

NOTICE

Notice is hereby given that the 01/EGM/AIL/2019-20 Extra-Ordinary General Meeting of Anmol Industries Limited will be held at its registered office at 229, A.J.C. Bose Road, Crescent Tower, 3rd Floor, Unit 3A, 3B, 3C & 3D, Kolkata -700020, West Bengal, on Friday, the 26th day of July, 2019 at 10.00 a.m. to transact the following business:

SPECIAL BUSINESS:

1. SPECIAL RESOLUTION FOR APPROVAL OF LOANS, INVESTMENTS, GUARANTEE OR SECURITY UNDER SECTION 185 OF COMPANIES ACT, 2013:

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

“RESOLVED THAT pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, approval of members of the Company be and is hereby accorded to grant loan(s) or give guarantee or provide security in respect of any loan taken/ to be taken by M/s. Anmol Stainless Private Limited, being an entity covered under the category of ‘a person in whom any of the director of the company is interested’ as specified in the explanation to Sub section 2 of the said Section, of an aggregate outstanding amount not exceeding Rs. 15.00 Crores (Rupees Fifteen Crores only) to be utilized for principal business activities.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee thereof) be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loan/ Guarantee/ security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

2. Approval for waiver of excess remuneration paid to Shri Biswanath Choudhary, Wholtime Director of the company for the Financial Year 2018-19:

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

“RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013 (the “Act”) and the rules made thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and in pursuance to the resolution passed by the members of the Company on 19.05.2017, consent of the members of the Company be and is hereby accorded to ratify and confirm the waiver of the recovery of Rs. 63.15 Lakhs more or less, being the part of remuneration paid to Shri Biswanath Choudhary (DIN – 00331136), Wholtime Director of the Company during the Financial Year 2018-19, as per the terms of his appointment and remuneration approved by the members by means of Ordinary resolution dated 19.05.2017, which is within the overall limits approved by them but exceeds the limits specified under the section 197 of the Companies Act, 2013 read with the schedule V of the Act to the extent as aforesaid, due to inadequacy of the profit in the said financial year and to consequential retention thereof by him.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

3. Approval for waiver of recovery of excess remuneration paid to Shri Dilip Kumar Choudhary, Wholtime Director of the company for the Financial Year 2018-19:

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

“RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013 (the “Act”) and the rules made thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and in pursuance to the resolution passed by the members of the Company on 19.05.2017, consent of the members of the Company be and is hereby accorded to ratify and confirm the waiver of the recovery of Rs. 63.15 Lakhs more or less, being the part of remuneration paid to Shri Dilip Kumar Choudhary (DIN – 00331211), Wholtime Director of the Company during the Financial Year 2018-19, as per the terms of his

appointment and remuneration approved by the members by means of Ordinary resolution dated 19.05.2017, which is within the overall limits approved by them but exceeds the limits specified under the section 197 of the Companies Act, 2013 read with the schedule V of the Act to the extent as aforesaid, due to inadequacy of the profit in the said financial year and to consequential retention thereof by him.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

4. Approval for waiver of recovery of excess remuneration paid to Shri Gobindram Choudhary, Managing Director of the company for the Financial Year 2018-19:

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

“**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013 (the “Act”) and the rules made thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and in pursuance to the resolution passed by the members of the Company on 19.05.2017, consent of the members of the Company be and is hereby accorded to ratify and confirm the waiver of the recovery of Rs. 63.04 Lakhs more or less, being the part of remuneration paid to Shri Gobindram Choudhary (DIN – 01104704), Managing Director of the Company during the Financial Year 2018-19, as per the terms of his appointment and remuneration approved by the members by means of Ordinary resolution dated 19.05.2017, which is within the overall limits approved by them but exceeds the limits specified under the section 197 of the Companies Act, 2013 read with the schedule V of the Act to the extent as aforesaid, due to inadequacy of the profit in the said financial year and to consequential retention thereof by him.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

5. Approval for waiver of recovery of excess remuneration paid to Shri Bimal Kumar Choudhary, Managing Director of the company for the Financial Year 2018-19:

