



TILAKNAGAR INDUSTRIES LTD.

CIN: L15420PN1933PLC133303

Corporate Office: 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai, Maharashtra- 400 020

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

Email: investor@tilind.com; **Website:** www.tilind.com

Phone: +91 22 22831716/18; **Fax:** +91 22 2204690

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014]

Notice is hereby given to the Members of Tilaknagar Industries Ltd. ('the Company') that pursuant to the provisions of Section 110 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), it is proposed to transact the Special Business as set out hereunder by passing Special Resolutions through Postal Ballot (including e-voting). The proposed Special Resolutions and the Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out all the material facts with respect to each item of the Special Business are annexed hereto along with a Postal Ballot Form for seeking consent of the Members.

The Board of Directors, at its Meeting held on February 13, 2017, has appointed Mr. R. T. RajGuroo, Advocate as Scrutinizer for conducting the Postal Ballot (physical and e-voting) process in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Postal Ballot Notice/Ballot Form and return the duly completed Ballot Form in the enclosed self-addressed Business Reply Envelope (postage whereof shall be borne and paid by the Company) so as to reach the Scrutinizer at the Corporate Office of the Company on or before 5:00 p.m. on Wednesday, March 29, 2017. Ballot Forms, if sent by courier or by registered/speed post or hand delivered at the Corporate Office of the Company (at the expense of the Members) shall also be accepted. Please note that the Ballot Forms received after the said date shall be treated as if reply from the Members have not been received. Members who have not received the Ballot Forms may apply to the Company and obtain a duplicate thereof.

E-voting

The Company, in compliance with Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), has also provided the Members with an alternative facility of casting their votes on the Special Business as set out hereunder through electronic voting (e-voting) system of Central Depository Services (India) Limited (CDSL).

Members desiring to opt for e-voting are requested to read the information and other instructions relating to e-voting as contained at Sr. No. 10 under 'Notes'. The e-voting period shall commence from Tuesday, February 28, 2017 at 10:00 a.m. and conclude on Wednesday, March 29, 2017 at 05:00 p.m. The e-voting facility shall be disabled by CDSL thereafter. Members can opt for only one mode of voting i.e. either voting by Ballot Forms or by e-voting. In case, Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Forms shall be treated as invalid.

The Chairman and Managing Director or any person authorized by him in writing, after receipt of the Report on the scrutiny of the Postal Ballot (physical and e-voting) from the Scrutinizer, shall announce the results of the Postal Ballot on Friday, March 31, 2017 at 05.00 p.m. at the Corporate Office of the Company. The results so declared along with the Scrutinizer's Report shall be placed on the website of the Company i.e. www.tilind.com and CDSL i.e. www.evotingindia.com and shall also be forwarded to the Stock Exchanges on which shares of the Company are listed i.e. National Stock Exchange of India Limited and BSE Limited.

SPECIAL BUSINESS:

Item No. 1 - Re-appointment of Mr. Amit Dahanukar (DIN:00305636) as Chairman & Managing Director of the Company

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof, for the time being in force) and on the basis of the recommendations made by the Nomination and Remuneration Committee and approval granted by 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) at their respective Meetings held on February 13, 2017 and subject to approval of the Central Government, consent be and is hereby accorded for the re-appointment of Mr. Amit Dahanukar (DIN:00305636) as the Chairman & Managing Director of the

Company for a period of 3 (three) years commencing from November 07, 2017 and ending on November 06, 2020 upon such terms and conditions including remuneration as contained in the draft agreement, material terms of which are set out in the Explanatory Statement annexed hereto with liberty to the Board to alter and vary the terms and conditions of the said agreement in such manner as may be agreed between the Board and Mr. Amit Dahanukar;

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year during the tenure of Mr. Amit Dahanukar as the Chairman & Managing Director, he shall be paid the remuneration as set out in the Explanatory Statement referred to above as the Minimum Remuneration in accordance with the provisions of Schedule V of the Companies Act, 2013 and with approval of the Central Government;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the Members of the Company.”

