



36TH
ANNUAL
REPORT
2018-2019



TAI INDUSTRIES LIMITED



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

BOARD OF DIRECTORS

Dasho Wangchuk Dorji (DIN: 00296747)	<i>Chairman & Whole-time Director</i>
Mr. Rohan Ghosh (DIN: 00032965)	<i>Managing Director</i>
Dasho Topgyal Dorji (DIN: 00296793)	<i>Director</i>
Mr. Prem Sagar (DIN: 00040396)	<i>Independent Director</i>
Mr. K. N. Malhotra (DIN: 00128479)	<i>Independent Director</i>
Mr. Vinay Killa (DIN: 00060906)	<i>Independent Director</i>
Ms. Sarada Hariharan (DIN: 06914753)	<i>Independent Director</i>

AUDIT COMMITTEE

Mr. Prem Sagar (DIN: 00040396)	<i>Chairman</i>
Mr. K. N. Malhotra (DIN: 00128479)	<i>Member</i>
Mr. Vinay Killa (DIN: 00060906)	<i>Member</i>

NOMINATION AND REMUNERATION COMMITTEE

Mr. Prem Sagar (DIN: 00040396)	<i>Chairman</i>
Dasho Topgyal Dorji (DIN: 00296793)	<i>Member</i>
Mr. K. N. Malhotra (DIN: 00128479)	<i>Member</i>
Mr. Vinay Killa (DIN: 00060906)	<i>Member</i>

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Prem Sagar (DIN: 00040396)	<i>Chairman</i>
Mr. K. N. Malhotra (DIN: 00128479)	<i>Member</i>
Mr. Vinay Killa (DIN: 00060906)	<i>Member</i>

KEY MANAGERIAL PERSONNEL

Mr. Rohan Ghosh (DIN: 00032965)	<i>Managing Director</i>
Ms. Mou Mukherjee	<i>Chief Financial Officer</i>
Ms. Indira Biswas	<i>Company Secretary</i>

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited,
59C, Chowringhee Road,
Kolkata - 700 020.
Phone : (033) 2289 0539/2289 0540
E-mail : kolkata@linkintime.co.in

STATUTORY AUDITORS

KAMG & Associates, Chartered Accountants,
AE - 350, 1st Floor,
Sector I, Salt Lake,
Kolkata - 700 064.

SECRETARIAL AUDITOR

T. Chatterjee & Associates,
"Abhishek Point" 4th Floor,
152, S. P. Mukherjee Road,
Kolkata - 700 020.

BANKERS

HDFC Bank Limited
Yes Bank Limited
Canara Bank
State Bank of India
United Bank of India
Axis Bank



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Annual General Meeting on Thursday, 22nd August, 2019, at Kalakunj, 48, Shakespeare Sarani, Kolkata - 700 017, at 2.00 p.m. As a measure of economy, copies of the Annual Reports will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the Meeting.

For any queries, you may write to the Company Secretary at ibiswas@taiind.com



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NOTICE

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

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Members of Tai Industries Limited will be held on Thursday, 22nd August, 2019, at 2.00 p.m. at Kalakunj, 48, Shakespeare Sarani, Kolkata - 700017, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2019, and the Reports of the Directors and the Auditors thereon and to pass the following Resolution as an Ordinary Resolution:
“**RESOLVED THAT** the Audited Financial Statement of the Company for the year ended 31st March, 2019, and the Reports of the Directors and the Auditors thereon, placed before this Meeting, be and are hereby considered and adopted.”
2. To appoint Dasho Topgyal Dorji (DIN: 00296793), Director retiring by rotation, eligible for reappointment and pass the following Resolution as an Ordinary Resolution:
“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Dasho Topgyal Dorji (DIN: 00296793), who retires by rotation at this Meeting under Article 68 of the Articles of Association of the Company, be and is hereby reappointed as Director of the Company.”

