



Regd. Office: P.O. Tilaknagar, Tal. Shirampur, Dist. Ahmednagar, Maharashtra-413 720

NOTICE

NOTICE is hereby given that the 78th Annual General Meeting (AGM) of the Members of Tilaknagar Industries Ltd. will be held on Wednesday, September 11, 2013 at 10.30 a.m. at the Registered Office of the Company i.e. P.O. Tilaknagar, Tal. Shirampur, Dist. Ahmednagar, Maharashtra-413 720 to transact the following business:

ORDINARY BUSINESS

Item No. 1 – Adoption of Accounts

To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and the statement of Profit & Loss for the year ended on that date together with the Directors' and Auditors' Report thereon.

Item No. 2 – Declaration of Dividend

To declare final dividend for the financial year ended March 31, 2013 on equity shares of the Company.

Item No. 3 – Re-appointment of Dr. Vishnu Kanhere

To appoint a Director in place of Dr. Vishnu Kanhere, who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 4 – Re-appointment of Dr. Ravindra Bapat

To appoint a Director in place of Dr. Ravindra Bapat, who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 5 – Re-appointment of Statutory Auditors

To re-appoint Statutory Auditors, M/s. Batliboi & Purohit, Chartered Accountants (FRN101048W), to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Members of the Company and to fix their remuneration.

SPECIAL BUSINESS

Item No. 6 – Revision in remuneration payable to Mr. Amit Dahanukar, Chairman & Managing Director

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 Sections 198, 309 and 310 read with Schedule XIII to the Companies Act, 1956 and all other applicable provisions, if any, of the said Act, including any statutory modification(s) or re-enactment thereof for the time being in force, approval be and is hereby accorded for the enhancement in the salary, perquisites, allowances and commission payable to Mr. Amit Dahanukar, Chairman & Managing Director of the Company, with effect from April 01, 2013, for the remainder of the tenure on the terms as set out

in the draft Agreement submitted to this Meeting and initialed for the purpose of identification, which Agreement is hereby specifically approved, with absolute discretion to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute to exercise its powers conferred by this resolution) to alter and vary the terms and conditions of the said Agreement as the Board may in its absolute discretion consider necessary and as may be agreed to by Mr. Amit Dahanukar;

RESOLVED FURTHER THAT where in any financial year the Company has no profits or its profits are inadequate, the Company do pay to Mr. Amit Dahanukar, Chairman & Managing Director, remuneration by way of salary, perquisites and allowances not exceeding the ceiling limit specified in Schedule XIII to the Companies Act, 1956;

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

Item No. 7 – Revision in remuneration payable to Mrs. Shivani Amit Dahanukar, Executive Director

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 Sections 198, 309 and 310 read with Schedule XIII to the Companies Act, 1956 and all other applicable provisions, if any, of the said Act, including any statutory modification(s) or re-enactment thereof for the time being in force, approval be and is hereby accorded for the enhancement in the salary, perquisites, allowances and commission payable to Mrs. Shivani Amit Dahanukar, Executive Director of the Company, with effect from April 01, 2013, for the remainder of the tenure on the terms as set out in the draft Agreement submitted to this Meeting and initialed for the purpose of identification, which Agreement is hereby specifically approved, with absolute discretion to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute to exercise its powers conferred by this resolution) to alter and vary the terms and conditions of the said Agreement as the Board may in its absolute discretion consider necessary and as may be agreed to by Mrs. Shivani Amit Dahanukar;

RESOLVED FURTHER THAT where in any financial year the Company has no profits or its profits are inadequate, the Company do pay to Mrs. Shivani Amit Dahanukar, Executive

Director, remuneration by way of salary, perquisites and allowances not exceeding the ceiling limit specified in Schedule XIII to the Companies Act, 1956;

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

By Order of the Board

Place: Mumbai

Date: May 30, 2013

Gaurav Thakur
Company Secretary

Registered Office:

P.O. Tilaknagar, Tal. Shirampur,

Dist. Ahmednagar, Maharashtra-413 720

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxy must be received by the Company at its Registered Office not less than 48 hours before the commencement of the Meeting.
3. In terms of the Articles of Association of the Company read with Section 256 of the Companies Act, 1956, Dr. Vishnu Kanhere and Dr. Ravindra Bapat, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Their brief resumes as per the requirements of Clause 49 of the Listing Agreement are provided in the Corporate Governance Report forming part of the Annual Report. The Board of Directors of the Company recommends their re-appointment.
4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed here to.
5. Members are requested to note that the Company's equity shares are under compulsory demat trading for all investors, pursuant to the provisions of SEBI Circular No. 21/99 dated July 8, 1999. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, September 05, 2013, to Wednesday, September 11, 2013 (both days inclusive).
7. If the final dividend as recommended by the Board of Directors

is approved at the Annual General Meeting, payment of such dividend will be made on or before September 18, 2013:

- i) to all Members in respect of shares held in physical form whose names appear on the Company's Register of Members as on September 05, 2013 after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on September 04, 2013; and
 - ii) to all Beneficial Owners in respect of shares held in dematerialised form whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on September 04, 2013.
8. The facility of electronic credit of dividend directly to the respective bank accounts of the Members through National Electronic Clearing Service (NECS) is arranged by the Company. This facility is currently available at the locations specified by RBI. This facility is in addition to the Bank Mandate Facility that already exists whereby bank account details are printed on the dividend warrants. Members who would like to avail of the NECS Mandate Facility or the Bank Mandate Facility (if not done earlier) are requested to complete and submit the NECS Mandate Form available at the Company's website i.e. www.tilind.com to Company's Registrar and Share Transfer Agents (for shares held in physical form) or their Depository Participants (for shares held in electronic form) latest by September 04, 2013.
 9. Members are requested to:
 - a) intimate any change in their addresses/mandate/bank details and all their queries related to shares to the Company's Registrar and Share Transfer Agents i.e. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.
 - b) quote Client ID and DP ID numbers in respect of shares held in dematerialised form and ledger folio number in respect of shares held in physical form in all the correspondence.
 - c) bring the attendance slip duly filled in for attending the Meeting.
 10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 11. Corporate Members are requested to send a duly certified copy of the board resolution authorising their representatives to attend and vote at the Annual General Meeting.

12. Members who have multiple folios in identical names or joint names in the same order are requested to send all the Share Certificates to the Company's Registrar and Share Transfer Agents i.e. Bigshare Services Pvt. Ltd. for consolidation of all such folios into one to facilitate better service. Members may also avail of the nomination facility as provided under Section 109A of the Companies Act, 1956.
13. All documents referred in the accompanying notice are open for inspection at the Registered Office of the Company on all the working days, except Saturdays and holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting including Certificate of Auditors with respect to implementation of ESOP Schemes of the Company, which shall also be placed in the Meeting.
14. Members may refer Report on Corporate Governance for particulars of Directors' appointment/re-appointment at the Annual General Meeting.
15. The Annual Report of the Company, circulated to the Members of the Company, is also available on the Company's website i.e. www.tilind.com.
16. Members desiring any relevant information about the accounts at the Annual General Meeting are requested to write to Mr. Gaurav Thakur, Company Secretary and Compliance Officer of the Company at least ten days in advance of the Meeting so that the information required can be made readily available.
17. The details of bonus shares lying unclaimed in the TI-Unclaimed Suspense Account are available on the Company's website i.e. www.tilind.com. Members may claim the same by sending request letter in this regard alongwith self attested address proof, PAN Card copy and demat account details to the Company's Registrar and Share Transfer Agents.
18. Unclaimed Dividend:
Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unclaimed dividend amounts lying with it as on September 21, 2012 (date of last Annual General Meeting) on its website i.e. www.tilind.com and also on the Ministry of Corporate Affairs' website.
The Members are advised to claim the same by sending request letter alongwith letter of undertaking available on the website of the Company and self-attested PAN Card copy to the Company's Registrar and Share Transfer Agents before the due date for transfer to the aforesaid fund i.e. seven years from the date of declaration of the dividend.

19. As per SEBI directive, it is mandatory for the transferees to furnish self-attested copy of the PAN (Permanent Account Number) card to the Company's Registrar and Share Transfer Agents for registration of transfer/ transmission/transposition of shares in the physical form.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 SETTING OUT ALL THE MATERIAL FACTS RELATING TO SPECIAL BUSINESS:

Item No. 6

Mr. Amit Dahanukar was re-appointed as Chairman & Managing Director of the Company at the 77th Annual General Meeting of the Company for a period of 5 years with effect from November 07, 2012. In view of his valuable contribution for the past several years towards the growth of the organization, the Board of Directors, upon recommendation of the Remuneration Committee, has proposed revision in the remuneration payable to him with effect from April 01, 2013 for his balance tenure as Chairman & Managing Director of the Company. The revised remuneration structure is detailed as under:

Salary: ₹15,78,000/- (Rupees Fifteen Lacs Seventy Eight Thousand only) per month.

Commission: Payment of commission calculated with reference to the net profit of the Company for each financial year as may be fixed by the Board of Directors, subject to ceiling laid down in Section 309 of the Companies Act, 1956.

Performance Incentive: As per the rules of the Company.

Perquisites and Allowances: In addition to salary, the Chairman & Managing Director shall be entitled to following perquisites and allowances:-

Accommodation: Furnished or otherwise, shall be provided by the Company or HRA in lieu thereof subject to a limit of sixty percent of the annual salary.

