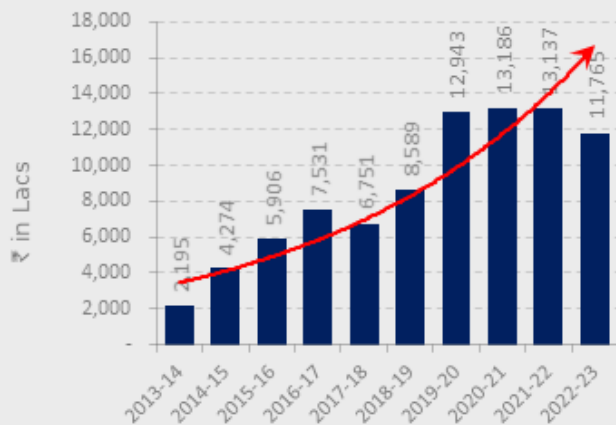
Net Funds Employed



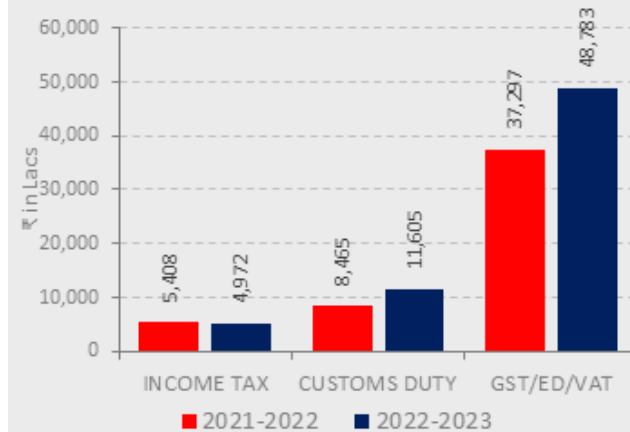
Net Current Assets



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

Website: www.merinoindia.com

NOTICE

TO THE MEMBERS,

NOTICE is hereby given that the 58th Annual General Meeting ("AGM") of the members of Merino Industries Limited will be held on Friday, the 29th day of September, 2023 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:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2023 together with the reports of the Board of Directors ("the Board") and Auditors thereon.
2. To declare dividend of ₹ 9.00 per equity share for the financial year ended on 31st March, 2023.
3. To appoint a Director in place of Shri Bikash Lohia (DIN 00154013), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Manoj Lohia (DIN 00127775), who retires by rotation and being eligible, offers himself for re-appointment 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 Manoj Lohia (DIN 00127775) as the Whole Time Director of the Company for a further period of three years, effective 1st day of December, 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 Manoj 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 Manoj Lohia:

1.	Salary	₹ 13,19,000/- (Rupees Thirteen Lakh and Nineteen Thousand Only) per month (consolidated) for the period from 01.12.2023 to 31.03.2024. Further the scale of the salary, with effect from 01.04.2024 and ending on 30.11.2026, would be ₹ 114,50,900- 1,45,090-1,59,600-17,55,600 with the increment falling due on 1 st April 2025 and 1 st April 2026 respectively.
2.	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 Manoj Lohia, shall not exceed ₹ 1,00,000/- per financial year.

		<p>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 availment of the said perquisites.</p> <p>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.</p>
3.	Additional Benefits	<p>The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses) on actual basis, for self, spouse and mother of Shri Manoj 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.</p> <p>The said medical facility be and is hereby made admissible during the currency of the service agreement of Shri Manoj Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.</p>
4.	Minimum Remuneration	<p>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.</p>

"RESOLVED FURTHER THAT any Director or the Company Secretary of the Company, are authorized severally to file necessary forms with the Registrar of Companies, West Bengal, to give effect to this appointment and payment of remuneration after according of approval of the members."

