

# THE NAIHATI JUTE MILLS COMPANY LIMITED

CIN : U17119WB1905PLC001612

## NOTICE

### TO THE MEMBERS

NOTICE is hereby given that the 113<sup>th</sup> Annual General Meeting of The Naihati Jute Mills Company Limited will be held at Conference Room, 4<sup>th</sup> Floor, Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata-700017 on Saturday, the 8<sup>th</sup> day of September, 2018 at 11.30 A.M. to transact the following business:

1. To receive, consider and adopt the Financial Statements for the financial year ended 31<sup>st</sup> March, 2018 and the Reports of Board of Directors and Auditors thereon.
2. To declare dividend on Preference and Ordinary Shares.
3. To appoint a Director in place of Smt. Nisha Agrawal (DIN: 01007810), who retires by rotation and, being eligible, offers herself for re-appointment.
4. To ratify the appointment of Auditors and to authorise Board of Directors to fix their remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139 and all other applicable provisions of Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modification(s) or re-enactment(s) thereof, for the time being in force) the appointment of Messrs B. Chhawchharia & Co., Chartered Accountants (ICAI Registration No. 305123E) as Statutory Auditors of the Company to hold office from conclusion of Annual General Meeting (AGM) held in the year 2017 until the conclusion of sixth consecutive AGM at a remuneration to be mutually agreed upon with the Board of Directors, be and is hereby ratified."

### Special Business

5. To appoint Shri Subhakirti Majumdar (DIN: 00820573) as a Director liable to retire by rotation and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 149 and 152 and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Shri Subhakirti Majumdar (DIN: 00820573) who was appointed as a Director in casual vacancy caused by the death of Shri Vikram Prakash, pursuant to provisions of Section 161(4) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation."

6. To approve the revision in the salary payable to Shri Ravi Bhagat, relative of a Director, as Chief Executive Officer with effect from 1<sup>st</sup> April, 2019 and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 or any amendment or substitution thereof, approval of the Company be and is hereby given to holding of office or place of profit in the Company by Shri Ravi Bhagat, a relative of Shri Jugal

## THE NAIHATI JUTE MILLS COMPANY LIMITED

### NOTICE (contd.)

Kishore Bhagat, Chairman and Managing Director of the Company, as Chief Executive Officer with effect from 1st April, 2019 for a period of five years at a basic salary of ₹3,50,000 per month (in the scale of ₹ 3,50,000– ₹ 35,000 – ₹ 4,90,000) and other allowances, perquisites, benefits and amenities as applicable to other senior executives of the Company.”

7. To approve the revision in the salary payable to Shri Ashutosh Bhagat, relative of a Director, as Joint Chief Executive Officer with effect from 1<sup>st</sup> April, 2019 and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 or any amendment or substitution thereof, approval of the Company be and is hereby given to holding of office or place of profit in the Company by Shri Ashutosh Bhagat, a relative of Shri Jugal Kishore Bhagat, Chairman and Managing Director of the Company, as Joint Chief Executive Officer with effect from 1st April, 2019 for a period of five years at a basic salary of ₹ 3,45,000 per month (in the scale of ₹3,45,000– ₹35,000– ₹4,85,000) and other allowances, perquisites, benefits and amenities as applicable to other senior executives of the Company.”

8. To ratify the remuneration payable to Cost Auditors as approved by the Board of Directors and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration of ₹ 25,000 plus applicable taxes and re-imbursalment of out of pocket expenses as approved by the Board of Directors payable to Messrs D. Radhakrishnan & Co., Cost Accountants (Registration No. 000018), who have been appointed by the Board of Directors as Cost Auditors to conduct the audit of cost accounts of the Company for the financial year ended 31<sup>st</sup> March, 2019 be and is hereby ratified”.

Registered Office  
7, Hare Street,  
(4<sup>th</sup> Floor), Kolkata- 700001  
Dated 20<sup>th</sup> June, 2018

By Order of the Board

CS GOPAL PRASAD CHOUDHARY  
Company Secretary

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than fortyeight hours before the time of commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the meeting.

## THE NAIHATI JUTE MILLS COMPANY LIMITED

### NOTICE (contd.)

2. A Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. Dividend, if declared at the Annual General Meeting, will be paid to those members whose names appear on 7<sup>th</sup> September, 2018 as Members in the Register of Members of the Company or in the list of Beneficial Owners furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
4. The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Meeting.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Meeting.
6. Attendance slip, proxy form and the route map of the venue of the meeting are annexed hereto.
7. Members are requested to bring their copy of Annual Report at the Meeting.

### STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (THE ACT)

**Item 5:** The Board of Directors at its meeting held on 20<sup>th</sup> June, 2018 appointed, pursuant to the provisions of Section 161(4) of the Act and the Articles of Association of the Company, Shri Subhakirti Majumdar as a Director in casual vacancy caused by the death of Shri Vikram Prakash. His appointment as a Director is required to be approved by the Members in the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Subhakirti Majumdar for the office of Director of the Company.

Shri Subhakirti Majumdar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Keeping in view his vast administrative expertise and knowledge particularly in Jute Industry, it will be in the interest of the Company that Shri Subhakirti Majumdar is appointed as a Director liable to retire by rotation.

Save and except Shri Subhakirti Majumdar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item 5 of the notice.

**Item 6:** Shri Ravi Bhagat, Chief Executive Officer is at present drawing salary of ₹ 3,00,000 per month. On recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 11<sup>th</sup> February, 2016 and thereafter, the Shareholders had revised his remuneration for a period of three years with effect from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2019 at a monthly salary of ₹ 2,50,000 (in the scale of ₹ 2,50,000—₹25,000—₹ 3,00,000).

Shri Ravi Bhagat is a relative of Shri Jugal Kishore Bhagat, Chairman and Managing Director. Section 188 of the Act read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 provides that, for holding office or place of profit by a relative of a Director in the Company at a monthly remuneration exceeding ₹ 2,50,000, consent of Board of Directors and the prior approval of the Shareholders in the

## THE NAIHATI JUTE MILLS COMPANY LIMITED

### NOTICE (contd.)

General Meeting by a Resolution are required. Since the period of last approval of his salary expires on 31<sup>st</sup> March, 2019, the Board of Directors on the recommendation of Nomination and Remuneration Committee has approved the revision in his salary for a further period of five years from 1<sup>st</sup> April, 2019 at a salary of ₹ 3,50,000 per month (in the scale of ₹ 3,50,000 - ₹ 35,000 - ₹ 4,90,000) and sought the approval from Shareholders in the General Meeting by a resolution as set out in item 6 of the notice.

Except Shri Jugal Kishore Bhagat, none of the other Directors and their relatives are concerned or interested financially or otherwise in the resolution.

The Board of Directors recommend passing of the proposed resolution as set out at item 6 of the notice.

**Item 7:** Shri Ashutosh Bhagat, Joint Chief Executive Officer is at present drawing salary of ₹ 2,95,000 per month. On recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 11<sup>th</sup> February, 2016 and thereafter, the Shareholders had revised his remuneration for a period of three years with effect from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2019 at a monthly salary of ₹ 2,45,000 (in the scale of ₹ 2,45,000 - ₹ 25,000 - ₹ 2,95,000).

Shri Ashutosh Bhagat is a relative of Shri Jugal Kishore Bhagat, Chairman and Managing Director. Section 188 of the Act read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 provides that, for holding office or place of profit by a relative of a Director in the Company at a monthly remuneration exceeding ₹ 2,50,000, consent of Board of Directors and the prior approval of the Shareholders in the General Meeting by a Resolution are required. Since the period of last approval of his salary expires on 31<sup>st</sup> March, 2019, the Board of Directors on the recommendation of Nomination and Remuneration Committee has approved the revision in his salary for a further period of five years from 1<sup>st</sup> April, 2019 at a salary of ₹ 3,45,000 per month (in the scale of ₹ 3,45,000 - ₹ 35,000 - ₹ 4,85,000) and sought the approval from Shareholders in the General Meeting by a resolution as set out in item 7 of the notice.

Except Shri Jugal Kishore Bhagat, none of the other Directors and their relatives are concerned or interested financially or otherwise in the resolution.

The Board of Directors recommend passing of the proposed resolution as set out at item 7 of the notice.

**Item 8:** The Board of Directors had appointed Messrs D. Radhakrishnan & Co., Cost Accountants (Registration No.000018), as Cost Auditors to carry out the audit of the cost accounts in respect of jute goods for the financial year ended 31<sup>st</sup> March, 2019 at a remuneration of ₹ 25,000 plus applicable taxes and re-imbusement of out of pocket expenses incurred by them.

In terms of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members.

The Board recommends the passing of the proposed Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors.

Registered Office  
7, Hare Street,  
(4<sup>th</sup> Floor), Kolkata - 700001  
Dated 20<sup>th</sup> June, 2018

By Order of the Board  
CS GOPAL PRASAD CHOUDHARY  
Company Secretary