Special Business

To consider and if thought fit to pass with or without modification(s) the following Resolutions as Special Resolutions:

3. Re-appointment of Mr. Prem Sagar (DIN: 00040396) as an Independent Director of the Company
“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 27th May, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Prem Sagar (DIN: 00040396) as an Independent Director of the Company, whose current period of office expires at the conclusion of this Annual General Meeting and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from the conclusion of this Meeting upto the conclusion of the Company's Forty First Annual General Meeting in the calendar year 2024, or till such earlier date as may be determined by any applicable statute, rules, regulations or guidelines.”
“**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution.”



4. Re-appointment of Mr. K.N. Malhotra (DIN: 00128479) as an Independent Director of the Company

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 27th May, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. K.N. Malhotra (DIN: 00128479) as an Independent Director of the Company, whose current period of office expires at the conclusion of this Annual General Meeting and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from the conclusion of this Meeting upto the conclusion of the Company’s Forty First Annual General Meeting in the calendar year 2024, or till such earlier date as may be determined by any applicable statute, rules, regulations or guidelines.”

“RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution.”

5. Re-appointment of Mr. Vinay Killa (DIN: 00060906) as an Independent Director of the Company

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 27th May, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Vinay Killa (DIN: 00060906) as an Independent Director of the Company, whose current period of office expires at the conclusion of this Annual General Meeting and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from the conclusion of this Meeting upto the conclusion of the Company’s Forty First Annual General Meeting in the calendar year 2024, or till such earlier date as may be determined by any applicable statute, rules, regulations or guidelines.”

“RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution.”

6. Re-appointment of Ms. Sarada Hariharan (DIN: 06914753) as an Independent Director of the Company

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 27th May, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Ms. Sarada Hariharan (DIN: 06914753) as an Independent Director of the Company, whose current period of office expires at the conclusion of this Annual General Meeting and who has submitted a declaration confirming that she meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from the conclusion of this Meeting upto the conclusion of the Company’s Forty First Annual General Meeting in the calendar year 2024, or till such earlier date as may be determined by any applicable statute, rules, regulations or guidelines.”



“RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to the above resolution.”

7. Re-appointment of Mr. Rohan Ghosh (DIN: 00032965) as Managing Director of the Company

“RESOLVED THAT in accordance with 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) approval of the Company be and is hereby accorded to the re-appointment and terms of remuneration of Mr. Rohan Ghosh (DIN: 00032965) as Managing Director of the Company for a period of 3 (three) years with effect from May 20, 2019, whose reappointment has been recommended by the Nomination and Remuneration Committee, on the terms and conditions including remuneration as set out in the statement annexed to the Notice convening this Meeting.”

“RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and are hereby authorised to alter and vary the terms and conditions of the said appointment and /or 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 limitations in that behalf contained in Schedule V to the Act, including any statutory modification or reenactment thereof for the time being in force or any amendment and/or modifications that may hereafter be made thereto by the Central Government.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits of the Company in any financial year during the term of Mr. Rohan Ghosh (DIN: 00032965) in the office of the Managing Director, the salary and perquisites as set out in the aforesaid agreement be paid or granted to Mr. Rohan Ghosh (DIN: 00032965) 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.”

8. Re-appointment of Mr. Wangchuk Dorji (DIN : 00296747) as Whole time Director of the Company

“RESOLVED THAT in accordance with 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) and subject to the approval of the Central Government, the consent of the Company be and is hereby accorded to the reappointment and terms of remuneration of Mr. Wangchuk Dorji (DIN : 00296747) as Whole-time Director of the Company for a period of 3 (three) years with effect from 20th May, 2019, whose reappointment has been recommended by the Nomination and Remuneration Committee, upon such terms and conditions as set out in the Agreement entered into between the Company and Mr. Wangchuk Dorji (DIN : 00296747), a copy whereof is placed before the Meeting and initialed by the Managing Director for the purpose of identification,

“RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee, be and are hereby authorized to alter and vary from time to time the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed upon by and between the Board/ Nomination and Remuneration Committee and Mr. Wangchuk Dorji (DIN : 00296747), subject to the limitations in that behalf contained in Schedule V to the Act including any statutory modification or reenactment thereof for the time being in force or any amendment and/or modifications that may hereafter be made thereto by the Central Government.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits of the Company in any financial year during the term of Mr. Wangchuk Dorji (DIN : 00296747) in the office of the Whole-time Director, the salary and perquisites as set out in the aforesaid agreement be paid or granted to Mr. Wangchuk Dorji (DIN : 00296747) as minimum remuneration.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take steps and do all other acts, deeds and things as may be necessary or desirable to give effect to the Resolution.”