5. To appoint a Director in place of Shri Deepak Lohia (DIN: 00154027), who retires by rotation and being eligible, offers himself for re-appointment 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 Deepak Lohia (DIN 00154027) as Whole Time Director of the Company for a further period of three years, effective 1st day of December, 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 Deepak 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 Deepak Lohia:

1.	Salary	<p>₹ 19,96,500/- (Rupees Nineteen Lakh Ninety-Six Thousand and Five Hundred Only) per month (consolidated) for the period from 01.12.2023 to 31.03.2024. Further the scale of the salary, with effect from 01.04.2024 and ending on 30.11.2026, would be ₹ 21,96,150-2,19,615-2,41,580-26,57,340 with the increment falling due on 1st April 2025 and 1st April 2026 respectively.</p>
2.	Perquisites	<p>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).</p> <p>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 Deepak Lohia, shall not exceed ₹ 1,00,000/- per financial year.</p>

		<p>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 availment of the said perquisites.</p> <p>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.</p>
3.	Additional Benefits	<p>The additional benefits by way of provision of medical facility (including reimbursement of medical expenses, mediclaim premium, travel expenses with one attendant, if required, in connection with the availment of medical treatment and other incidental expenses) on actual basis, for self, spouse and children of Shri Deepak 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.</p> <p>The said medical facility be and is hereby made admissible during the currency of the service agreement of Shri Deepak Lohia and the value of the unutilized portion, if any, of the aforesaid limit at the time of expiry of the current service agreement and medical expenditure incurred after the expiry of the service agreement be and are hereby made inadmissible for availment.</p>
4.	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.

“RESOLVED FURTHER THAT any Director or the Company Secretary of the Company, are authorized severally to file necessary forms with the Registrar of Companies, West Bengal, to give effect to this appointment and payment of remuneration after according of approval of the members”

SPECIAL BUSINESS:

6. Regularization of Shri Anil Jajoo (DIN 00063284) as the Director of the Company for a period of three years, effective 23rd day of February, 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 consent of the shareholder be and is hereby accorded to appoint Shri Anil Jajoo (DIN 00063284) as the Whole-time Director of the Company for a period of three years, effective 23rd day of February, 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 Anil Jajoo, 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 Anil Jajoo:

1.	Salary & Perquisites	₹ 45,06,108/- (Rupees Forty-Five Lakhs Six Thousand One Hundred and Eight only) per annum (consolidated) upto financial year 2022-23 and further revisions as per policy of the company. He shall further be authorised to avail medical facilities benefits and other benefits as per policy of the company.
2.	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.”



7. To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2023-24 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 2023-24, as approved by the Board of Directors of the Company, be and is hereby ratified.”

By order of the Board
For **Merino Industries Limited**

Bala Ji

Company Secretary
Membership No.: F9919

Place: Delhi

Date: 27.07.2023

Regd. Office:

MERINO INDUSTRIES LIMITED

CIN: U51909WB1965PLC026556

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

Phone: 033 2290-1214

Fax: 033 2287-0314

E-mail: balaji@merinoindia.com Website: www.merinoindia.com

NOTES:

1. The Ministry of Corporate Affairs (MCA), in continuation of its General Circulars vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular no. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 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 58th AGM of the Company is being convened and conducted through VC/OAVM.
2. The Company has enabled the Members to participate at the 58th 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 through 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, 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 58th AGM through VC/OAVM Facility and e-Voting during the 58th AGM.
5. Members may join the 58th 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 58th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 58th 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 58th AGM without any restriction on account of first-come- first-served principle.
7. The attendance of the Members attending the 58th 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. 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. 29th September, 2023. Members seeking to inspect such documents can send an email to 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 authorized 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. 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.
13. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2023 to 29th September, 2023 (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 dematerialized mode are requested to intimate the changes pertaining to their bank account details, NECS mandates, email addresses, nominations, change of addresses, change of names etc. if any, to their Depository Participant (DP) before 1st September, 2023. 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 dematerialization 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 2016-2017 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	Date of Transfer to Unpaid Dividend Account	Due date of lodging claim with company	Due date of transfer to IEPF
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	30-10-2019	29-10-2026
	23-03-2020	29-04-2020	28-03-2027	28-04-2027
2020-2021	30-09-2021	10-10-2021	09-09-2028	09-10-2028
2021-2022	30-09-2022	03-11-2022	02-10-2029	02-11-2029

