

**MEGHMANI ORGANICS LIMITED**

**CIN L24110GJ1995PLC024052**

**Registered Office:** Plot No. 184, (Phase II), G.I.D.C. Industrial Estate, Vatva, Ahmedabad - 382 445.

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS** hereby given that **Twenty Fifth Annual General Meeting** of the Company will be held on **Thursday, 25th July, 2019 at 10.00 a.m.** at H T Parekh Convention Centre, Ahmedabad Management Association (AMA), ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad -380 015 to transact the following businesses:-

**ORDINARY BUSINESS:**

1. To receive, consider, and adopt:
  - (i) the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2019 together with report of the Board of Directors and Auditors thereon and
  - (ii) the Audited Consolidated Financial Statement of the Company for the financial year ended on 31st March, 2019 together with report of Auditors thereon.
2. To confirm the payment of Interim Dividend paid on Equity Shares and to declare a Final Dividend on Equity Shares for the financial year 2018-19.

**SPECIAL BUSINESS:-**

3. To Consider and if thought fit to pass the following resolution with or without modification as **Ordinary Resolution:-**

**APPOINTMENT OF COST AUDITOR OF THE COMPANY FOR FY 2019-20**

“**RESOLVED THAT** in accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 M/s. Kiran J Mehta & Co. Cost Accountants Ahmedabad (having Firm’s Registration No. 000025), be and is hereby appointed as Cost Auditor of the Company for conducting the audit of the cost records of the Company for the Financial Year 2019-2020 at a remuneration of Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) per annum (apart from reimbursement of pocket expenses incurred for the purpose of Audit).”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**SPECIAL BUSINESS:-**

4. To Consider and if thought fit to pass the following resolution with or without modification as **Special Resolution: -**

**REAPPOINTMENT OF MR. JAYANTILAL PATEL AS EXECUTIVE CHAIRMAN OF THE COMPANY**

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 188 of the Companies Act, 2013 read with Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification amendments or re-enactment thereto for the time being in force) and subject to approval of the shareholders **Mr. Jayantilal Patel (DIN : 00027224)** be and is hereby re-appointed as **Executive Chairman** of the Company, for a period of Five years from **01 April, 2019 to 31 March, 2024** on the terms and conditions as to remuneration as set out herein below:-

### NOTICE OF ANNUAL GENERAL MEETING

<b>Basic Salary</b>	<b>Rs. 7,50,000 /- per month</b> (with increments as the Board may decide from time to time)
<b>Performance Bonus</b>	Up to 10% of the Net Profits of the Company (as per the Act) or such other quantum of the Net Profits of the Company as may be approved by the Board of Directors at its discretion for each financial year.
<b>Perquisites</b>	In addition to the salary and performance bonus, the following perquisites mentioned in Category A, Category B and Category C shall be allowed to <b>Mr. Jayantilal Patel - the Executive Chairman</b> and the total value of perquisites shall be restricted to an amount equal to the annual salary.

#### Category A

<b>Leave Travel Assistance</b>	For Self and Family in accordance with the Policy of the Company. Family means the spouse, the dependent children and dependent parents.
<b>Club Fee</b>	The Company shall pay and/or Reimburse Fees and expenses (excluding Admission and Life Membership Fees) of maximum two clubs.
<b>Mediclaime and Personal Accident Insurance Premium</b>	The Company shall pay Mediclaime and Personal Accident Insurance Premium as per the rules of the Company.

#### Category B

<b>Provident Fund</b>	The Company shall make contribution to Provident Fund, Superannuation Fund or Annuity fund (as per the rules of the Company) to the extent these either singly or put together are not taxable under the Income Tax Act.
<b>Gratuity</b>	The Company shall pay gratuity at the rate not exceeding half a month's salary for each completed year of service subject to maximum amount permissible under the Payment of Gratuity Act, 1972 from time to time.

#### Category C

<b>Car</b>	The Company shall provide a car with driver at the entire cost of the Company for personal use and office work. The Company shall bill use of car for private purposes.
<b>Communication Facility</b>	The Company shall provide communication devices such as telephones, audio and video conference facilities etc., at the residence telephone at the entire cost of the Company. Personal long distance calls be billed by the Company.
<b>Entertainment and all Other Expenses</b>	Reimbursement of entertainment and all other expenses actually incurred in the course of business of the Company
<b>No Sitting Fees</b>	No sitting fee will be paid for attending meetings of the Board or Committee thereof

In case of inadequacy of Profit / Loss during the period of appointment, the remuneration payable to **Mr. Jayantilal Patel – Executive Chairman**, shall be as per limit prescribed in Schedule V of the Companies Act, 2013 or any modification(s) or re-enactment(s) thereto.”