Item No. 2 - Authorization to the Board of Directors to make loans, give guarantees, provide securities or make investments in excess of the limits prescribed under Section 186 of the Companies Act, 2013

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 186(3) and all other applicable provisions of the Companies Act, 2013 read with Rule 13 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent be and is hereby accorded 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):

- (i) to give any loan to any person or other body corporate and/or
- (ii) to give any guarantee or provide security in connection with a loan to any other body corporate or person and/or
- (iii) to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate,

up to a maximum outstanding amount of Rs. 200 Crores (Rupees Two Hundred Crores) at any point of time, notwithstanding that the aggregate of loans and investments so far made in and guarantees and securities so far provided to entities other than wholly owned subsidiaries of the Company, along with the loans, investments, guarantees or securities proposed to be made or given by the Board may exceed the limits prescribed under Section 186 of the Companies Act, 2013;

RESOLVED FURTHER THAT the Board be and is hereby authorized to decide and finalize the terms and conditions of such loans, investments, guarantees or securities including the amount or limit thereof;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient including sub-delegation of the powers conferred herein to give effect to this resolution and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the Members of the Company.”

By order of the Board

Place: Mumbai
Date : February 13, 2017

Gaurav Thakur
Company Secretary

Notes:

1. In terms of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, assent or dissent of the Members in respect of the Special Resolutions contained in the Postal Ballot Notice is sought through Postal Ballot (including e-voting).
2. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out all the material facts relating to the Special Business is annexed hereto.
3. The Board of Directors, at its Meeting held on February 13, 2017, has appointed Mr. R. T. RajGuroo, Advocate as Scrutinizer for conducting the Postal Ballot (physical and e-voting) process in a fair and transparent manner.
4. The Postal Ballot Notice is being dispatched/e-mailed to all the Members whose names appear on the Register of Members/statement of beneficial ownership furnished by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, February 17, 2017. The Postal Ballot Notice is being sent by e-mail to the Members who have registered their email addresses for receipt of documents in electronic form with their Depository Participants (in case of electronic shareholding)/the Company’s Registrar and Transfer Agent (in case of physical shareholding). For Members whose e-mail addresses are not registered, physical copies of the Postal Ballot Notice and the Ballot Form are being sent by permitted mode along with postage prepaid self-addressed Business Reply Envelope. The Postal Ballot Notice may also be accessed on Company’s website i.e. www.tilind.com
5. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Ballot Forms can seek duplicate Ballot Forms by writing to the Company at its Corporate Office or by sending e-mail at investor@tilind.com. Duly completed Ballot Forms should, however, reach the Scrutinizer not later than 05.00 p.m. on Wednesday, March 29, 2017.
6. Members are requested to carefully read the instructions printed on the Postal Ballot Notice/Ballot Form and return the duly completed and signed Ballot Forms in the enclosed Business Reply Envelope (postage whereof shall be borne and paid by the Company) so as to reach the Scrutinizer at the Corporate Office of the Company on or before 5:00 p.m. on Wednesday, March 29, 2017. Ballot Forms, if sent by courier or by registered/speed post or hand delivered at the Corporate Office of the Company (at the expense of the Members) shall also be accepted.

Please note that the Ballot Forms received after the said date shall be treated as if reply from the Members have not been received. Unsigned/ blank/ incomplete/defaced/mutilated/incorrectly ticked Ballot Forms will be rejected. Members cannot exercise their vote by proxy on Postal Ballot. Members desiring to exercise their vote through e-voting are requested to read the information and other instructions relating to e-voting as contained at Sr. No. 10 below.

7. Members are requested not to send any other paper along with the Ballot Forms in the enclosed postage pre-paid self-addressed Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
8. The voting rights shall be reckoned in proportion to the paid-up value of the equity shares of the Company registered in the name of the Members as on Friday, February 17, 2017.
9. The Company, in compliance with Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), has also provided the Members with an alternative facility of casting their votes on the Special Business as set out hereunder through electronic voting (e-voting) system of Central Depository Services (India) Limited (CDSL).