Details of the unpaid/unclaimed dividend are also uploaded on the website of the Company at 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. 1st 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 ₹ 5,000. 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.
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.
 - 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 April 21, 2011 and April 29, 2011 respectively, permitted companies to send official documents to the shareholders electronically as a part of its green initiatives in corporate governance. Recognizing the spirit of the circular issued by the MCA, the Notice convening the General Meeting will be sent to the e-mail addresses as provided by the shareholders, recorded with their depositories.
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 22nd September, 2023.
28. Ms. Dasvinder Kaur, Practicing Company Secretary (Membership No. A33095) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

29. The Scrutinizer 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 Scrutinizer'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 Scrutinizer's Report shall be placed on the Company's website 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 Scrutinizer 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. 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 April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular no. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 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 April 08, 2020, April 13, 2020 and May 05, 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 authorized 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 April 08, 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 April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at 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.
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 April 8, 2020 and MCA General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular no. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- A. The voting period begins on Tuesday, 26th September, 2023, at 9:00 a.m. and ends on Thursday, 28th September, 2023, at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 22nd September, 2023 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.
- 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.
- 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.

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 CDSL	<ol style="list-style-type: none"> 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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 & 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. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & 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.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 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: https://eservices.nsd.com 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 & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ 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 & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	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 & voting during the meeting.

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 CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in 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.
- 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 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.

Login type	Helpdesk details
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"> • 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.
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"> • 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.

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 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.
 - 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 and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; balaji@merinoindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer 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 (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 (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 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, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to 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: Delhi
Date: 27.07.2023

Regd. Office:
MERINO INDUSTRIES LIMITED
CIN: U51909WB1965PLC026556
5, Alexandra Court,
60/1, Chowringhee Road,
Kolkata - 700020
Phone: 033 2290-1214
Fax: 033 2287-0314
E-mail: balaji@merinoindia.com
Website: www.merinoindia.com

ANNEXURE TO THE NOTICE

Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Items of Ordinary and Special Business set out in the Notice convening the 58th Annual General Meeting of the Company to be held on 29th September, 2023:

ORDINARY BUSINESS:

ITEM NO. 4

APPOINTMENT OF A DIRECTOR IN PLACE OF SHRI MANOJ LOHIA (DIN 00127775), WHO RETIRES BY ROTATION, OFFERS HIMSELF FOR RE-APPOINTMENT

Shri Manoj Lohia (DIN 00127775) has been associated with Merino Group since 2004 in the capacity of Whole-Time Director of its former subsidiary company Merino Panel Products Limited from 2004 till 2021 and is also appointed as the Whole-time Director in this Company since 1st December 2020. Considering his experience in overall Business Administration and his valuable contribution towards growth of sale Company's products in Southern India, the Board recommends that it would be in the interest of the Company to re-appoint Shri Manoj Lohia as a Whole-time Director for a period of three years with effect from 1st December, 2023. To give effect to his appointment, a special resolution is required to be passed by the shareholders of the Company and accordingly the resolution appointing Shri Manoj Lohia as Whole-time Director is placed before the shareholders for approval.