By Order of the Board

Indira Biswas
(ACS 9621)

Company Secretary

Place: Kolkata

Date: 27th May, 2019

**Notes:**

1. The relevant statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the items 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 on a poll 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 commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate shares not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.

3. Corporate Members intending to send their authorized 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. Brief resume of Directors /persons proposed to be appointed /reappointed as stipulated under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India is provided in the explanatory Statement to this Notice.
5. All documents referred to in the Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting.
6. The Attendance slip and proxy form and the instructions for e-voting are annexed hereto. The route map to the venue of the Annual General Meeting is attached and forms part of the Notice.
7. Members/ proxies/ authorized representatives should:
 - a. Bring their duly filled in Attendance Slips, as enclosed, for easy identification of attendance at the Annual General Meeting.
 - b. Bring their copies of the Annual Report to the Meeting.
8. The Register of Members of the Company will remain closed from 16th August, 2019 to 22nd August, 2019 both days inclusive.
9. The Company is registered with National Securities Depository Ltd. ('NSDL'), and Central Depository Services (India) Ltd. ('CDSL'), for dematerialization of its Equity Shares which has been allotted the ISIN INE358D01018. Link Intime India Private Limited, having its office at 59C, Chowringhee Road, Kolkata - 700020 is the Registrar and Share Transfer Agent of the Company.
10. Members holding shares in electronic form are requested to intimate immediately any change in their address and bank mandates 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 or bank mandates 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.
11. To support the "Green Initiative in Corporate Governance" of the Ministry of Corporate Affairs, 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 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.
12. Members are requested to:
 - a. Communicate on all matters pertaining to their shareholdings with the Company's Registered Office/Company's Registrar, quoting their respective Ledger Folio Number(s) / Client ID(s) and DPID(s);
 - b. 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.

13. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, Members are hereby requested to update their PAN and Bank details with the Share Department of the Company / Registrar and Share Transfer Agent
14. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 dividends for the Financial Year ended 31st March, 2014 and equity shares on which such dividend remain unpaid/unclaimed for a period of 7 years will be transferred to the 'Investor Education and Protection Fund' ("IEPF") constituted by the Central Government. Members, who have not encashed their dividend warrant(s) for the Financial Year ended 31st March, 2014 or any subsequent financial year(s) are urged to claim such amount from the Share Department of the Company/Registrar and Share Transfer Agent.

Members may note that unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html>.

The last dates of claims for the following dividends are as follows:

Dividend for the financial year ended	Date of declaration of dividend	Last date for claiming unpaid dividend
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

15. For registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company as well as the Registrar for registration of transfer of securities.
16. SEBI has decided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a Depository. This measure has come into effect from April 01, 2019. Notices have been issued to all Shareholders holding Shares in physical mode informing them that as per revised regulation 40 of the SEBI (LODR) Regulations, 2015, shares will no longer be transferred in physical mode. Shareholders are therefore requested to dematerialise their existing shares in physical form. In this regard SEBI has also clarified as follows:
 1. The above decision does not prohibit the investor from holding the shares in physical form; investor has the option of holding shares in physical form even after April 01, 2019.
 2. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized.
 3. The transfer deed(s) once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 01, 2019.
17. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed at the Annual General Meeting held on 26th September, 2016.
18. 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. The Company is providing facility for such voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting. Information including details of user id and password relating to e-voting are being sent herewith. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. The members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.

The facility for voting by 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 or who do not have access to the e-Voting facility shall be able to exercise their right at the Meeting.