10. Information and other instructions relating to e-voting are as under:

- i. The voting period begins on Tuesday, February 28, 2017 at 10:00 a.m. and ends on Wednesday, March 29, 2017 at 5:00 p.m. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, February 17, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The Members should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the Member ID/Folio Number in the Dividend Bank details field as mentioned in instruction (v). |

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for "Tilaknagar Industries Ltd."
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgotten Password & enter the details as prompted by the system.

xviii. Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xix. Note for Non - Individual Members and Custodians:

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com. The Members may also approach the Company Secretary at investor@tilind.com for any grievances pertaining to remote e-voting process.

11. Members can opt for only one mode of voting i.e. either voting by Ballot Forms or by e-voting. In case, Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Forms shall be treated as invalid.
12. The Chairman and Managing Director or any person authorized by him in writing, after receipt of the Report on the scrutiny of the Postal Ballot (physical and e-voting) from the Scrutinizer, shall announce the results of the Postal Ballot on Friday, March 31, 2017 at 05.00 p.m. at the Corporate Office of the Company. The results so declared along with the Scrutinizer's Report shall be placed on the website of the Company i.e. www.tilind.com and CDSL i.e. www.evotingindia.com and shall also be forwarded to the Stock Exchanges on which shares of the Company are listed i.e. National Stock Exchange of India Limited and BSE Limited.
13. The Scrutinizer's decision on the validity of the Postal Ballot will be final and binding.
14. The Special Resolutions as set out in the Postal Ballot Notice, if passed by requisite majority, shall be deemed to have been passed on the last date for receipt of duly completed Ballot Forms or e-voting i.e. Wednesday, March 29, 2017.
15. Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Mr. Amit Dahanukar, Chairman & Managing Director of the Company seeking Re-appointment is annexed to this Notice.
16. All documents referred to in the accompanying Notice and the Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 are available for inspection by the Members at the Corporate Office of the Company i.e. 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai – 400 020 as well as its Registered Office i.e. P.O. Tilaknagar, Tal. Shirampur, Dist. Ahmednagar, Maharashtra-413 720 during working hours on any working day from Tuesday, February 28, 2017 to Friday, March 31, 2017 in accordance with the provisions of Section 190 of the Companies Act, 2013.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 SETTING OUT ALL THE MATERIAL FACTS RELATING TO SPECIAL BUSINESS:

Item No. 1

Mr. Amit Dahanukar (DIN:00305636) was re-appointed as Chairman & Managing Director of the Company at the 77th Annual General Meeting of the Company for a period of 5 (Five) years with effect from November 07, 2012 and his tenure is expiring on November 06, 2017.

Mr. Amit Dahanukar, aged 40 years, is a graduate in Electrical Engineering with a Masters degree in Engineering Management from Stanford University, U.S.A. With his deep insight and knowledge of various aspects relating to the IMFL industry coupled with long term business experience, he has been able to provide leadership during challenging times faced by the Company since past few years e.g. cessation of the operations by Company's main bottler in the large and lucrative market of Tamil Nadu, imposition of alcohol restrictions in Kerala and bifurcation of the State of Andhra Pradesh. He has taken some tough decisions e.g. taking of austerity measures, slowing down Company's low-margin, voluminous business that was hurting the availability of working capital and focusing on high margin premium and semi-premium products to set the Company on the revival path and to deliver sustained performance.

Mr. Amit Dahanukar is not disqualified to be re-appointed in terms of Section 196(3) of the Companies Act, 2013 and also fulfills the eligibility criteria set out under Part I of Schedule V of the Companies Act, 2013. He is also the Chairman & Managing Director of Vahni Distilleries Private Limited, wholly owned subsidiary of the Company and is not drawing any remuneration there from.

The Nomination and Remuneration Committee, after considering that the remuneration proposed to be paid to Mr. Amit Dahanukar is justified and commensurate with the remuneration paid to similar senior-level appointees in other companies and thus comparable to the industry standards, has recommended the re-appointment of Mr. Amit Dahanukar as Chairman & Managing Director of the Company.