Medical Reimbursement: For self and family in accordance with the rules of the Company and Scheme as applicable to other Senior Executives.

Leave Travel Assistance: For self and family in accordance with the rules of the Company and Scheme as applicable to other Senior Executives.

Personal Accident Insurance: Premium not to exceed ₹ 4000/- per annum.

Leave: Leave on full pay as per the rules of the Company subject to maximum of one month's leave for every eleven months' service.

Encashment of Leave: Encashment of leave at the end of tenure will not be included in the computation of the ceiling on

perquisites.

Provident Fund: Benefits under the Provident Fund Scheme of the Company in accordance with the Company's rules and regulations in force from time to time.

Pension and Superannuation Fund: Benefits under the Company's Pension and Superannuation Fund Scheme in accordance with the Company's rules and regulations and Schemes in force from time to time, to the extent these two are not taxable under the Income-Tax Act, 1961.

Gratuity: Gratuity payable in accordance with the rules and approved scheme of the Company which does not exceed half month's salary (15 days) for each completed year of service, subject to a ceiling laid down thereunder from time to time.

Car: Free use of Company's Car including maintenance and operation together with driver, the monetary value of which may be evaluated as per Income-Tax Rules, 1962.

Telephone: Free telephone facility at residence.

Provision for use of car for official duties and telephone facility at residence shall not be included in computation of perquisites for the purpose of calculation of the said ceiling.

Club Fees: Fees for Clubs, subject to a maximum of two Clubs, excluding admission and life membership fees.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule XIII to the Companies Act, 1956, as may be amended from time to time.

The draft supplementary agreement to be entered into between the Company and Mr. Amit Dahanukar, Chairman & Managing Director of the Company is available for inspection at the Registered Office of the Company on all the working days, except Saturdays and holidays between 11.00 a.m. and 1.00 p.m. upto the date of the ensuing Annual General Meeting.

Approval of Members is sought pursuant to the provisions of Sections 198, 309 and 310 read with Schedule XIII to the Companies Act, 1956 for revision in the remuneration payable to Mr. Amit Dahanukar, Chairman & Managing Director of the Company with effect from April 01, 2013 to November 06, 2017.

The Board of Directors recommends the resolution for approval of the Members as an Ordinary Resolution.

None of the Directors except, Mr. Amit Dahanukar and Mrs. Shivani Amit Dahanukar who is a relative of Mr. Amit Dahanukar

is concerned or interested in the Resolution.

This may also be treated as an abstract pursuant to the provisions of Section 302 of the Companies Act, 1956.

Item No. 7

Mrs. Shivani Amit Dahanukar was re-appointed as Executive Director of the Company at the 77th Annual General Meeting of the Company for a period of 5 years with effect from October 01, 2012. In view of her valuable contribution for the past several years towards the growth of the organization, the Board of Directors, upon recommendation of the Remuneration Committee, has proposed revision in the remuneration payable to her with effect from April 01, 2013 for her balance tenure as Executive Director of the Company. The revised remuneration structure is detailed as under:

Salary: ₹ 14,94,000 (Rupees Fourteen Lacs Ninety Four Thousand only) per month.

Commission: Payment of commission calculated with reference to the net profit of the Company for each financial year as may be fixed by the Board of Directors, subject to ceiling laid down in Section 309 of the Companies Act, 1956.

Performance Incentive: As per the rules of the Company.

Perquisites and Allowances: In addition to salary, the Executive Director shall be entitled to following perquisites and allowances:

Medical Reimbursement: For self in accordance with the rules of the Company and Scheme as applicable to other Senior Executives.

Personal Accident Insurance: Premium not to exceed ₹ 4000/- per annum.

Leave: Leave on full pay as per the rules of the Company subject to maximum of one month's leave for every eleven months' service.

Encashment of Leave: Encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites.

Provident Fund: Benefits under the Provident Fund Scheme of the Company in accordance with the Company's rules and regulations in force from time to time.

Pension and Superannuation Fund: Benefits under the Company's Pension and Superannuation Fund Scheme in accordance with the Company's rules and regulations and Schemes in force from time to time, to the extent these two are not taxable under the Income-Tax Act, 1961.

Gratuity: Gratuity payable in accordance with the rules and

approved scheme of the Company which does not exceed half month's salary (15 days) for each completed year of service, subject to a ceiling laid down thereunder from time to time.

Car: Free use of Company's Car including maintenance and operation together with driver, the monetary value of which may be evaluated as per Income-Tax Rules, 1962.

Provision for use of car for official duties shall not be included in computation of perquisites for the purpose of calculation of the said ceiling.