19. The Notice of the Thirty Sixth 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 have expressly opted to receive a physical copy.
20. The Notice for the Meeting and the Annual Report 2018 - 2019 will also be available on the Company's website at www.taiind.com and at the website of Link Intime India Pvt. Ltd, at <https://instavote.linkintime.co.in>
21. Voting shall be reckoned in relation to a shareholder's holding of the Paid-up Equity Share Capital of the Company as on 16th August, 2019 ("cut-off date"). Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on 16th August, 2019, may obtain the Attendance Slip and Proxy form from the Registered Office of the Company.
22. The instructions for e-Voting are given on the reverse of the Attendance Slip.
23. 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.
24. 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 his/her votes.
25. The Company has appointed Messers T. Chatterjee & Associates, Company Secretaries (FRN No. - P2007WB067100), as Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
26. 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 Scrutinizer's Report of the vote cast in favour or against, if any, to the Chairman or in his absence to any other person authorised by the Board.
27. The Results declared together with the Scrutinizer's Report shall be placed on the Company's website at www.taiind.com and on the website of Link Intime India Pvt. Ltd, at <https://instavote.linkintime.co.in> within forty eight hours of conclusion of the Meeting and communicated to the Stock Exchanges.
28. Members are requested to note that in accordance with Clause 14 of the Secretarial Standards on General Meeting, no gifts or gift coupons shall be distributed to Members at or in connection with this Meeting.

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

Item Numbers 3, 4, 5 and 6

In accordance with Section 149(10) and (11) of the Companies Act, 2013, an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report. Mr. Prem Sagar (DIN: 00040396), Mr. Kanwal Nain Malhotra (DIN : 00128479), Mr. Vinay Killa (DIN : 00060906) and Ms. Sarada Hariharan (DIN : 06914753) were appointed Independent Directors at the Annual General Meeting held on September 17, 2014, in accordance with the provisions of the Companies Act, 2013, for a period of five years to hold office up to the conclusion of the 36th Annual General Meeting. Their term of office as Independent Directors will accordingly cease on the conclusion of the forthcoming Annual General Meeting.

Based on the skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee at its 7th Meeting held on May 27, 2019, the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Mr. Prem Sagar (DIN: 00040396) Mr. Kanwal Nain Malhotra (DIN : 00128479), Mr. Vinay Killa (DIN : 00060906) and Ms. Sarada Hariharan (DIN : 06914753) as Independent Directors for a further term of five years from the conclusion of this 36th Annual General Meeting up to the conclusion of 41st Annual General Meeting to be held in the year 2024. The Independent Directors shall not be liable to retire by rotation. The Company has received notices in writing pursuant to Section 160 of the Companies Act, 2013, from Members signifying their intention to propose the candidatures of Mr. Prem Sagar (DIN: 00040396) Mr. Kanwal Nain Malhotra (DIN : 00128479), Mr. Vinay Killa (DIN : 00060906) and Ms. Sarada Hariharan (DIN : 06914753) for the office of Independent Director, to be re-appointed as such under the provisions of Section 149 of the Companies Act, 2013.



The Company has received the following documents from Mr. Prem Sagar (DIN: 00040396) Mr. Kanwal Nain Malhotra (DIN : 00128479), Mr. Vinay Killa (DIN : 00060906) and Ms. Sarada Hariharan (DIN : 06914753):

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- (ii) Intimation in DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under Section 164 (2) of the Companies Act, 2013, confirming their eligibility for such re-appointment.
- (iii) Declaration to the effect that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Copies of the draft letters for the re-appointment of Mr. Prem Sagar (DIN: 00040396), Mr. Kanwal Nain Malhotra (DIN : 00128479), Mr. Vinay Killa (DIN : 00060906) and Ms. Sarada Hariharan (DIN : 06914753) as Independent Directors, setting out the terms and conditions of appointment, would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day up to the date of the forthcoming Annual General Meeting.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail of the services of Mr. Prem Sagar (DIN: 00040396), Mr. Kanwal Nain Malhotra (DIN : 00128479), Mr. Vinay Killa (DIN : 00060906) and Ms. Sarada Hariharan (DIN : 06914753) as Independent Directors. Accordingly, the Board recommends the Special Resolutions set forth in Item Nos. 3 to 6 relating to the reappointments of Mr. Prem Sagar (DIN: 00040396), Mr. Kanwal Nain Malhotra (DIN : 00128479), Mr. Vinay Killa (DIN : 00060906) and Ms. Sarada Hariharan (DIN : 06914753) as Independent Directors, for approval by the Members of the Company.