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

“**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013 (the “Act”) and the rules made thereunder (including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) and in pursuance to the resolution passed by the members of the Company on 19.05.2017, consent of the members of the Company be and is hereby accorded to ratify and confirm the waiver of the recovery of Rs. 63.15 Lakhs more or less, being the part of remuneration paid to Shri Bimal Kumar Choudhary (DIN – 00331194), Managing Director of the Company during the Financial Year 2018-19, as per the terms of his appointment and remuneration approved by the members by means of Ordinary resolution dated 19.05.2017, which is within the overall limits approved by them but exceeds the limits specified under the section 197 of the Companies Act, 2013 read with the schedule V of the Act to the extent as aforesaid, due to inadequacy of the profit in the said financial year and to consequential retention thereof by him.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

By Order of the Board
For **Anmol Industries Limited**

Brundaban Behera
Company Secretary

Date : 29.06.2019
Address : 229, A.J.C Bose Road,
Crescent Tower, 3rd Floor, Unit No.3A, 3B, 3C & 3D
Kolkata - 700020

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member. Proxies, to be effective, must be received by the Company not less than 48 hours before the meeting.
2. Statement pursuant to Section 102(1) of the Companies Act, 2013 (the "Act") relating to the special business to be transacted at the Extra-Ordinary General Meeting (the "EGM") is annexed hereto.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013:

The following explanatory statement, as required under Section 102 of the Companies Act, 2013, sets out all material facts relating to special businesses mentioned in the accompanying notice for convening the EGM of the Company.

ITEM NO.1:**Approval of Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013:**

The members are hereby appraised that your company was looking for suitable opportunities to invest the surplus funds available with it and M/s. Anmol Stainless Pvt Ltd (where whole time Director of the Company Shri. Dilip Kumar Choudhary is a Director) has approached the company for a short term loan at an interest of 9% p.a. In the light of amendments to the provisions Section 185 of Companies Act, 2013, effective May 7, 2018, the Company with the approval of members by way of special resolution, may provide financial assistance by way of loan to entities where any of the director of the company is interested or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

Your Board also proposes to invest the surplus funds with the said company by way of giving unsecured short term loan for business purpose only.

The members may note that the board of directors would carefully evaluate proposals and provide such loan, guarantee or security only for principal business activities of the entities in the Anmol Group. Hence, in order to enable the company to advance loan to Companies/ Firms in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution.

Interest of Directors and KMP:

All the Executive Directors and their relatives are concerned or interested in the aforesaid resolution, financially or otherwise. None of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise.

ITEM NO.2 to 5:

As the Members are aware, Shri Biswanath Choudhary, Chairman & Whole Time Director, Shri Dilip Kumar Choudhary, Vice Chairman & Whole Time Director, Shri Bimal Kumar Choudhary, Managing Director, Shri Gobind Ram Choudhary, Managing Director were appointed as Executive Directors of the Company for a period of five years each with effect from 19.05.2017, by means of Ordinary Resolutions passed by the Members at the Extraordinary General Meeting of the Company held on 19.05.2017.

The Terms of their remuneration approved by the Members at the said EGM inter alia included payment of "Minimum Remuneration" to the said Executive Directors in the event of inadequacy or absence of profits, in any financial year or years during the currency of their tenure, comprising basic salary, performance linked incentive, contribution to Provident and other funds, perquisites, allowances and benefits etc., as under, subject to requisite ceiling under the Act.

The Remuneration payable as approved in the EGM dated 19.05.2017 was as under:

Shri Biswanath Choudhary, Chairman & Whole Time Director:**Remuneration:**

(a)Salary: Rs. 20,00,000/- (Rupees Twenty Lakhs only) per month (with an annual increment as per the decision by the Board of Directors, subject to the ceiling as prescribed in Schedule V of the Companies Act, 2013).

(b) Allowances: Leave Travel Concession:- First class leaves passage by air for self and family every year in INDIA or abroad. Medical Facilities:-Medical Expenses for Shri Biswanath Choudhary and his family will be borne by the company as per the actual.

(c) Perquisites: Company Car:- Provision of one car with driver, fuel, maintenance etc. for use on Company's business as also for personal use.

(d) Retirement Benefits: Provident Fund, Superannuation Fund, Pension, Gratuity, Encashment of Leave and other benefit schemes like medical / others in accordance with the Company's practice/policy/rules.

(e) Commission: Commission @ 3% on the net of profits of the company in the relevant financial year with such revisions as may be approved by the Board of Directors from time to time.(subject to the ceiling as prescribed in Schedule V of the Companies Act, 2013).