On the basis of the recommendations made by the Nomination and Remuneration Committee, the Board of Directors ("the Board") at its Meeting held on February 13, 2017 has approved the re-appointment of Mr. Amit Dahanukar as Chairman & Managing Director of the Company for a period of 3 (Three) years commencing from November 07, 2017 and ending on November 06, 2020 upon such terms and conditions including remuneration as contained in the draft agreement to be entered into between the Company and Mr. Amit Dahanukar, material terms of which are set out herein below, subject to the approval of the Members of the Company by way of Special Resolution and the Central Government:

Material Terms & Conditions contained in the draft Agreement:

I. Remuneration proposed to be paid to Mr. Amit Dahanukar:

| Sr. Nos. | Particulars | Entitlements |
|----------|------------------------------------|--|
| A | Basic Salary | Rs. 3,00,00,000/- (Rupees Three Crores) per annum |
| B | Perquisites and Allowances: | |
| (a) | Accommodation | Furnished or otherwise, shall be provided by the Company or HRA in lieu thereof subject to a limit of 50% (Fifty percent) of the annual basic salary |
| (b) | Medical Reimbursement | For self and family in accordance with the rules of the Company subject to a limit of Rs.15,000/- (Rupees Fifteen Thousand) per annum |
| (c) | Leave Travel Assistance | For self and family in accordance with the rules of the Company subject to a limit of 32% (Thirty Two percent) of the annual basic salary |
| (d) | Leave | Leave on full pay as per the rules of the Company subject to maximum of thirty days of leave for every 12 (Twelve) months of service |
| (e) | Encashment of Leave | Encashment of leave at the end of tenure shall not be included in the computation of ceiling on remuneration |
| (f) | Provident Fund | Contribution to the Employees Provident Funds Scheme by the Company subject to a limit of 12% (Twelve percent) of the annual basic salary |
| (g) | Gratuity | Gratuity payable in accordance with the rules of the Company at a rate not exceeding half a month salary for each completed year of service and same shall not be included in the computation of ceiling on remuneration |
| (h) | Car and Telephone | Free use of Company's car including maintenance and operation together with driver and free telephone facility for official use and same shall not be included in the computation of ceiling on remuneration |
| (i) | Club Fees | Fees of 2 (Two) Clubs excluding admission and life membership fees subject to a limit of Rs. 3,42,000/- (Rupees Three Lacs Forty Two Thousand) per annum |

In the absence or inadequacy of profits in any financial year during the tenure of Mr. Amit Dahanukar as the Chairman & Managing Director, he shall be paid the remuneration set out above as the Minimum Remuneration in accordance with the provisions of Schedule V of the Companies Act, 2013 and with approval of the Central Government.

II. Other terms & conditions:

| Sr. Nos. | Particulars |
|----------|---|
| A | Mr. Amit Dahanukar shall not be entitled to sitting fees for attending Meetings of the Board or Committee thereof. |
| B | Mr. Amit Dahanukar shall be liable to retire by rotation pursuant to the provisions of the Companies Act, 2013. However such retirement shall not be treated as break in service, in case he is immediately re-appointed as Director after retirement as aforesaid. |
| C | The appointment may be terminated by either party by giving to the other party six months' notice in writing or six months' salary in lieu thereof. |
| D | The terms and conditions of re-appointment of Mr. Amit Dahanukar may be altered/varied by the Board from time to time as it may in its discretion deem fit, provided that the remuneration so revised shall not exceed the remuneration referred above or such remuneration as may be approved by the Central Government in terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013, whichever is lower. |
| E | The terms and conditions of re-appointment of Mr. Amit Dahanukar shall be subject to approval of the Central Government and the terms and conditions imposed by the Central Government shall prevail in case of any conflict. |

The draft agreement to be entered into between the Company and Mr. Amit Dahanukar is available for inspection by the Members at the Corporate Office of the Company i.e. 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai – 400 020 as well as its Registered Office i.e. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra-413 720 during working hours on any working day from Tuesday, February 28, 2017 to Friday, March 31, 2017 in accordance with the provisions of Section 190 of the Companies Act, 2013.