The remuneration referred to above is subject to provisions as prescribed under the Act, Rules and in Schedule V of the Companies Act, 2013, as amended from time to time. This includes amendment to maximum remuneration issued by Ministry of Corporate Affairs vide notification dated 12th September, 2018.

In the event of cessation of office during any financial year, a rateable proportion of the aforesaid remuneration shall be payable by the Company.

**Mr. Jayantilal Patel** shall, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company relating to International Marketing and Policy matter of the Company. He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof.

**NOTICE OF ANNUAL GENERAL MEETING**

“**RESOLVED FURTHER THAT** the Board of Directors in their discretion be and is hereby authorized to increase, alter, and vary the Salary, Perquisites and Performance Bonus in such manner as the Board in absolute discretion deem fit and acceptable to **Mr. Jayantilal Patel - Executive Chairman** subject to the provisions of Section 197 and 198 read with Schedule-V of the Companies Act, 2013 and any amendments /modifications, enactment from time to time.”

“**RESOLVED FURTHER THAT** pursuant to Section 197 (9) of the Companies Act, 2013 in case of receipt of remuneration, in excess of the specified threshold, **Mr. Jayantilal Patel - Executive Chairman**, shall refund the amount 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. The approval of Banks, Financial Institutions, Non-Convertible Debenture holders or Secured Creditors will be required, in case the Company has defaulted in payment of their dues, the Company is allowed to waive such refundable amount by passing a Special Resolution within TWO YEARS from the date the sum becomes refundable.”

“**RESOLVED FURTHER THAT** in the event of any re-enactment or modification or re-codification of the Companies Act, 2013 this Special Resolution shall remain in force and the reference to various provisions of the Companies Act shall be deemed to be substituted by the corresponding provisions of the new act or amendments thereto or the Rules and Notifications issued thereunder.”

“**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary of the Company be and are hereby individually authorized to do all such acts, deeds, matters and things as in its absolute discretion, as may be considered necessary, desirable or expedient and to settle any question, or doubt that may arise in relation thereto and the Board of Directors shall have absolute powers to decide breakup of the remuneration, restructure remuneration within the maximum permissible limit and in order to give effect to this resolution or as may be considered by it to be expedient in the best interest of the Company.”

5. To Consider and if thought fit to pass the following resolution with or without modification as **Special Resolution** :-

**REAPPOINTMENT OF MR. ASHISH SOPARKAR AS MANAGING DIRECTOR OF THE COMPANY**

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 188 of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification amendments or re-enactment thereto for the time being in force) and subject to approval of the members **Mr. Ashish Soparkar (DIN : 00027480)** be and is hereby re-appointed as **Managing Director** of the Company, for a period of Five years from **01 April, 2019 to 31 March, 2024** on the terms and conditions as to remuneration as set out herein below:-

<b>Basic Salary</b>	<b>Rs. 7,50,000 /- per month</b> (with increments as the Board may decide from time to time)
<b>Performance Bonus</b>	Up to 10% of the Net Profits of the Company (as per the Act) or such other quantum of the Net Profits of the Company as may be approved by the Board of Directors at its discretion for each financial year
<b>Perquisites</b>	In addition to the salary and performance bonus, the following perquisites mentioned in Category A, Category B and Category C shall be allowed to <b>Mr. Ashish Soparkar – Managing Director</b> and the total value of perquisites shall be restricted to an amount equal to the annual

salary.  
**Category A**

<b>Leave Travel Assistance</b>	For Self and Family in accordance with the Policy of the Company. Family means the spouse, the dependent children and dependent parents.
<b>Club Fee</b>	The Company shall pay and/or Reimburse Fees and expenses (excluding Admission and Life Membership Fees) of maximum two clubs.
<b>Mediclaim and Personal Accident Insurance Premium</b>	The Company shall pay Mediclaim and Personal Accident Insurance Premium as per the rules of the Company.