(f) Work Related Perks: Residential Telephones:- Telephone, fax, internet, mobile phones etc. as per requirement at Company's cost. Club Fees:- Fees of clubs subject to a maximum of two clubs. Membership of profession institutes / bodies at Company's cost:- Others as per the Company's Policy and Rules.

(g) Overall Remuneration: The aggregate of salary and perquisites in any one financial year shall not exceed the limits prescribed or to be prescribed form time to time under sections 197, 198, and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being be in force.

(h) Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Whole Time Director the payment of salary, perquisites and other allowances shall be governed by limits prescribed under Schedule V of the Companies Act, 2013 or any statutory modifications thereto or re-enactments thereof.

Shri Dilip Kumar Choudhary, Vice-Chairman & Whole Time Director:

Remuneration:

(a)Salary: Rs. 20,00,000/- (Rupees Twenty Lakhs only) per month (with an annual increment as per the decision by the Board of Directors, subject to the ceiling as prescribed in Schedule V of the Companies Act, 2013).

(b) Allowances: Leave Travel Concession:- First class leaves passage by air for self and family every year in INDIA or abroad. Medical Facilities:- Medical Expenses for Shri Dilip Kumar Choudhary and his family will be borne by the company as per the actual.

(c) Perquisites: Company Car:- Provision of one car with driver, fuel, maintenance etc. for use on Company's business as also for personal use.

(d) Retirement Benefits: Provident Fund, Superannuation Fund, Pension, Gratuity, Encashment of Leave and other benefit schemes like medical / others in accordance with the Company's practice/policy/rules.

(e) Commission: Commission @ 3% on the net of profits of the company in the relevant financial year with such revisions as may be approved by the Board of Directors from time to time.(subject to the ceiling as prescribed in Schedule V of the Companies Act, 2013).

(f) Work Related Perks: Residential Telephones:- Telephone, fax, internet, mobile phones etc. as per requirement at Company's cost. Club Fees:- Fees of clubs subject to a maximum of two clubs. Membership of profession institutes / bodies at Company's cost:- Others as per the Company's Policy and Rules.

(g) Overall Remuneration: The aggregate of salary and perquisites in any one financial year shall not exceed the limits prescribed or to be prescribed form time to time under sections 197, 198, and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being be in force.

(h) Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Whole Time Director the payment of salary, perquisites and other allowances shall be governed by limits prescribed under Schedule V of the Companies Act, 2013 or any statutory modifications thereto or re-enactments thereof.

Shri Gobindram Choudhary, Managing Director:

Remuneration:

(a) Salary: Rs. 20,00,000/- (Rupees Twenty Lakhs only) per month (with an annual increment as per the decision by the Board of Directors, subject to the ceiling as prescribed in Schedule V of the Companies Act, 2013).

(b) Allowances: Leave Travel Concession:- First class leaves passage by air for self and family every year in INDIA or abroad. Medical Facilities:- Medical Expenses for Shri Gobindram Choudhary and his family will be borne by the company as per the actual.

(c) Perquisites: Company Car:- Provision of one car with driver, fuel, maintenance etc. for use on Company's business as also for personal use.

(d) Retirement Benefits: Provident Fund, Superannuation Fund, Pension, Gratuity, Encashment of Leave and other benefit schemes like medical / others in accordance with the Company's practice/policy/rules.

(e) Commission: Commission @ 3% on the net of profits of the company in the relevant financial year with such revisions as may be approved by the Board of Directors from time to time.(subject to the ceiling as prescribed in Schedule V of the Companies Act, 2013).

(f) Work Related Perks: Residential Telephones:- Telephone, fax, internet, mobile phones etc. as per requirement at Company's cost. Club Fees:- Fees of clubs subject to a maximum of two clubs. Membership of profession institutes / bodies at Company's cost:- Others as per the Company's Policy and Rules.

(g) Overall Remuneration: The aggregate of salary and perquisites in any one financial year shall not exceed the limits prescribed or to be prescribed from time to time under sections 197, 198, and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being be in force.

(h) Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director the payment of salary, perquisites and other allowances shall be governed by limits prescribed under Schedule V of the Companies Act, 2013 or any statutory modifications thereto or re-enactments thereof.

