

**TAI INDUSTRIES LIMITED**

CIN: L01222WB1983PLC059695

53A, Mirza Ghalib Street, 3rd Floor, Kolkata - 700 016

Ph No.: (033) 4041 6666; Fax : (033) 22497319

Email: info@taiind.com; Website: www.taiind.com

**NOTICE**

(Note: The business of this Meeting may be transacted through electronic voting system)

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the Members of Tai Industries Limited will be held on Monday, 11th September, 2017 at 10.00 a.m., at Kalakunj, 48, Shakespeare Sarani, Kolkata - 700017, to transact the following business:

**Ordinary Business**

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2017, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Dasho Topgyal Dorji (DIN: 00296793), retiring by rotation and eligible for reappointment.
3. To ratify the appointment of Messers. KAMG and Associates (Reg. No. 311027E) as Statutory Auditors of the Company.

**Special Business**

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

"RESOLVED THAT, pursuant to 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 modification(s) or re-enactment thereof for the time being in force), the remuneration payable to Mr. Rohan Ghosh (DIN: 00032965) as Managing Director of the Company, in terms of the remuneration, including perquisites, as per the Service Contract dated 19th September, 2014, by and between the Company and Mr. Rohan Ghosh (DIN: 00032965), for the remaining period of two years of his appointment as Managing Director with effect from 20th May, 2017, with liberty to the Board of Directors and the Nomination and Remuneration Committee to alter and vary the said remuneration, as the Board or the Nomination and Remuneration Committee may deem fit and as may be acceptable to Mr. Rohan Ghosh (DIN: 00032965), subject to the same not exceeding the limits specified in Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof for the time being in force, be and is hereby approved."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the tenure of Mr. Rohan Ghosh (DIN: 00032965) as Managing Director, the said remuneration including perquisites shall be payable as minimum remuneration."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board  
Indira Biswas  
(ACS 9621)

*General Manager- Corporate  
& Company Secretary*

Place: Kolkata

Date: 25th May, 2017

**Notes:**

1. The relevant statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the item of Special Business is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE AT 53A, MIRZA GHALIB STREET, KOLKATA - 700016, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING.



A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE SHARES NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.

3. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Members/proxies/authorized representatives should:
  - i) bring their duly filled in Attendance Slips, as enclosed, for easy identification of attendance at the Annual General Meeting.
  - ii) bring their copies of the Annual Report to the Meeting.
5. The Register of Members of the Company will remain closed from 5th September, 2017 to 11th September, 2017 both days inclusive.
6. The Company is registered with National Securities Depository Limited ('NSDL'), and Central Depository Services (India) Limited ('CDSL'), for dematerialization of its Equity Shares which has been allotted the ISIN INE358D01018. Link Intime India Private Limited having their office at 59C, Chowringhee Road, Kolkata - 700 020 are the Registrar and Share Transfer Agents of the Company.
7. Members holding shares in electronic form are requested to intimate any change in their address to their Depository Participants with whom they are maintaining their demat accounts.

Members holding shares in physical form are requested to advise any change in their address to the Company/Company's Registrar and Transfer Agent, Link Intime India Private Limited. The notification of change of address should be accompanied by the address proof, i.e., voter's identity card, electric/telephone bill, driving licence or a copy of the passport or bank statement of the member.

8. Members are requested to:
  - a) update their e-mail addresses with their Depository Participants (in case of the electronic holdings) and the Company (in case of physical holdings) to enable the Company to send communications electronically.
  - b) communicate on all matters pertaining to their shareholdings with the Company's Registered Office/Company's Registrar, quoting their respective Ledger Folio Numbers/Client IDs and DP IDs;
  - c) note that as per provisions of the Companies Act, 2013, facility for making/ varying/cancelling nominations is available for shareholders in respect of Equity Shares held by them. The relevant Forms can be obtained from the Company's Registrars.
9. Pursuant to Section 205A of the Companies Act, 1956, all dividends declared and relative dividend warrants posted upto and including the Dividend for the year 1993-94 and remaining unclaimed by members have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants in respect of the said period are requested to prefer their claims to the Registrar of Companies, West Bengal. In case any assistance is required, shareholders are requested to write to the Company's Registered Office.

Pursuant to Section 205A of the Companies Act, 1956, dividends declared from the year 1994-95 upto 2001- 02 and remaining unclaimed by the members at the end of the statutory period of seven years have been transferred to the Investor Education & Protection Fund constituted by the Central Government under Section 205C of the Companies Act, 1956. No dividend was declared from the year 2002-03 to 2012-13.