INFORMATION ABOUT THE WHOLE-TIME DIRECTOR

1	Background details	Shri Manoj Lohia, Graduation in B.Com, is aged about 51 years, has been associated with Merino Group through its former subsidiary Company, Merino Panel Products Limited as Director since 2004 and currently, associated with Merino Industries Limited as Whole-Time Director in the Company since 1 st December 2020.
2	Past Remuneration	₹ 11,99,100 per month
3	Job Profile and his suitability	Overseeing marketing and sale of Company's Products in Southern India. Shri Manoj Lohia has around 27 years' experience and he has contributed immensely towards the growth and success of the group.
4	Remuneration proposed	₹ 13,19,000/- (Rupees Thirteen Lakh and Nineteen Thousand Only) per month (consolidated) for the period from 01.12.2023 to 31.03.2024. Further the scale of the salary, with effect from 01.04.2024 and ending on 30.11.2026, would be ₹ 14,50,900-1,45,090-1,59,600-17,55,600 with the increment falling due on 1 st April 2025 and 1 st April 2026 respectively and Perquisites subject to a maximum of ₹ 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the avilment of medical treatment and other incidental expenses of Shri Lohia, his spouse and children for their treatment in India and abroad (as mentioned in Item No. 4 of the notice).
5	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations
6	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Except in the capacity of Whole-time Director and also as a promoter shareholder of the Company, Shri Manoj Lohia enjoys no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution along with his father, Shri Rup Chand Lohia, Executive Chairman and his brother Shri Prasan Lohia, Whole-Time Director. Other Directors i.e. Shri Prakash Lohia, Managing Director, Miss Ruchira Lohia, Shri Bikash Lohia, Shri Deepak Lohia and Shri Madhusudan Lohia, Whole-time Directors and KMP are his relatives who are indirectly related to him and are considered to be interested or concerned in the resolution to the extent of their relationship with him. However, Shri Nripen Kumar Dugar, Whole-time Director Shri Anil Jajoo, Whole-time Director, Shri Sachin Selot, Chief Financial Officer and Shri Balaji, Company Secretary also falling under the category of KMP and Shri K.T. Prasad, Non-Executive Director, Shri Prabal Kumar Sarkar and Shri Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way.

OTHER INFORMATION

1	Reasons for loss or inadequate profits	The Company has not incurred any loss.
2	Steps taken or proposed to be taken for improvement	The Management continues in its endeavor to optimize resources, make value additions, increase revenue and curtail wastage. The management is optimistic that in the future years your Company would witness improved performance and profitability.
3	Expected increase in productivity and profits in measurable terms	The Directors feel that the present rate of growth of performance would be sustained, and can be improved in the years to come.

DISCLOSURES

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

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

As per recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the re-appointment of Shri Manoj Lohia as Whole-time Director with effect from 1st December, 2023 for a period of three years and proposed remuneration and terms and conditions of his service be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 4). The terms of remuneration specified in the said Special Resolution are now placed before the shareholders, for their approval. Your directors recommend the approval of the resolution.

The above item of ordinary business does not relate to or affect any other company.

ITEM NO. 5: APPOINTMENT OF A DIRECTOR IN PLACE OF SHRI DEEPAK LOHIA (DIN 00154027), WHO RETIRES BY ROTATION, OFFERS HIMSELF FOR RE-APPOINTMENT

Shri Deepak Lohia (DIN 00154027) has been associated with Merino Group since 2004 in the capacity of Whole-Time Director of its former subsidiary company Merino Panel Products Limited from 2004 till 2021 and is also appointed as the Whole-time Director in this Company since 1st December 2020. Considering his experience in overall Business Administration and his valuable contribution towards this Company and its former subsidiary, the Board recommends that it would be in the interest of the Company to re-appoint Shri Deepak Lohia as a Whole-time Director for a period of three years with effect from 1st December, 2023. To give effect to his appointment, a special resolution is required to be passed by the shareholders of the Company and accordingly the resolution appointing Shri Deepak Lohia as Whole-time Director is placed before the shareholders for approval.