During the proposed tenure of Mr. Amit Dahanukar i.e. November 07, 2017 to November 06, 2020, the Company may have inadequate profits or no profits which may result in payment of the managerial remuneration to him for said years to fall within the purview of Section II of Part II of Schedule V of the Companies Act, 2013. Hence, the abovementioned proposal shall be subject to the approval of the Central Government in terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

The Statement as required under sub clause (iv) of the second proviso to Clause (B) of Section II of Part II of Schedule V of the Companies Act, 2013 is given herein below:

I. GENERAL INFORMATION

(i) Nature of Industry:

The Company is engaged in the business of manufacturing and distribution of Spirits and Indian Made Foreign Liquor at its plants located at various parts of India.

(ii) Date or expected date of commencement of commercial production:

The Company is having operations since 1933.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

(iv) Financial performance based on given indicators:

| Particulars | (Rs. in million, except per share data) | | |
|----------------------------------|---|------------------------------------|------------------------------------|
| | Year ended 31.03.2016 (Audited) | Year ended 31.03.2015 (Audited) | Year ended 31.03.2014 (Audited) |
| Total Revenue | 3,732.89 | 5,533.12 | 6,198.98 |
| Profit/(Loss) before tax | (2,679.18) | (231.88) | 691.77 |
| Profit/(Loss) after tax | (2,660.35) | (345.02) | 485.95 |
| Earnings Per Share (EPS)-basic | (21.32) | (2.77) | 3.96 |
| Earnings Per Share (EPS)-diluted | (21.32) | (2.77) | 3.89 |

(v) Foreign investments or collaborations, if any:

The Company has not entered into any foreign collaboration. As per the shareholding pattern as on February 10, 2017, Foreign Institutional Investors (FII) holds 30,000 shares i.e. 0.02% of the total paid up share capital of the Company.

II. INFORMATION ABOUT THE APPOINTEE

| Particulars | Mr. Amit Dahanukar (Chairman & Managing Director) | | | | | | |
|---|--|---------|-------------------|---------|-------------------|---------|-------------------|
| Background details | Mr. Amit Dahanukar (DIN:00305636), aged 40 years is a graduate in Electrical Engineering with a Masters degree in Engineering Management from Stanford University, U.S.A. He has experience of 16 years in the IMFL industries. | | | | | | |
| Past remuneration | <table border="1"><tr><td>2015-16</td><td>Rs. 11.74 million</td></tr><tr><td>2014-15</td><td>Rs. 32.04 million</td></tr><tr><td>2013-14</td><td>Rs. 34.95 million</td></tr></table> | 2015-16 | Rs. 11.74 million | 2014-15 | Rs. 32.04 million | 2013-14 | Rs. 34.95 million |
| 2015-16 | Rs. 11.74 million | | | | | | |
| 2014-15 | Rs. 32.04 million | | | | | | |
| 2013-14 | Rs. 34.95 million | | | | | | |
| Recognition or awards | Mr. Amit Dahanukar was conferred with prestigious Bharat Vibhushan Samman Puraskar for his outstanding individual achievement & distinguished services to the Nation presented by the Economic and Human Resource Development Association, Delhi. | | | | | | |
| Job profile and his/her suitability | <p>Mr. Amit Dahanukar joined the Company's Board of Directors on June 07, 2000. He attended 3 Meetings of the Board out of total 4 Meetings held during the financial year ended March 31, 2016 and has also attended 4 Meetings of the Board out of total 4 Meetings held till date of this Notice.</p> <p>He is also holding directorship in following subsidiaries of the Company:</p> <ol style="list-style-type: none">1. Prag Distillery (P) Ltd. (Chairman)2. Vahni Distilleries Private Limited (Chairman & Managing Director)3. Kesarval Springs Distillers Pvt. Ltd. (Chairman)4. PunjabExpo Breweries Private Limited (Chairman)5. Srirampur Grains Private Limited (Chairman)6. Studd Projects P. Ltd. (Chairman)7. Mykingdom Ventures Pvt. Ltd. (Chairman)8. Shivprabha Sugars Ltd. (Chairman) <p>He is Member of the Stakeholders Relationship Committee and Chairman of the Share Transfer Committee and Risk Management Committee of the Company. He is also Member of the Nomination and Remuneration Committee of Prag Distillery (P) Ltd. and Vahni Distilleries Private Limited, wholly owned subsidiaries of the Company.</p> <p>As the Chairman & Managing Director of the Company, he provides strategic direction for Company's future initiatives and is also instrumental in the expansion of the Company's operations on pan India basis and under his leadership during challenging times faced by the Company, he has taken some tough decisions e.g. taking of austerity measures, slowing down Company's low-margin, voluminous business that was hurting the availability of working capital and focusing on high margin premium and semi-premium products to set the Company on the revival path and to deliver sustained performance.</p> | | | | | | |
| Remuneration proposed | As detailed hereinabove. | | | | | | |
| Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person | In the past few years, the remuneration of the senior executives in the industry has gone up manifold. The remuneration proposed to be paid to Mr. Amit Dahanukar is purely based on merits and is justified in view of the size and complexity of the business, the diversified product portfolio and competitive environment in which the Company operates and is commensurate with the remuneration package of similar senior-level appointees in other companies and thus comparable to the industry standards. | | | | | | |
| Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any. | <p>Apart from drawing remuneration as Chairman & Managing Director, Mr. Amit Dahanukar receives license fees of Rs. 6,73,670/- p.m. (exclusive of Service Tax) with respect to leave and license agreement dated June 01, 2012 entered into with the Company.</p> <p>He holds 29,844,552 shares having face value of Rs. 10/- each in the Company in his personal capacity.</p> <p>He is husband of Mrs. Shivani Amit Dahanukar, Non-Executive Director of the Company and is not related to any other managerial person or Director of the Company.</p> | | | | | | |