## NOTICE OF ANNUAL GENERAL MEETING

### Category B

<b>Provident Fund</b>	The Company shall make contribution to Provident Fund, Superannuation Fund or Annuity fund (as per the rules of the Company) to the extent these either singly or put together are not taxable under the Income Tax Act.
<b>Gratuity</b>	The Company shall pay gratuity at the rate not exceeding half a month's salary for each completed year of service subject to maximum amount permissible under the Payment of Gratuity Act, 1972 from time to time.

### Category C

<b>Car</b>	The Company shall provide a car with driver at the entire cost of the Company for personal use and office work. The Company shall bill use of car for private purposes.
<b>Communication Facility</b>	The Company shall provide communication devices such as telephones, audio and video conference facilities etc., at the residence telephone at the entire cost of the Company. Personal long distance calls be billed by the Company.
<b>Entertainment and all Other Expenses</b>	Reimbursement of entertainment and all other expenses actually incurred in the course of business of the Company
<b>No Sitting Fees</b>	No sitting fee will be paid for attending meetings of the Board or Committee thereof

In case of inadequacy of Profit /Loss during the period of appointment, the remuneration payable to **Mr. Ashish Soparkar – Managing Director** shall be as per limit prescribed in Schedule V of the Companies Act, 2013 or any modification(s) or re-enactment(s) thereto.”

The remuneration referred to above is subject to provisions as prescribed under the Act, Rules and in Schedule V of the Companies Act, 2013, as amended from time to time. This includes amendment to maximum remuneration issued by Ministry of Corporate Affairs vide notification dated 12th September, 2018.

In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.

**Mr. Ashish Soparkar – Managing Director** shall, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company relating to Finance and Corporate Affairs. He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof.

“**RESOLVED FURTHER THAT** the Board of Directors in their discretion be and is hereby authorized to increase, alter, and vary the Salary, Perquisites and Performance Bonus in such manner as the Board in absolute discretion deem fit and acceptable to **Mr. Ashish Soparkar – Managing Director** subject to the provisions of Section 197 and 198 read with Schedule V of the Companies Act, 2013 and any amendments /modifications, enactment from time to time.”

“**RESOLVED FURTHER THAT** pursuant to Section 197 (9) of the Companies Act, 2013 in case of receipt of remuneration, in excess of the specified threshold, **Mr. Ashish Soparkar – Managing Director**, shall refund the amount 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. The approval of Banks, Financial Institutions, Non-Convertible Debenture holders or Secured Creditors will be required, in case the Company has defaulted in payment of their dues, the Company is allowed to waive such refundable amount by passing a Special Resolution within TWO YEARS from the date the sum becomes refundable.”

“**RESOLVED FURTHER THAT** in the event of any re-enactment or modification or re-codification of the Companies Act, 2013 this Special Resolution shall remain in force and the reference to various provisions of the Companies Act shall be deemed to be substituted by the corresponding provisions of the new act or amendments thereto or the Rules and Notifications issued thereunder.”

**NOTICE OF ANNUAL GENERAL MEETING**

"RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby individually authorized to do all such acts, deeds, matters and things as in its absolute discretion, as may be considered necessary, desirable or expedient and to settle any question, or doubt that may arise in relation thereto and the Board of Directors shall have absolute powers to decide breakup of the remuneration, restructure remuneration within the maximum permissible limit and in order to give effect to this resolution or as may be considered by it to be expedient in the best interest of the Company.

6. To Consider and if thought fit to pass the following resolution with or without modification as **Special Resolution** -

**REAPPOINTMENT OF MR. NATWARLAL PATEL AS MANAGING DIRECTOR OF THE COMPANY**

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 188 of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification amendments or re-enactment thereto for the time being in force) and subject to approval of the members **Mr. Natwarlal Patel (DIN: 00027540)** be and is hereby re-appointed as **Managing Director** of the Company, for a period of Five years from **01 April, 2019 to 31 March, 2024** on the terms and conditions as to remuneration as set out herein below:-

<b>Basic Salary</b>	<b>Rs. 7,50,000/- per month</b> (with increments as the Board may decide from time to time)
<b>Performance Bonus</b>	Up to 10% of the Net Profits of the Company (as per the Act) or such other quantum of the Net Profits of the Company as may be approved by the Board of Directors at its discretion for each financial year
<b>Perquisites</b>	In addition to the salary and performance bonus, the following perquisites mentioned in Category A, Category B and Category C shall be allowed to <b>Mr. Natwarlal Patel – Managing Director</b> and the total value of perquisites shall be restricted to an amount equal to the annual