INFORMATION ABOUT THE WHOLE-TIME DIRECTOR

1	Background details	Shri Deepak Lohia, B.E. (Mech.), is aged about 47 years, has been associated with Merino Group through its former subsidiary Company, Merino Panel Products Limited as Director since 2004 and currently, associated with Merino Industries Limited as Whole-Time Director in the Company since 1 st December 2020
2	Past Remuneration	₹ 18,15,000 per month
3	Job Profile and his suitability	Overseeing production, import of design papers, raw materials, chemicals, etc. Shri Deepak Lohia has around 26 years' experience and he has contributed immensely towards the growth and success of the group.
4	Remuneration proposed	₹ 19,96,500/- (Rupees Nineteen Lakh Ninety-Six Thousand and Five Hundred Only) per month (consolidated) for the period from 01.12.2023 to 31.03.2024. Further the scale of the salary, with effect from 01.04.2024 and ending on 30.11.2026, would be ₹ 21,96,150-2,19,615-2,41,580-26,57,340 with the increment falling due on 1 st April 2025 and 1 st April 2026 respectively and Perquisites subject to a maximum of ₹ 1,00,000/- per financial year and medical facility for allowance/reimbursement on actual basis, subject to the ceiling limit of annual salary on the basis of average salary of three years as per the service agreement, in addition to his existing remuneration. Such medical facility will include the cost of medical expenses, mediclaim premium and travel expenses with one attendant, if required, in connection with the avilment of medical treatment and other incidental expenses of Shri Lohia, his spouse and children for their treatment in India and abroad (as mentioned in Item No. 5 of the notice).

5	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations
6	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Except in the capacity of Whole-time Director and also as a promoter shareholder of the Company, Shri Deepak Lohia enjoys no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution along with his brother, Shri Bikash Lohia, Whole-time Director. Other Directors i.e. Shri Rup Chand Lohia, Executive Chairman, Shri Prakash Lohia, Managing Director, Shri Prasan Lohia, Miss Ruchira Lohia, Shri Manoj Lohia, Shri Anurag Lohia and Shri Madhusudan Lohia, Whole-time Directors and KMP are his relatives who are indirectly related to him and are considered to be interested or concerned in the resolution to the extent of their relationship with him. However, Shri Nripen Kumar Dugar, Whole-time Director Shri Anil Jajoo, Whole-time Director, Shri Sachin Selot, Chief Financial Officer and Shri Balaji, Company Secretary also falling under the category of KMP and Shri KT Prasad, Non-Executive Director, Shri Prabal Kumar Sarkar and Shri Bama Prasad Mukhopadhyay, Independent Directors, are not interested or concerned in the resolution in any way.

OTHER INFORMATION

1	Reasons for loss or inadequate profits	The Company has not incurred any loss
2	Steps taken or proposed to be taken for improvement	The Management continues in its endeavor to optimize resources, make value additions, increase revenue and curtail wastage. The management is optimistic that in the future years your Company would witness improved performance and profitability
3	Expected increase in productivity and profits in measurable terms	The Directors feel that the present rate of growth of performance would be sustained, and can be improved in the years to come

DISCLOSURES

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

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

As per recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the re-appointment of Shri Deepak Lohia as Whole-time Director with effect from 1st December, 2023 for a period of three years and proposed remuneration and terms and conditions of his service be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 5). The terms of remuneration specified in the said Special Resolution are now placed before the shareholders,

for their approval. Your directors recommend the approval of the resolution.

The above item of ordinary business does not relate to or affect any other company.

SPECIAL BUSINESS:

ITEM NO. 6: REGULARISATION OF SHRI ANIL JAJOO AS A WHOLE-TIME DIRECTOR OF THE COMPANY

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 Anil Jajoo as a Whole-Time Director of the Company with effect from 23rd February 2023 by regularizing 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 Anil Jajoo has served for more than 2 decades in the business administration of the Company and has been appointed as Whole-Time Director in the Company on 23rd February 2023.

Shri Anil Jajoo possesses requisite qualifications to be appointed in such capacity and fulfills all the requirements as stipulated in the Companies Act, 2013. Considering his experience in overall Business Administration and his valuable contribution towards this Company and its

former subsidiary, the Board, based on the recommendation of Nomination & Remuneration Committee, recommends the regularization of Shri Anil Jajoo as a Whole-Time Director in the Company with effect from 23rd February 2023 by obtaining shareholders' approval in the ensuing general meeting of the Company.