Brief resumes of Mr. Prem Sagar (DIN: 00040396), Mr. Kanwal Nain Malhotra (DIN : 00128479), Mr. Vinay Killa (DIN : 00060906) and Ms. Sarada Hariharan (DIN : 06914753), nature of their expertise in specific functional areas, names of companies in which they holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se, as stipulated in SEBI (LODR), Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, has been provided in the Notice.

No Director, Key Managerial Personnel or their relatives, except Mr. Prem Sagar (DIN: 00040396) Mr. Kanwal Nain Malhotra (DIN : 00128479), Mr. Vinay Killa (DIN : 00060906) and Ms. Sarada Hariharan (DIN: 06914753) to whom the Resolutions relate, is in any way, concerned or interested, financially or otherwise, in the Resolutions.

Item Number 7

The Board of Directors of your Company appointed Mr. Rohan Ghosh (DIN: 00032965) as Managing Director of the Company with effect from 19th May, 2014, at its Meeting held on that date, for a period of 5 (five) years. The remuneration, recommended by the Nomination and Remuneration Committee and approved by the Board was for a period of three years upto 18th May, 2017. Thereafter, at the Annual General Meeting held on 11th September, 2017, a Special Resolution was passed for approving the terms of remuneration of Mr. Rohan Ghosh (DIN: 00032965).

Based on the recommendation of the Nomination and Remuneration Committee, taking into account the skills, experience and performance evaluation, the Board of Directors at its Meeting held on 27th May, 2019, for the sake of continuity of the present management and efficient operations of the Company, reappointed Mr. Rohan Ghosh (DIN: 00032965) as the Managing Director of the Company for a further period of 3 (three) years with effect from 19th May, 2019, on the following terms and conditions:

- Salary and allowances : Rs 18,39,216/- per annum.
- Perquisites shall include fully furnished and maintained Company owned/leased 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. For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost incurred by the Company in providing such perquisites and allowances.

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 on 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 perquisites.

Minimum Remuneration: In the absence or inadequacy of profits in any financial year during his term as the Managing Director, Mr. Rohan Ghosh (DIN: 00032965) will be entitled to receive the above remuneration including perquisites as minimum remuneration.

General

- i. The Managing Director shall perform his respective duties as such with regard to all work of the Company and shall manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and shall conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- ii. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- iii. The Managing Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

Mr. Rohan Ghosh (DIN: 00032965) satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for appointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Managing Director shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof from the date of his appointment.

Subject to the provisions of the Act and the Articles of Association of the Company, the Whole-time Director shall be subject to retirement by rotation of Directors and he shall be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire in case the number of Managing Director(s) and Whole-time Director(s) shall at any time exceed the total number of Directors who shall not be required to retire by rotation under the Act and he shall not be understood to have ceased to hold the office of Managing Director if re-elected. He shall ipso facto and immediately cease to be the Managing Director if he ceases to hold office of Director for any cause.

The Managing Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever to make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Managing Director shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person from doing so.

In terms of Part II of Section II of Schedule V to the Act, consent of the shareholders has to be accorded for a period not exceeding three years by way of a Special Resolution for payment of remuneration within the limits as specified therein and accordingly your consent is being sought, by way of a Special Resolution, for the aforesaid appointment and terms of remuneration.

The Nomination Remuneration Committee also recommends the reappointment of Mr. Ghosh as Managing Director.

Brief resume of Mr. Ghosh, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of board committees, shareholding and relationships amongst directors inter-se, as stipulated in SEBI (LODR) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, has been provided in the Notice.

Your Board recommends passing of the Special Resolution set out in Item No.7 of the Notice.

Except Mr. Rohan Ghosh, none of the Directors or Key Managerial Personnel are concerned or interested in the Resolution.