**Category A**

<b>Leave Travel Assistance</b>	For Self and Family in accordance with the Policy of the Company. Family means the spouse, the dependent children and dependent parents.
<b>Club Fee</b>	The Company shall pay and/or Reimburse Fees and expenses (excluding Admission and Life Membership Fees) of maximum two clubs.
<b>Mediclaime and Personal Accident Insurance Premium</b>	The Company shall pay Mediclaime and Personal Accident Insurance Premium as per the rules of the Company.

**Category B**

<b>Provident Fund</b>	The Company shall make contribution to Provident Fund, Superannuation Fund or Annuity fund (as per the rules of the Company) to the extent these either singly or put together are not taxable under the Income Tax Act.
<b>Gratuity</b>	The Company shall pay gratuity at the rate not exceeding half a month's salary for each completed year of service subject to maximum amount permissible under the Payment of Gratuity Act, 1972 from time to time.

**Category C**

<b>Car</b>	The Company shall provide a car with driver at the entire cost of the Company for personal use and office work. The Company shall bill use of car for private purposes.
<b>Communication Facility</b>	The Company shall provide communication devices such as telephones, audio and video conference facilities etc., at the residence telephone at the entire cost of the Company. Personal long distance calls be billed by the Company.
<b>Entertainment and all Other Expenses</b>	Reimbursement of entertainment and all other expenses actually incurred in the course of business of the Company
<b>No Sitting Fees</b>	No sitting fee will be paid for attending meetings of the Board or Committee thereof

## NOTICE OF ANNUAL GENERAL MEETING

In case of inadequacy of Profit /Loss during the period of appointment, the remuneration payable to **Mr. Natwarlal Patel – Managing Director** shall be as per limit prescribed in Schedule V of the Companies Act, 2013 or any modification(s) or re-enactment(s) thereto.”

The remuneration referred to above is subject to provisions as prescribed under the Act, Rules and in Schedule V of the Companies Act, 2013, as amended from time to time. This includes amendment to maximum remuneration issued by Ministry of Corporate Affairs vide notification dated 12th September, 2018.

In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.

**Mr. Natwarlal Patel – Managing Director** shall, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company relating to technical matters of Agrochemical Divisions as well as the International and Domestic Marketing of Agrochemical Products. He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof.

“**RESOLVED FURTHER THAT** the Board of Directors in their discretion be and is hereby authorized to increase, alter, and vary the salary, perquisites and Performance Bonus in such manner as the Board in absolute discretion deem fit and acceptable to **Mr. Natwarlal Patel – Managing Director** subject to the provisions of Section 197 and 198 read with Schedule V of the Companies Act, 2013 and any amendments /modifications, enactment from time to time.”

“**RESOLVED FURTHER THAT** pursuant to Section 197 (9) of the Companies Act, 2013 in case of receipt of remuneration, in excess of the specified threshold, **Mr. Natwarlal Patel – Managing Director**, shall refund the amount 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. The approval of Banks, Financial Institutions, Non-Convertible Debenture holders or Secured Creditors will be required, in case the Company has defaulted in payment of their dues, the Company is allowed to waive such refundable amount by passing a Special Resolution within TWO YEARS from the date the sum becomes refundable.”

“**RESOLVED FURTHER THAT** in the event of any re-enactment or modification or re-codification of the Companies Act, 2013 this Special Resolution shall remain in force and the reference to various provisions of the Companies Act shall be deemed to be substituted by the corresponding provisions of the new act or amendments thereto or the Rules and Notifications issued thereunder.”

“**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary of the Company be and are hereby individually authorized to do all such acts, deeds, matters and things as in its absolute discretion, as may be considered necessary, desirable or expedient and to settle any question, or doubt that may arise in relation thereto and the Board of Directors shall have absolute powers to decide breakup of the remuneration, restructure remuneration within the maximum permissible limit and in order to give effect to this resolution or as may be considered by it to be expedient in the best interest of the Company.”