Therefore, it is hereby proposed to appoint Shri Anil Jajoo (DIN: 00063284) as a Whole- Time Director of the Company with effect from 23rd February 2023 by passing the Resolution as set out in the item no. 6 of the notice, by way of Special Resolution.

Shri Anil Jajoo (DIN: 00063284) is interested in the resolutions set out in Item No. 6 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.

INFORMATION ABOUT THE WHOLE-TIME DIRECTOR

1	Background details	Shri Anil Jajoo has been associated with the company since 2000 and has been serving as Director in Merino Panel Products Ltd. for a period of 17 years i.e., from 01.01.2004 to 28.02.2021 and presently he is a Director in KBGB Agritech Private Limited (Earlier known as Kasturi Bai Gopi Babu Cold Storage Pvt. Ltd.) since 14.08.1997. He has joined as Director both in Merino Consulting Services Limited and Merino Properties Private Limited on 15.02.2021.
2	Past Remuneration	₹ 45,06,108 per annum
3	Job Profile and his suitability	Business Administration
4	Remuneration proposed	₹ 49,34,199/- (Rupees Forty Nine Lakhs Thirty-Four Thousand One Hundred and Ninety Nine only) per annum (consolidated) upto financial year 2022-23 and further revisions as per policy of the company. He shall further be authorised to avail medical facilities benefits and other benefits as per policy of the company.
5	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	Even broad benchmarking of remuneration profile in an industry absolutely comparable in terms of size, complexity of operations
6	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	Except in the capacity of Whole-time Director and also as a shareholder of the Company, Shri Anil Jajoo has no other pecuniary relationship with the Company. He is directly concerned or interested in this resolution 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.

OTHER INFORMATION

1	Reasons for loss or inadequate profits	The Company has not incurred any loss.
2	Steps taken or proposed to be taken for improvement	The Management continues in its endeavor to optimize resources, make value additions, increase revenue and curtail wastage. The management is optimistic that in the future years your Company would witness improved performance and profitability.
3	Expected increase in productivity and profits in measurable terms	The Directors feel that the present rate of growth of performance would be sustained and can be improved in the years to come.

DISCLOSURES

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

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

As per recommendations of the Nomination and Remuneration Committee, the Board of Directors had considered the appointment of Shri Anil Jajoo as Whole-time Director with effect from 23rd February, 2023 for a period of three years and proposed remuneration and terms and conditions of his service be approved by the shareholders in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and



the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force). Schedule V stipulates obtaining approval of shareholders through Special Resolution for the appointment of managerial personnel and to fix their remuneration. In accordance with the provisions of Section II of Part II of Schedule V requires approval of the shareholders by way of Special Resolution (as specified in Item No. 6). The terms of remuneration specified in the said Special Resolution are now placed before the shareholders, for their approval. Your directors recommend the approval of the resolution.

The above item of special business does not relate to or affect any other company.

RELATING TO ITEM NO. 7

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 31st March, 2024 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. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2024.

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. 7 of the Notice.

Brief particulars of Directors proposed to be Directors proposed to be appointed / re-appointed:

Name	Shri Bikash Lohia
Age	54 Years
Qualification	Privately Educated & M.E.P (IIM Ahmedabad)
Specialized Expertise	Overseeing factory operations and overall management and addressing Information & Technology related issues. Shri Bikash Lohia has about around 31 years of experience and has contributed immensely towards the growth and success of the Company.
Number of shares held in Company	189192 Equity Shares (1.69% of the paid-up share capital of the company)
Directorship in other companies	<ul style="list-style-type: none"> • Merino Consulting Services Limited • Merino Properties Private Limited
Relationship with other Directors	Brother of Shri Deepak Lohia, Whole-time Director and Father of Shri Anurag Lohia, Whole-time Director and not related to any other Director / Key Managerial Personnel as per Companies Act, 2013.