10. Due dates of transfer of unpaid/unclaimed dividend to IEPF are as follows:

Dividend for the financial year ended	Date of declaration of dividend	Due date for transfer to IEPF
31st March, 2014	17th September, 2014	22nd October, 2021
31st March, 2015	28th September, 2015	3rd November, 2022
31st March, 2016	26th September, 2016	1st November, 2023

11. The Securities and Exchange Board of India (SEBI) vide circular No. MRD/DOP/Cir-05/2009, dated 20th May, 2009, has clarified that for securities market transactions and off market/private transactions involving transfer of shares in physical form of



- Listed Companies, it shall be mandatory for the transferee(s) to furnish a copy of the PAN Card to the Company/RTA for registration of such transfer of shares.
12. To support the Ministry of Corporate Affairs' "Green Initiative in Corporate Governance" for paperless compliances by companies, members are requested to register their e-mail addresses, in respect of their holdings in the securities of the Company, for service of notice/documents including Annual Reports by the Company by email. Members who hold securities in electronic form are requested to register their e-mail addresses with the Depositories through their Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses either by e-mail at [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in) or sending a duly signed letter by the sole/ first named shareholder, mentioning his name and Folio number, to the Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, 59C, Chowringhee Road, 3rd Floor, Kolkata - 700 020. Members are requested to keep the Company/ Depository Participants informed as and when there is any change in their e-mail addresses. Even after registering for e- communication, the Shareholders of the Company shall be entitled to receive such communication in physical form, upon request.
  13. (a) In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting votes through the electronic voting system ("remote e-Voting") under an arrangement with The National Securities Depository Limited ("NSDL") as specified more fully in the instructions, provided that once the vote on a Resolution is cast, a Member shall not be allowed to change it subsequently or cast the vote again.  
(b) The facility for voting through ballot paper shall also be made available at the Meeting and members attending the Meeting who have not already cast their vote by remote e-Voting shall be able to exercise their right at the Meeting.  
(c) The members who have cast their vote by remote e-Voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
  14. The Notice of the Thirty fourth Annual General Meeting and instructions for e-voting, along with the Attendance Slip and Proxy form is being sent as follows:
    - a. Electronically to those shareholders whose e-mail addresses are registered with the Company/available with the depositories; and
    - b. By courier to those shareholders whose e-mail addresses were not accessible and/or those who has expressly opted to receive a physical copy.
  15. The Notice for the Meeting and the Annual Report 2016-2017 will also be available on the Company's website at [www.taiind.com](http://www.taiind.com) and the website of The National Securities Depository Limited ("NSDL") at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  16. Voting shall be reckoned in relation to a shareholder's holding of the Paid-up Equity Share Capital of the Company at the close of business of 4th September, 2017 ("cut off date"). Any person who acquires shares of the Company and becomes a member of the Company after despatch of the Notice and holding shares as at the close of business hours of 4th September, 2017, may obtain the Attendance Slip and Proxy form from the Registered Office of the Company.
  17. The instructions for e-Voting are given in the reverse of the Attendance Slip.
  18. Any query relating to the Resolutions and e-Voting, proposed to be passed at the ensuing Annual General Meeting (AGM) may be addressed to the Company Secretary of the Company.
  19. Voting can be exercised only by the concerned Member or his/her duly constituted attorney or, in case of bodies corporate, its duly authorised person. A Member need not use all of his/her votes.
  20. Members who do not have access to the e-Voting facility will be entitled to vote at the AGM as per the extant law.
  21. The Company has appointed Mr. Tarun Chatterjee (ICSI CP Registration No. 17195), Practising Company Secretary, as a Scrutinizer for conducting the entire voting process (including remote e-Voting) in a fair and transparent manner.
  22. The Scrutinizer shall, immediately after the conclusion of the Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and, not later than 48 hours from the conclusion of the Meeting, submit a Consolidated Report on the voting pattern, in accordance with the procedure set out in Companies (Management & Administration) Rules, 2014 and any amendments thereto.
  23. The Results declared together with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL within forty eight hours of conclusion of the Meeting and communicated to the Stock Exchanges.



24. Members are requested to note that in accordance with Clause 14 of the new Secretarial Standards on General Meeting, no gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with this Meeting.