Item Number 8

Mr. Wangchuk Dorji (DIN : 00296747) was appointed Managing Director of the Company for a period of 5 (five) years with effect from 20th May, 1995 with the approval of the Company at its Extra Ordinary General Meeting held on 10th July, 1995 and approval of the Central Government, vide its letter no. 4/126/95-CLIX dated 21st November, 1995. He was re-appointed twice



for successive periods of 5 (five) years and thereafter thrice for the successive periods of 3 (three) years, the details of which are as follows:

Period	Date of Annual General Meeting at which shareholders approval	Letter of approval received from Central Government was obtained
20th May, 2000 to 19th May, 2005	25th September, 2000	letter No. 1/232/2000 – CL.VII dated 28-09-2000
20th May, 2005 to 19th May, 2010	28th September, 2005	letter No. 1/232/2005 – CL.VII dated 2/9/2005
20th May, 2010 to 19th May, 2013	30th August, 2010	letter No. 1/232/2010 – CL.VII dated 22-12-2010
20th May, 2013 to 19th May, 2016	2nd September, 2013	letter No.B81974925/2013 – CL.VII dated 08-01-2014
20th May, 2016 to 19th May, 2019	26th September, 2016	letter No. SRN G09226978/1/2016 – CL-VII dated 01.02.2017

As per the service agreement dated 20th May, 2016, entered into by and between the Company and Mr. Wangchuk Dorji, the term of appointment of Mr. Wangchuk Dorji (DIN : 00296747) as a Whole-time Director expired on 19th May, 2019.

Based on the recommendation of the Nomination and Recommendation - Committee, taking into account the skills, experience and performance evaluation, the Board of Directors at its Meeting held on 27th May, 2019, for the sake of continuity of the present management and for efficient running of the Company, re-appointed Mr. Wangchuk Dorji (DIN : 00296747) as Whole-time Director for a further period of 3 (three) years with effect from 20th May, 2019, on the following terms and conditions as contained, inter alia, in the Service Agreement entered into by and between the Company and Mr. Wangchuk Dorji (DIN : 00296747).

A. SALARY

Rs. 1,85,000/- (Rupees one lakh eighty five thousand only) per month with effect from 20th May, 2019 with annual increment of Rs. 5000/- (Rupees five thousand only) in the scale of Rs. 1,85,000/- – Rs. 5000/- – Rs.1,95,000/-.

B. PERQUISITES

These shall be restricted to an amount equal to annual salary. Unless the context otherwise requires, the perquisites are classified into three categories “A” “B” and “C” as follows:

CATEGORY “A”

1. Medical Reimbursement

Expenses incurred for self and family subject to a ceiling of one month’s salary (including premium for mediclaim insurance policy) in a year or three months’ salary over a period of three years.

2. Leave Travel Concession

For self and family once in a year incurred in accordance with the rules specified by the Company.

3. Club Fees

Fees of Clubs, subject to a maximum of two clubs but not including admission and life membership fees.

4. Personal Accident Insurance

Premium not to exceed Rs. 4000/- (Rupees four thousand only) per annum. For the purpose of this part, “family” means spouse, dependent children and dependent parents of Mr. Wangchuk Dorji (DIN: 00296747).

5. Other Allowances

In addition to the perquisites at (1), (2), (3) and (4) above, the Whole-time Director shall be eligible for the following perquisites which shall not be included in the computation of the ceiling on perquisites:-

- Reimbursement of expenses incurred on joining duty and returning to home country after completion of tenure: Actual expenses incurred on travel and on packing, forwarding, loading and unloading as well as freight, insurance, customs duty, clearing expenses, local transportation and installation expenses in connection with the moving of personal effects for self and family for joining duty in India and also after completion of the tenure on leaving the employment of the Company.



- (b) Leave Travel concession: In case it is proposed that the leave be spent in the home country instead of anywhere in India, return passage may be allowed for self and family in accordance with the rules specified by the Company.
- (c) Children's educational allowance: In case of children studying in or outside India, an allowance limited to a maximum of Rs. 12,000/- (Rupees twelve thousand only) per month per child or actual expenses incurred, whichever is less, is admissible. Such allowance is admissible upto a maximum of two children.
- (d) Holidaying passage for children studying outside India family staying abroad: Return holiday passage is admissible once in a year by economy class or once in two years by first class to children from their place of study abroad to India and to the members of the family from the place of their stay abroad to India, if they are not residing in India with the Whole-time Director.