7. To Consider and if thought fit to pass the following resolution with or without modification as **Special Resolution** -

### REAPPOINTMENT OF MR. RAMESH PATEL AS EXECUTIVE DIRECTOR OF THE COMPANY

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 188 of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification amendments or re-enactment thereto for the time being in force) and subject to approval of the members **Mr. Ramesh Patel (DIN : 00027637)** be and is hereby re-appointed as **Executive Director** of the Company, for a period of Five years from **01 April, 2019 to 31 March, 2024** on the terms and conditions as to remuneration as set out herein below:-

<b>Basic Salary</b>	<b>Rs. 7,50,000 /- per month</b> (with increments as the Board may decide from time to time)
<b>Performance Bonus</b>	Up to 10% of the Net Profits of the Company (as per the Act) or such other quantum of the Net Profits of the Company as may be approved by the Board of Directors at its discretion for each financial year.
<b>Perquisites</b>	In addition to the salary and performance bonus, the following perquisites mentioned in Category A, Category B and Category C shall be allowed to <b>Mr. Ramesh Patel – Executive Director</b> and the total value of perquisites shall be restricted to an amount equal to the annual salary.

**NOTICE OF ANNUAL GENERAL MEETING**

**Category A**

<b>Leave Travel Assistance</b>	For Self and Family in accordance with the Policy of the Company. Family means the spouse, the dependent children and dependent parents.
<b>Club Fee</b>	The Company shall pay and/or Reimburse Fees and expenses (excluding Admission and Life Membership Fees) of maximum two clubs.
<b>Medicclaim and Personal Accident Insurance Premium</b>	The Company shall pay Medicclaim and Personal Accident Insurance Premium as per the rules of the Company.

**Category B**

<b>Provident Fund</b>	The Company shall make contribution to Provident Fund, Superannuation Fund or Annuity fund (as per the rules of the Company) to the extent these either singly or put together are not taxable under the Income Tax Act.
<b>Gratuity</b>	The Company shall pay gratuity at the rate not exceeding half a month's salary for each completed year of service subject to maximum amount permissible under the Payment of Gratuity Act, 1972 from time to time.

**Category C**

<b>Car</b>	The Company shall provide a car with driver at the entire cost of the Company for personal use and office work. The Company shall bill use of car for private purposes.
<b>Communication Facility</b>	The Company shall provide communication devices such as telephones, audio and video conference facilities etc., at the residence telephone at the entire cost of the Company. Personal long distance calls be billed by the Company.
<b>Entertainment and all Other Expenses</b>	Reimbursement of entertainment and all other expenses actually incurred in the course of business of the Company
<b>No Sitting Fees</b>	No sitting fee will be paid for attending meetings of the Board or Committee thereof

In case of inadequacy of Profit /Loss during the period of appointment, the remuneration payable to **Mr. Ramesh Patel – Executive Director** shall be as per limit prescribed in Schedule V of the Companies Act, 2013 or any modification(s) or re-enactment(s) thereto.”

The remuneration referred to above is subject to provisions as prescribed under the Act, Rules and in Schedule V of the Companies Act, 2013, as amended from time to time. This includes amendment to maximum remuneration issued by Ministry of Corporate Affairs vide notification dated 12th September, 2018.

In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.

**Mr. Ramesh Patel – Executive Director** shall, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company relating to overseeing purchases made by the Company, liaisoning between the Company and Government authorities. He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof.

“**RESOLVED FURTHER THAT** the Board of Directors in their discretion be and is hereby authorized to increase, alter, and vary the salary, perquisites and Performance Bonus in such manner as the Board in absolute discretion deem fit and acceptable to **Mr. Ramesh Patel – Executive Director** subject to the provisions of Section 197 and 198 read with Schedule V of the Companies Act, 2013 and any amendments /modifications, enactment from time to time.”

“**RESOLVED FURTHER THAT** pursuant to Section 197 (9) of the Companies Act, 2013 in case of receipt of remuneration, in excess of the specified threshold, **Mr. Ramesh Patel – Executive Director**, shall refund the amount 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. The approval of Banks, Financial Institutions, Non-Convertible Debenture holders or Secured Creditors will be required, in case the Company has defaulted in payment of their dues, the Company is allowed to waive such refundable amount by passing a Special Resolution within TWO YEARS from the date the sum becomes refundable.”

## NOTICE OF ANNUAL GENERAL MEETING

“**RESOLVED FURTHER THAT** in the event of any re-enactment or modification or re-codification of the Companies Act, 2013 this Special Resolution shall remain in force and the reference to various provisions of the Companies Act shall be deemed to be substituted by the corresponding provisions of the new act or amendments thereto or the Rules and Notifications issued thereunder.”