25. The Route Map of the AGM Venue, is provided herein.

**BRIEF PARTICULARS OF DASHO TOPGYAL DORJI IN TERMS OF REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ARE GIVEN BELOW:**

1. **Name of Director:** Dasho Topgyal Dorji (DIN: 00296793)

**Brief resume and nature of his expertise**

Dasho Topgyal Dorji, aged about 55 years, graduated from New Hampshire College, USA with specialization in marketing. He had undergone extensive training in Norway on Ferro Alloys. He is on the Board of several companies in Bhutan and is the Vice Chairman of the Tashi Group of Companies, the largest business conglomerate in Bhutan.

**Directorships / Committee Memberships in listed entities**

Dasho Topgyal Dorji does not hold any Directorship or Committee Membership in any listed entity other than Tai Industries Limited.

**Shareholding**

Dasho Topgyal Dorji does not hold any share in the Company.

**Relationships between Directors inter-se**

Dasho Topgyal Dorji is related to Dasho Wangchuk Dorji, who is a Whole-time Director and Chairman of the Company. Other than Dasho Wangchuk Dorji, he is not related to any other Director or Key Managerial Personnel.

By Order of the Board  
Indira Biswas  
(ACS 9621)

*General Manager- Corporate  
& Company Secretary*

Place: Kolkata

Date: 25th May, 2017

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No. 4**

Based upon the recommendations of the Nomination and Remuneration Committee, Mr. Rohan Ghosh (DIN: 00032965) was appointed Managing Director of the Company by the Board for a period of 5 years effective 19th May, 2014, at a remuneration for a period of three years in accordance with the Company's Nomination and Remuneration Policy, which was approved by the shareholders at the Annual General Meeting held on 17th September, 2014 by way of a Special Resolution.

The Board recommends the passing of the Special Resolution referred to in Item No. 4 of the Notice for the purpose of payment of remuneration to Mr. Rohan Ghosh (DIN 00032965) Managing Director, for the remaining two years of his tenure from 20th May 2017 to 19th May 2019.

Mr. Rohan Ghosh in neither a shareholder nor related to any Director or any other Key Managerial Personnel or Promoter of the Company.

Mr. Rohan Ghosh should be deemed concerned or interested in this Resolution. No other Director or Key Managerial Personnel, Promoters or any of their relatives have any concern or interest, financial or otherwise in the Resolution.

As per the proviso to Section 102(2) of the Act, the proposed Resolution does not relate to or affect any other Company. Information required to be disclosed under the Second Proviso to Section II (B), Part-II of Schedule V of the Companies Act, is as follows:

- (i) The proposed remuneration has been approved by a Resolution of the Nomination and Remuneration Committee and the Board;
- (ii) The Company has not defaulted in repaying its debts(including public deposits) or debentures or interest payable for a continuous period of thirty days in the preceding Financial Year before the date of appointment of Mr. Rohan Ghosh;
- (iii) A Special Resolution is being passed at the forthcoming Annual General Meeting for the payment of remuneration to him for a period not exceeding three years;



(iv) A statement containing further information is set out hereunder:

## 1. GENERAL INFORMATION

### Nature of Industry

The Company is a trading organization carrying on the business of:

- marketing and distribution, in India, of “DRUK” brand of fruit products such as squashes, jams, fruit juices, pickles, sauces, etc., manufactured by Bhutan Fruit Products Private Limited, in Bhutan.
- trading and marketing of industrial and mineral products and raw materials such as calcium carbide, charcoal, manganese ore, etc.
- retailing operations.

### Date of commencement of commercial production

Tai Industries Limited was incorporated on 5th May 1983 as Tashi Agro Industries Private Limited with the objective of marketing agro based and mineral products.

The Company started its operations in 1986 and since then it has been engaged in the marketing of ‘DRUK’ brand of fruit products manufactured by its group company – Bhutan Fruit Products Private Limited.

Besides fruit products, the Company has also been marketing mineral products, particularly calcium carbide, manganese ore, charcoal, etc., since 1988.

The Company further diversified into the retail segment by commencing operations of a chain of supermarkets called “C3 The Marketplace” in Kolkata since 2004 and currently the Company is operating its store at City Centre, Salt Lake.