Name	Shri Manoj Lohia
Age	51 Years
Qualification	B.Com.
Specialized Expertise	Overseeing marketing and sale of Company's Products in Southern India. Shri Manoj Lohia has about around 27 years of experience.
Number of shares held in Company	142016 Equity Shares (1.27% of the paid-up share capital of the company)
Directorship in other companies	<ul style="list-style-type: none"> • Merino Properties Private Limited
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.

Name	Shri Deepak Lohia
Age	47 Years
Qualification	B.E. (Mech.)
Specialized Expertise	Overseeing production, import of design papers, raw materials, chemicals, etc. Shri Deepak Lohia has about around 26 years of experience.
Number of shares held in Company	146165 Equity Shares (1.31% of the paid-up share capital of the company)
Directorship in other companies	<ul style="list-style-type: none"> • Merino Properties Private Limited • KBGB Agritech Private Limited
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.

Name	Shri Anil Jajoo
Age	55 years
Qualification	Senior Secondary
Specialized Expertise	Business Administration of the company. Shri Anil Jajoo has been associated with the company for more than 2 decades.
Number of shares held in Company	10 Equity Shares (0.000089% of the paid-up share capital of the company)
Directorship in other companies	<ul style="list-style-type: none"> • Merino Consulting Services Limited • Merino Properties Private Limited • KBGB Agritech Private Limited
Relationship with other Directors	Not related to any Director / Key Managerial Personnel as per Companies Act, 2013.

**By Order of the Board of Directors
of Merino Industries Limited**

Date: 27.07.2023
Place: Delhi

Bala Ji
Company Secretary
M.no. F9919

Corporate information

Board of Directors

Executive Chairman

Shri Rup Chand Lohia

Managing Director

Shri Prakash Lohia

Directors

Shri Prabal Kumar Sarkar
- Independent Director

Dr. Gautam Bhattacharjee
(Cessation on 31.07.2022)
- Independent Director

Shri Bama Prasad Mukhopadhyay
- Independent Director

Shri K. T. Prasad
- Non-Executive Director
(Appointed on 17.08.2022)

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

Shri Anil Jajoo
- Whole Time Director
(Appointed on 23.02.2023)

Chief Financial Officer

Shri Sachin Selot

Company Secretary

Shri Bala Ji

Audit Committee

Prabal Kumar Sarkar - Chairman

Shri Bama Prasad Mukhopadhyay
- Member

Shri Prasan Lohia - Member

Stakeholders Relationship Committee

Shri Bama Prasad Mukhopadhyay
- Chairman

Shri Prasan Lohia - Member

Nomination and Remuneration Committee

Shri K T Prasad - Chairman

Shri Prabal Kumar Sarkar - Member

Shri Bama Prasad Mukhopadhyay
- Member

Corporate Social Responsibility Committee

Shri Prakash Lohia - Chairman

Shri Prasan Lohia - Member

Shri Bama Prasad Mukhopadhyay
- 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
Website: 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. 724+725 GIDC Maswad,
Phase-II, Halol 389350
Gujarat

Dahej Plant, Plot No - D-2/CH/36,
Dahej-II Industrial Estate, Vadadla,
Gujarat 392130

Branches

Bangalore, Delhi, Pune, Nagpur,
Mumbai, Chennai, Hyderabad, Cochin,
Lucknow, Chandigarh, Kolkata,
Coimbatore, Jaipur, Bhubaneshwar,
Ahmedabad, Ludhiana, Kathmandu,
Guwahati, Vijayawada, Patna, Ranchi
and Indore

Auditors

M/s. Walker Chandio & Co. LLP,
Chartered Accountants

Cost Auditors

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

Internal Auditors

M/s. Protiviti

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 N.A.

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

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

Website: www.merinoindia.com

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