“**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary of the Company be and are hereby individually authorized to do all such acts, deeds, matters and things as in its absolute discretion, as may be considered necessary, desirable or expedient and to settle any question, or doubt that may arise in relation thereto and the Board of Directors shall have absolute powers to decide breakup of the remuneration, restructure remuneration within the maximum permissible limit and in order to give effect to this resolution or as may be considered by it to be expedient in the best interest of the Company.”

8. To Consider and if thought fit to pass the following resolution with or without modification as **Special Resolution**:-

### REAPPOINTMENT OF MR. ANAND PATEL AS EXECUTIVE DIRECTOR OF THE COMPANY

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 188 of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification amendments or re-enactment thereto for the time being in force) and subject to approval of the members **Mr. Anand Patel (DIN : 00027637)** be and is hereby re-appointed as **Executive Director** of the Company, for a period of Five years from **01 April, 2019 to 31 March, 2024** on the terms and conditions as to remuneration as set out herein below:-

<b>Basic Salary</b>	<b>Rs. 7,50,000 /- per month</b> (with increments as the Board may decide from time to time)
<b>Performance Bonus</b>	Up to 10% of the Net Profits of the Company (as per the Act) or such other quantum of the Net Profits of the Company as may be approved by the Board of Directors at its discretion for each financial year.
<b>Perquisites</b>	In addition to the salary and performance bonus, the following perquisites mentioned in Category A, Category B and Category C shall be allowed to <b>Mr. Anand Patel – Executive Director</b> and the total value of perquisites shall be restricted to an amount equal to the annual salary.

#### **Category A**

<b>Leave Travel Assistance</b>	For Self and Family in accordance with the Policy of the Company. Family means the spouse, the dependent children and dependent parents.
<b>Club Fee</b>	The Company shall pay and/or Reimburse Fees and expenses (excluding Admission and Life Membership Fees) of maximum two clubs.
<b>Mediclaime and Personal Accident Insurance Premium</b>	The Company shall pay Mediclaime and Personal Accident Insurance Premium as per the rules of the Company.

#### **Category B**

<b>Provident Fund</b>	The Company shall make contribution to Provident Fund, Superannuation Fund or Annuity fund (as per the rules of the Company) to the extent these either singly or put together are not taxable under the Income Tax Act.
<b>Gratuity</b>	The Company shall pay gratuity at the rate not exceeding half a month's salary for each completed year of service subject to maximum amount permissible under the Payment of Gratuity Act, 1972 from time to time.

#### **Category C**

<b>Car</b>	The Company shall provide a car with driver at the entire cost of the Company for personal use and office work. The Company shall bill use of car for private purposes.
<b>Communication Facility</b>	The Company shall provide communication devices such as telephones, audio and video conference facilities etc., at the residence telephone at the entire cost of the Company. Personal long distance calls be billed by the Company.



**NOTICE OF ANNUAL GENERAL MEETING**

<b>Entertainment and all Other Expenses</b>	Reimbursement of entertainment and all other expenses actually incurred in the course of business of the Company
<b>No Sitting Fees</b>	No sitting fee will be paid for attending meetings of the Board or Committee thereof

In case of inadequacy of Profit /Loss during the period of appointment, the remuneration payable to **Mr. Anand Patel – Executive Director** shall be as per limit prescribed in Schedule V of the Companies Act, 2013 or any modification(s) or re-enactment(s) thereto.”

The remuneration referred to above is subject to provisions as prescribed under the Act, Rules and in Schedule V of the Companies Act, 2013, as amended from time to time. This includes amendment to maximum remuneration issued by Ministry of Corporate Affairs vide notification dated 12th September, 2018.

In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.

**Mr. Anand Patel – Executive Director** shall, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of Pigment Division situated at Vatva, Panoli and Dahej and is also looking after the domestic and International Sales of Pigment division. He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof.

“**RESOLVED FURTHER THAT** the Board of Directors in their discretion be and is hereby authorized to increase, alter, and vary the salary, perquisites and Performance Bonus in such manner as the Board in absolute discretion deem fit and acceptable to **Mr. Anand Patel – Executive Director** subject to the provisions of Section 197 and 198 read with Schedule V of the Companies Act, 2013 and any amendments /modifications, enactment from time to time.”