Shri Bimal Kumar Choudhary, Managing Director:

Remuneration:

(a) Salary: Rs. 20,00,000/- (Rupees Twenty Lakhs only) per month (with an annual increment as per the decision by the Board of Directors, subject to the ceiling as prescribed in Schedule V of the Companies Act, 2013).

(b) Allowances: Leave Travel Concession:- First class leaves passage by air for self and family every year in INDIA or abroad. Medical Facilities:- Medical Expenses for Shri Bimal Kumar Choudhary and his family will be borne by the company as per the actual.

(c) Perquisites: Company Car:- Provision of one car with driver, fuel, maintenance etc. for use on Company's business as also for personal use.

(d) Retirement Benefits: Provident Fund, Superannuation Fund, Pension, Gratuity, Encashment of Leave and other benefit schemes like medical / others in accordance with the Company's practice/policy/rules.

(e) Commission: Commission @ 3% on the net of profits of the company in the relevant financial year with such revisions as may be approved by the Board of Directors from time to time.(subject to the ceiling as prescribed in Schedule V of the Companies Act, 2013).

(f) Work Related Perks: Residential Telephones:- Telephone, fax, internet, mobile phones etc. as per requirement at Company's cost. Club Fees:- Fees of clubs subject to a maximum of two clubs. Membership of profession institutes / bodies at Company's cost:- Others as per the Company's Policy and Rules.

(g) Overall Remuneration: The aggregate of salary and perquisites in any one financial year shall not exceed the limits prescribed or to be prescribed from time to time under sections 197, 198, and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being be in force.

(h) Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director the payment of salary, perquisites and other allowances shall be governed by limits prescribed under Schedule V of the Companies Act, 2013 or any statutory modifications thereto or re-enactments thereof.

The Members are informed that, the Company had been making consistent and adequate profits till March 2018. The managerial remuneration paid by the company in terms of section 197 of the Companies Act, 2013 had always remained within the ceiling limit of the profitability as computed under section 198 of the said Act. However, there was a drop in the profitability in the Financial year 2018-2019 specially in 4th quarter due to sharp rise in the price of the key raw materials which was beyond the control of the Company. As a result, the Company had inadequate profits for the Financial Year 2018-19 for the purpose of payment of Managerial Remuneration to the Whole time Directors and Managing Directors. But the Executive Directors had already drawn the remuneration for the financial year as approved by the members of the Company dated 19.05.2017. Therefore the Executive Directors are required to refund the amount drawn by them in excess of the limit prescribed under the Act to the Company and the same shall be kept in trust within the Company. As per the computation of profit under section 198 of the Companies Act, 2013 it is found that on the basis of provisional financial data as on 29.06.2019, the excess remuneration as prescribed in the resolutions no 2 to 5 were drawn by the respective directors.

The MCA vide its Notification dated 12th September 2018, notified the relevant provisions of the Companies (Amendment) Act, 2017 and Schedule V thereto. Pursuant to the amended provisions of Section 197 (9) of the Act which mentioned that If any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed by this section or without approval required under this section, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the company provided that as per the provisions of Section 197(10) of the Companies Act, 2013 the company shall not waive the recovery of any sum refundable to it under sub-section (9) unless approved by the company by special resolution within two years from the date the sum becomes refundable.

While the Company continued to make payment of dividends to the Members, no increments were given to the Executive Directors subsequent to their appointment in the year 2017. Therefore, the members may consider waiving off the excess remuneration drawn by the executive directors for the financial year 2018-19 as the amount drawn was the Minimum remuneration as approved by them at the EGM dated 19.05.2017 but exceeds the limits specified under Section 197 of the Companies Act, 2013 (Act) read with Schedule V thereto. Pursuant to Section 197(10) of the said Act, as so amended, the Company is required to obtain the approval of the Members by means of Special Resolution for waiver of recovery of the excess Remuneration paid to the Whole Time Directors and Managing Directors as mentioned in the Resolutions at Sl. Nos.2 to 5 of the Notice and your Board of Directors recommends the approval of the members.

All the Directors except for the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise.

By Order of the Board
For **Anmol Industries Limited**

Brundaban Behera
Company Secretary

Date: 29.06.2019
Address : 229, A.J.C Bose Road,
Crescent Tower, 3rd Floor, Unit No.3A, 3B, 3C & 3D
Kolkata - 700020