### Financial performance based on given indicators

The year under review registered a turnover of Rs. 68.30 Crores as against a turnover of Rs. 58.85 Crores during the previous financial year. The Company has posted a profit after tax of Rs. 54.03 lakhs, for the financial year ended 31st March, 2017, against a profit after tax of Rs. 93.26 lakhs in the previous financial year.

### Export performance and net foreign exchange collaborations

The Company is trading in Charcoal, Calcium Carbide, Ferro Silicon and Manganese Ore with Bhutan. However, trade between India and Bhutan are being transacted in Indian Rupees.

## 2. INFORMATION ABOUT THE APPOINTEE

### Background details

Mr. Rohan Ghosh, aged about 58 years, started his career as a trader in a Singaporean Company and as its Vice-President (Commodities), looked after the trade in the regions of Nepal, Bangladesh, Sri Lanka and the Middle East.

Mr. Ghosh joined the Company in 1994 and in recognition of his leadership abilities, Mr. Ghosh had been entrusted with the oversight of the entire operations of Tai Industries Limited. He has been instrumental in spearheading the Company’s diversification into the areas of sale of industrial

minerals and retail. In fact, ‘C3 The Marketplace’, the large format superstore is the brainchild of Mr. Rohan Ghosh.

Mr. Rohan Ghosh was educated at the prestigious St. Pauls’ School, Darjeeling and has graduated from Presidency College, Kolkata, Mr. Rohan Ghosh is an avid sports enthusiast.

### Past remuneration

His remuneration in the last five years has been as follows:

Particulars	2016 - 2017 (Rupees)	2015 - 2016 (Rupees)	2014 - 2015 (Rupees)	2013 - 2014 (Rupees)	2012-2013 (Rupees)
Salary	17,85,616	17,85,616	17,85,616	17,85,616	17,85,616
Commission	–	–	–	–	–
Other benefits	1,24,940	2,77,370	2,93,889	1,72,572	1,72,572
Retiral Benefits	1,72,572	1,72,572	1,72,572	1,72,572	1,72,572
Total	20,83,128	22,35,558	22,52,077	21,30,760	21,30,760

**Job profile and his suitability**

Mr. Rohan Ghosh (DIN: 00032965) has been serving the Company since 1994 and has been the President till 2014. In view of his experience, expertise and background, he was appointed Managing Director of the Company with effect from 19th May, 2014.

**Remuneration proposed**

Salary and allowances : Rs : 17,85,616/- per annum.

Perquisites, which shall include maintenance of residential accommodation and other benefits such as electricity and cooking gas, annual maintenance contract for all electrical and electronic equipments and gadgets, use of Company's car and chauffeur, reimbursement of actual cost of petrol, club fees and other benefits such as medical insurance for self and family, entertainment expenses, etc.

Provident Fund and Gratuity, as per the Rules of the Company :

The Company's contribution to provident fund, superannuation or annuity fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

Reimbursement of Expenses:

Expenses incurred for travelling, board and lodging including for respective spouse and attendant(s) during business trips, any medical assistance provided including for family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as remuneration.

**Comparative remuneration profile with respect to industry, etc.**

The remuneration to the Managing Director is based on both market practice as well as internal business considerations. From the market viewpoint, the Company has positioned his remuneration package keeping in mind the industry and size of the organization. Internally, responsibility, competency and profile of the person forms the basis of remuneration. Additionally, the structure of the remuneration has been so framed as to reward performance.

**Pecuniary relationship**

Mr. Rohan Ghosh (DIN: 00032965) has no pecuniary relationship directly or indirectly with the Company apart from receiving remuneration as Managing Director.

**3. OTHER INFORMATION****Reasons for inadequate profits**

Despite a satisfactory performance in the retail division, the overall profitability of the Company was impacted by the decline in the performance of the Fruit Products division. Market competition and the business being seasonal in nature, amongst others, affected the performance of this division.

**Steps taken or proposed to be taken for improvement**

Your Company is focusing on building brand value, developing and expanding markets managing margins through judicious pricing and sustained efficiencies and applying aggressive marketing policies and schemes.

**Expected increase in productivity and profits in measurable terms**

Given the seasonal nature of the industry, the unpredictable economy and market, your Company expects to increase its performance and turnover by 5 percent. The margin of profit will depend, inter alia, on the cost of raw materials and cost of freight and procurement that are subject to the economic policies of the Government.

Place: Kolkata  
Date: 25th May, 2017

By Order of the Board  
Indira Biswas  
(ACS 9621)  
General Manager- Corporate  
& Company Secretary