“**RESOLVED FURTHER THAT** pursuant to Section 197 (9) of the Companies Act, 2013 in case of receipt of remuneration, in excess of the specified threshold, **Mr. Anand Patel – Executive Director**, shall refund the amount 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. The approval of Banks, Financial Institutions, Non-Convertible Debenture holders or Secured Creditors will be required, in case the Company has defaulted in payment of their dues, the Company is allowed to waive such refundable amount by passing a Special Resolution within TWO YEARS from the date the sum becomes refundable.”

“**RESOLVED FURTHER THAT** in the event of any re-enactment or modification or re-codification of the Companies Act, 2013 this Special Resolution shall remain in force and the reference to various provisions of the Companies Act shall be deemed to be substituted by the corresponding provisions of the new act or amendments thereto or the Rules and Notifications issued thereunder.”

“**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary of the Company be and are hereby individually authorized to do all such acts, deeds, matters and things as in its absolute discretion, as may be considered necessary, desirable or expedient and to settle any question, or doubt that may arise in relation thereto and the Board of Directors shall have absolute powers to decide breakup of the remuneration, restructure remuneration within the maximum permissible limit and in order to give effect to this resolution or as may be considered by it to be expedient in the best interest of the Company.”

**Registered Office:**  
184, PHASE II, GIDC INDUSTRIAL ESTATE,  
VATVA, AHMEDABAD 382 445  
Date: 24.05.2019

**By Order of the Board**  
**K D MEHTA**  
**COMPANY SECRETARY**  
**FCS - 2051**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.
3. As per Section 105 of the Companies Act, 2013 and Rules 7.17 thereof a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% percent of the total share capital of the Company.
4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday 19th July, 2019 to Thursday 25th July, 2019** (both days inclusive) for the purpose of Annual General Meeting.
6. If a dividend is declared at the Annual General Meeting, the payment of such dividend will be made to those Members of the Company whose names stand on the Register of Members of the Company on **July 18, 2019**. The dividend in respect of shares held in dematerialized form in the Depository System will be paid to the beneficial owners of shares as on **July 18, 2019**, as per the list provided by the Depositories for this purpose. The dividend will be payable on and from **August 05, 2019**.
7. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
8. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, if any. **The Company or its Registrars cannot act on any request received directly from Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.** Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios are requested to write to the Registrar and Share Transfer Agent.
9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
10. **The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent.**
11. Details in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
12. Electronic copy of the Annual Report for 2018 - 19 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 is being sent in the permitted mode.
13. Electronic copy of the Notice of the **25th Annual General Meeting** of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting

along with Attendance Slip and Proxy Form is being sent in the permitted mode.

14. Members may also note that the Notice of the **25th Annual General Meeting** and the Annual Report for 2018 - 19 will also be available on the Company's website **www.meghmani.com** for their download. The physical copies of the relevant documents mentioned in accompanying notice will be available at the Company's Registered Office in Ahmedabad for inspection during normal business hours on all working days except Saturdays till the date of Annual General Meeting.
15. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor **email ID: helpdesk@meghmani.com**
16. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
17. Members are requested to provide their client ID and DP ID numbers at the meeting for easy identification.
18. **Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 (Seven) days before the date of the Meeting so that the information required may be made available at the Meeting.**
19. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company.
20. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be, transferred to the Investor Education and Protection Fund as per Section 125 of the Companies Act, 2013.
21. **Voting through electronic means**  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### **ITEM NO. 3 - APPOINTMENT OF COST AUDITOR:**

In accordance with the provisions of Section 148(2) and 148(3) of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, the Company is required to appoint a Cost Auditor for audit of Cost Records of Certain Pigment and Agrochemicals Products manufactured by the Company.

Based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s Kiran J Mehta & Co., Cost Accountants (Firm's Registration No. 000025) as a Cost Auditor for Cost Audit of certain Pigment and Agrochemicals Products manufactured by the Company for the year 1st April, 2019 to 31st March, 2020 on a remuneration of Rs. 2,50,000/- (Rupees Two lakhs Fifty Thousand only) (apart from reimbursement of out-of pocket expenses incurred for the purpose of Audit) subject to approval of remuneration by the Members.