Club fees: Fees for Clubs, subject to a maximum of two Clubs, excluding admission and life membership fees.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule XIII to the Companies Act, 1956, as may be amended from time to time.

The draft supplementary agreement to be entered into between the Company and Mrs. Shivani Amit Dahanukar, Executive Director of the Company is available for inspection at the Registered Office of the Company on all the working days, except

Saturdays and holidays between 11.00 a.m. and 1.00 p.m. upto the date of the ensuing Annual General Meeting.

Approval of Members is sought pursuant to the provisions of Sections 198, 309 and 310 read with Schedule XIII to the Companies Act, 1956 for revision in the remuneration payable to Mrs. Shivani Amit Dahanukar, Executive Director of the Company with effect from April 01, 2013 to September 30, 2017.

The Board of Directors recommends the resolution for approval of the Members as an Ordinary Resolution.

None of the Directors except, Mrs. Shivani Amit Dahanukar and Mr. Amit Dahanukar who is a relative of Mrs. Shivani Amit Dahanukar is concerned or interested in the Resolution.

This may also be treated as an abstract pursuant to the provisions of Section 302 of the Companies Act, 1956.

By Order of the Board

Place: Mumbai

Date: May 30, 2013

Gaurav Thakur
Company Secretary

Registered Office:

P.O. Tilaknagar, Tal. Shrirampur,
Dist. Ahmednagar, Maharashtra-413 720

FOR THE KIND ATTENTION OF MEMBERS

Green Initiative in Corporate Governance: Go Paperless

The Company has received tremendous response from the Members of the Company for adopting "Green Initiative in Corporate Governance" implemented by the Ministry of Corporate Affairs ('MCA') vide Circular nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 allowing paperless compliances by Companies through electronic mode. The Company in continuance with initiative of MCA welcomes the Members to achieve 100% paperless compliance, enabling the Company to contribute to the society by saving more trees/plants and also reduce cost of Company on printing annual reports, letters, documents among others used for communication with Members.

MCA initiative permits companies to send various communications/documents (including notice of general meetings, annual reports among others) to its Members through electronic mode, to the registered e-mail addresses of the Members. Besides being a faster and secure way of receiving information, it also acts as a repository of all such communications/documents. It is also a golden opportunity for the Members to contribute to the corporate social responsibility initiative of the Company.

Recognizing the spirit of the Circulars issued by MCA, your Company endeavours to effect all communications, as may be allowed from time to time, including annual report for the financial year 2012-13, in electronic form, to the email address provided/updated by you with the depository/the Company. Please note that all the communications/documents will also be made available on the Company's website i.e. www.tilind.com where it can be downloaded. The Company undertakes to provide physical copies of all the above communications/documents free of cost on receipt of a requisition from you.

Shares held in Demat Mode:

If you are holding shares of the Company in dematerialised form and have not registered your e-mail address with your depository participant or your email address has changed, please register/update the same with your depository participant to ensure smooth receipt of communications/documents from the Company.

Shares held in Physical Mode:

If you are holding shares of the Company in physical form and have not registered your e-mail address with the Company or your email address has changed, please register/update the same by sending e-mail to investor@tilind.com or a written request to the Registrar and Share Transfer Agents (RTA) i.e. Bigshare Services Pvt. Ltd. in this regard.

In case your email address is not registered with the Company, the abovementioned communications/documents shall be sent in physical form. For ensuring prompt receipt of the abovementioned communications/documents, kindly register your e-mail address with the Company at the earliest.

We at 'Tilaknagar Industries Ltd.' appreciate the "Green Initiative" taken by MCA and trust you would help us in implementing the e-governance initiatives of the Government.

Updating of Bank Account Details

Securities and Exchange Board of India (SEBI) vide its circular no. CIR/MRD/DP/10/2013 dated March 21, 2013 has mandated the companies to maintain bank account details of the Members with 9 digit MICR code to enable them to effect electronic payment of dividend among others to the respective bank accounts of the Members.

In view of the above mentioned circular, you are requested to update your bank account details in the following manner:

Shares held in Demat Mode:

If you are holding shares of the Company in dematerialized form and have not registered your bank account details with your depository participant or your bank account details have changed, please register/update the same with your depository participant to ensure credit of dividend among others directly in your bank account.

Shares held in Physical Mode:

If you are holding shares of the Company in physical form and have not registered your bank account details with the Company or your bank account details have changed, please register/update the same by sending the following documents to the RTA i.e. Bigshare Services Pvt. Ltd.:

- a) A request letter for updating bank account details
- b) Self-attested copy of your PAN Card
- c) Photocopy of the cheque leaf (to capture correct Bank Account no., IFSC Code and 9 digit MICR Code)

We seek your co-operation in complying with the mandatory requirements of the above mentioned SEBI circular.