III. OTHER INFORMATION

(i) Reasons of loss or inadequate profits:

The Company was making consistent profits till the financial year 2013-14. However, due to prolonged slowdown in the economy, weak consumer sentiments, supply side limitations in the State of Tamil Nadu driven by bottling constraints, operational disturbances caused due to bifurcation of the State of Andhra Pradesh and restrictions imposed on sales in the Kerala Market, the Company's revenue has declined since the financial year 2014-15 and the Company has been incurring losses since then due to moderation in revenues, elevated finance costs and increased raw material costs.

(ii) Steps taken or proposed to be taken for improvement:

The Company has been making necessary efforts to improve its performance and is aggressively pursuing and implementing various strategies, including selling of high margin Semi-premium and Premium brands, discontinuation of various loss making brands in Kerala and Canteen Stores Department(CSD), exploring alternative supply options in the State of Tamil Nadu and cost reductions initiatives etc. The results of these initiatives are fructifying gradually.

(iii) Expected increase in productivity and profits in measurable terms:

Though the IMFL industry is witnessing a prolonged slowdown, the Company anticipates that the overall economy and consumer sentiments will revive in near future. The productivity, performance and profitability of the Company will further improve gradually in the coming years owing to the persistent efforts and aggressive strategies adopted by it.

In view of excellent leadership qualities, vast experience and entrepreneurial skills of Mr. Amit Dahanukar, the Board considers that his continued association shall be of immense benefit to the Company and hence, it is desirable to continue to avail his services as Chairman & Managing Director. Accordingly, the Board recommends the Special Resolution set out at Item No.1 for the approval of the Members.

Save and except Mr. Amit Dahanukar and Mrs. Shivani Amit Dahanukar, none of the other Directors/Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 1.