The Board of Directors recommend passing of the Ordinary Resolution at item Number 9 of the Notice. None of the Directors, Key Managerial Personnel and/or their relatives is concerned or interested in the Resolution.

### **ITEM NO. - 4 to 8 :**

The present term of appointment of the following directors has expired on 31 March, 2019. The Managerial remuneration Committee at its meeting held on 01st April, 2019 has resolved to re-appoint them from 01st April, 2019 for a period of five years as mentioned against their name in the table and approved terms of remuneration. The Board at its meeting held on 24 May, 2019 has confirmed their re-appointment and approved terms of remuneration payable to them.

#### **(1) Term of Re-appointment**

Name	Designation	Re-appointment Period	Director Identification No.
Mr. Jayantilal Patel	Executive Chairman	31.03.2024	00027224
Mr. Ashish Soparkar	Managing Director	31.03.2024	00027480
Mr. Natwarlal Patel	Managing Director	31.03.2024	00027540
Mr. Ramesh Patel	Executive Director	31.03.2024	00027637
Mr. Anand Patel	Executive Director	31.03.2024	00027836

#### **(2) Basic Salary :-**

Name	Basic Salary per month Rs.
Mr. Jayantilal Patel	750,000
Mr. Natwarlal Patel	750,000
Mr. Ashish Soparkar	750,000
Mr. Ramesh Patel	750,000
Mr. Anand Patel	750,000

#### **(3) PERQUISITES :**

In addition to Salary Mr. Jayantilal Patel, Mr. Ashish Soparkar, Mr. Natwarlal Patel, Mr. Ramesh patel and Mr. Anand Patel shall be eligible for the following perquisites which shall not be included in the computation of the Ceiling on remuneration specified in Section II and Section III of Schedule V of the Companies Act, 2013 :

- (a) The Company shall make contribution to Provident Fund, Superannuation Fund or Annuity fund (as per the rules of the Company) to the extent these either singly or put together are not taxable under the Income Tax Act.
- (b) The Company shall pay gratuity at the rate not exceeding half a month's salary for each completed year of service subject to maximum amount permissible under the Payment of Gratuity Act, 1972 from time to time.
- (c) Leave Travel Assistance: - For Self and his family once in a year as per the rules of the Company.  
Family means the spouse, the dependent children and dependent parents.

- (d) Medclaim and Personal Accident Insurance Policy as per the rules of the Company.
- (e) Club Fee: - Fees of Club subject to a maximum of two clubs. This will not include admission and Life Membership Fees.
- (f) The Company shall provide a car with driver at the entire cost of the Company for personal use and office work. The Company shall bill use of car for private purposes.
- (g) One month's privilege leaves fro every eleven-month's service.
- (h) The Company shall provide communication devices such as telephones, audio and video conference facilities etc., at the residence at the entire cost of the Company. Personal long distance calls be billed by the Company.
- (i) Such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Jayantilal Patel, Mr. Ashish Soparkar, Mr. Natwarlal Patel, Mr. Ramesh Patel and Mr. Anand Patel .

The value of the above perquisites shall be evaluated as per Income-tax Rules, 1962, wherever applicable, and at cost in the absence of any such Rule, and shall be subject to an overall annual ceiling of an amount equal to the Salary for the relevant period.

- (4) The Board of Directors or Committee thereof may, in their discretion, revise/modify any of the terms from time to time, within the limits stipulated.

(5) **Reimbursement:**

Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company.

(6) **Bonus:**

Performance based Bonus calculated on the basis of Net Profit under the act at the end of each financial year and approved by the Board.

(7) **Other Terms:**

- (a) Mr. Jayantilal Patel, Mr. Ashish Soparkar, Mr. Natwarlal Patel, Mr. Ramesh Patel and Mr. Anand Patel shall, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company.
- (b) They will not be paid any sitting fee for attending meetings of the Board or Committee thereof.
- (c) The Board of Directors shall increase, alter, and vary the salary, perquisites and Performance based Bonus in such manner as the Board in absolute discretion deem fit subject to the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
- (d) in case of inadequacy of Profit /Loss during the period of appointment, the remuneration payable to Mr. Jayantilal Patel, Mr. Ashish Soparkar, Mr. Natwarlal Patel, Mr. Ramesh Patel and Mr. Anand Patel shall be as per limit prescribed in Schedule V of the Companies Act 2013.

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**By Order of the Board**  
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