Item No. 2

In accordance with the provisions of Section 186(2) of the Companies Act, 2013, the Board of Directors ("the Board") can without the prior approval of the Members, directly or indirectly, give loans or make investments in or provide guarantees or securities in connection with a loan to any other body corporate or person (other than wholly owned subsidiaries of the Company) up to 60% of the aggregate of the paid-up share capital, free reserves and securities premium account of the Company or 100% of its free reserves and securities premium account, whichever is more. The said limit is not applicable for giving of loans or making investments in or providing guarantees or securities in connection with a loan to wholly owned subsidiaries of the Company by the Board subject to compliance with the applicable provisions of the Companies Act, 2013 in this regard.

However, the Board can make loans and investments or provide guarantees and securities exceeding the limits prescribed above, after obtaining prior approval of the Members by way of Special Resolution passed through Postal Ballot in accordance with the provisions of Sections 186(3) and 110(1)(a) of the Companies Act, 2013 read with Rule 13 of the Companies (Meetings of Board and its Powers) Rules, 2014, notwithstanding that the aggregate of loans and investments so far made in and guarantees and securities so far provided to any other body corporate or person (other than wholly owned subsidiaries of the Company), along with the loans, investments, guarantees or securities proposed to be made or given by the Board may exceed the limits prescribed under Section 186 of the Companies Act, 2013.

In order to achieve long term strategic objectives and greater financial flexibility and to enable the Board to explore various opportunities for revival and growth of the Company and its subsidiaries, the consent of the Members is being sought by way of Special Resolution through Postal Ballot for authorizing the Board to, directly or indirectly, give loans or make investments in or provide guarantees or securities in connection with a loan to any other body corporate or person up to a maximum outstanding amount of Rs. 200 Crores (Rupees Two Hundred Crores) at any point of time.

The Board recommends the Special Resolution set out at Item No. 2 for the approval of the Members.

None of the Directors and Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 2.

By order of the Board

Place: Mumbai
Date : February 13, 2017

Gaurav Thakur
Company Secretary

Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 with respect to the Director seeking re-appointment

| | |
|---|---|
| Name of the Director | Mr. Amit Dahanukar |
| Director Identification Number | 00305636 |
| Date of Birth | November 06, 1976 |
| Date of Appointment (Current Tenure) | November 07, 2012 |
| Qualifications | B.E. (ELEC.), M.S. (U.S.A.) |
| Expertise in specific functional areas | As the Chairman & Managing Director of the Company, he provides strategic direction for Company's future initiatives and is also instrumental in the expansion of the Company's operations on pan India basis and under his leadership during challenging times faced by the Company, he has taken some tough decisions e.g. taking of austerity measures, slowing down Company's low-margin, voluminous business that was hurting the availability of working capital and focusing on high margin premium and semi-premium products to set the Company on the revival path and to deliver sustained performance. |
| Other listed companies in which he holds Directorship | Nil |
| Chairperson/Member of the Committee(s) of Board of Directors of the Company | Stakeholders Relationship Committee (Member) Share Transfer Committee (Chairman) Risk Management Committee (Chairman) |
| Chairperson/Member of the Committee(s) of Board of Directors of other listed companies in which he is a Director | Nil |
| Shareholding in the Company (Equity) | He holds 29,844,552 shares having face value of Rs. 10/- each in the Company in his personal capacity |
| Disclosure of relationships between Directors inter-se | He is husband of Mrs. Shivani Amit Dahanukar, Non-Executive Director of the Company and is not related to any other managerial person or Director of the Company. |



TILAKNAGAR INDUSTRIES LTD.

CIN: L15420PN1933PLC133303

Corporate Office: 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai, Maharashtra-400 020

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

Email: investor@tilind.com; **Website:** www.tilind.com

Phone: +91 22 22831716/18; **Fax:** +91 22 22046904

POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this form)

Serial No.:

1. Name and address of the sole /first named shareholder as registered with the Company

2. Name(s) of the joint shareholder(s), if any, registered with the Company

3. Registered folio No./ DP ID No./ client ID No. (Applicable to investor holding shares in dematerialized form)

4. Number of Share(s) held

I/We hereby exercise my/our vote in respect of the Resolutions to be passed through Postal Ballot for the Special Business stated in the Postal Ballot Notice dated February 13, 2017 by recording my/our assent or dissent to the said Resolutions by placing a tick (✓) mark at the appropriate box below:

| Item nos. | Description | No. of Shares for which votes cast | I/We assent to the Resolution (FOR) | I/We dissent to the Resolution (AGAINST) |
|-----------|---|------------------------------------|-------------------------------------|--|
| 1. | Special Resolution for re-appointment of Mr. Amit Dahanukar (DIN:00305636) as Chairman & Managing Director of the Company | | | |
| 2. | Special Resolution for authorization to the Board of Directors to make loans, give guarantees, provide securities or make investments in excess of the limits prescribed under Section 186 of the Companies Act, 2013 | | | |

Place:

Date:

(Signature of the Member)

(P.T.O for instructions)

Note: Last Date for receipt of duly completed and signed Ballot Form by the Scrutinizer is Wednesday, March 29, 2017 up to 5.00 p.m.

INSTRUCTIONS

1. The Company is providing voting through Postal Ballot (including e-voting). Members desiring to exercise their vote by Ballot Forms may complete this Ballot Form (No other Form or photocopy of the Form is permitted) and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope, postage whereof shall be borne and paid by the Company. However, Ballot Forms, if sent by courier or by registered/speed post or hand delivered at the Corporate Office of the Company (at the expense of the Members) shall also be accepted. **Members desiring to opt for e-voting are requested to read the information and other instructions relating to e-voting as contained at Sr. No. 10 under 'Notes' to the Postal Ballot Notice.**
2. The Members can opt for only one mode of voting i.e. either voting by Ballot Forms or by e-voting. In case, Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Forms shall be treated as invalid.
3. The self-addressed Business Reply Envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
4. A (√) mark should be placed in the relevant box signifying assent/dissent for the resolution, as the case may be. Tick in both the boxes would render the Ballot Form invalid. Please note that (X) mark or any other mark other than (√) in the box signifying assent or dissent shall be deemed as if no mark has been placed and the box is left blank. Unsigned/blank/incomplete/defaced/ mutilated/incorrectly ticked Ballot Forms will be rejected.
5. The Ballot Form should be completed and signed by the Members (as per the specimen signature registered with the Company/Depository Participant). In case of joint holding, this Form should be completed and signed by the first named Member and in his/her absence, by the next named Member. There shall be one Ballot Form for every Folio/Client ID, irrespective of the number of jointholders.
6. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Ballot Form should be accompanied by a certified true copy of Board Resolution/authorization giving requisite authority to the person voting on Ballot Form, together with the duly attested specimen signature(s) of the authorized signatories.
7. A Member need not use all the votes nor he/she needs to cast all the votes in the same way.
8. The voting rights shall be reckoned in proportion to the paid-up value of the equity shares of the Company registered in the name of the Members as on Friday, February 17, 2017.
9. The Members cannot exercise their vote by proxy on Postal Ballot.
10. Members are requested not to send any other paper along with the Ballot Forms in the enclosed postage pre-paid self-addressed Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
11. **Duly completed Ballot Forms in the enclosed self-addressed Business Reply Envelope (postage whereof shall be borne and paid by the Company) so as to reach the Scrutinizer at the Corporate Office of the Company on or before 5:00 p.m. on Wednesday, March 29, 2017.**
12. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Ballot Forms can seek duplicate Ballot Forms by writing to the Company at its Corporate Office or by sending e-mail at investor@tilind.com.
13. The Chairman and Managing Director or any person authorized by him in writing, after receipt of the Report on the scrutiny of the Postal Ballot (physical and e-voting) from the Scrutinizer, shall announce the results of the Postal Ballot on Friday, March 31, 2017 at 05.00 p.m. at the Corporate Office of the Company. The results so declared along with the Scrutinizer's Report shall be placed on the website of the Company i.e. www.tilind.com and CDSL i.e. www.evotingindia.com and shall also be forwarded to the Stock Exchanges on which shares of the Company are listed i.e. National Stock Exchange of India Limited and BSE Limited.
14. The Scrutinizer's decision on the validity of the Postal Ballot will be final and binding.