Explanation: For the purpose of Category "A" "family" means spouse, the dependent children and dependent parents of the appointee.

CATEGORY "B"

Contributions to Provident Fund, Superannuation Fund or Annuity

Contributions to Provident Fund, Superannuation Fund or Annuity will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.

EARNED LEAVE

The un-availed portion of leave shall be encashable on full pay at the end of the tenure as per the rules of the Company, but not exceeding one month's leave for every eleven months of service. However, it will not be included in the computation of the ceiling on perquisites.

CATEGORY "C"

The Company shall provide a car with driver and telephone facility at the residence of the Whole-time Director. Provision of car for use on Company's business and telephone at the residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.

Minimum Remuneration: In the absence or inadequacy of profits in any financial year during his term as a Whole-time Director, Mr. Wangchuk Dorji (DIN : 00296747) will be entitled to receive the above remuneration and perquisites as minimum remuneration.

The Whole-time Director shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof from the date of his appointment.

The Head Office of the Company is situated at present in Kolkata and the Whole-time Director will be attending the office as he thinks appropriate.

Subject to the provisions of the Act and the Articles of Association of the Company, the Whole-time Director shall be subject to retirement by rotation of Directors and he shall be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire in case the number of Managing Director(s) and Whole-time Director(s) shall at any time exceed the total number of Directors who shall not be required to retire by rotation under the Act and he shall not be understood to have ceased to hold the office of the Whole-time Director if re-elected. But he shall ipso facto and immediately cease to be the Whole-time Director if he ceases to hold office of Director for any cause.

The Whole-time Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever to make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Whole-time Director shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person from doing so.

In terms of Part II of Section II of Schedule V to the Act, consent of the shareholders has to be accorded for a period not exceeding three years by way of a Special Resolution for payment of remuneration within the limits as specified therein and accordingly your consent is being sought, by way of a Special Resolution, for the aforesaid appointment and terms of remuneration.

Mr. Wangchuk Dorji, not being an Indian resident, such re-appointment requires the approval of the Central Government, in terms of Section 196 (4) of the Companies Act, 2013.

Save and except the above, Mr. Wangchuk Dorji satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for reappointment.

Your Company is also proceeding to make an application for obtaining the approval of the Central Government in terms of Section 196 (4) of the Companies Act, 2013.



Brief resume of Mr. Wangchuk Dorji, nature of his expertise in specific functional areas, names of companies in which he holds directorship and membership/chairmanships of board committees, shareholding and relationships amongst directors inter-se, as stipulated in SEBI (LODR) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, has been provided in the Notice.

Your Board recommends passing of the Special Resolution set out in Item No.8 of the Notice.

The Nomination and Remuneration Committee also recommends the appointment of Mr. Wangchuk Dorji as Whole-time Director.

Except Mr. Wangchuk Dorji (DIN : 00296747) and Mr. Topgyal Dorji (DIN : 00296793), none of the Directors or Key Managerial Personnel are concerned or interested in the Resolution.

This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

INFORMATION IN RESPECT OF DIRECTORS BEING REAPPOINTED IN TERMS OF REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Name of Director	Dasho Wangchuk Dorji (DIN: 00296747)	Dasho Topgyal Dorji (DIN:00296793)	Mr. Rohan Ghosh (DIN: 00032965)	Mr. Prem Sagar (DIN: 00040396)	Mr. Kanwal Nain Malhotra (DIN: 00128479)	Mr. Vinay Killa (DIN : 00060906)	Ms. Sarada Hariharan (DIN:06914753)
Age	52 Years	56 Years	60 Years	82 Years	76 Years	48 Years	45 Years
Date of Appointment	30th October, 1993	30th October, 1993	19th May, 2014	5th March, 1993	22nd September, 1997	10th September, 2001	17th September, 2014
Qualification	A graduate from New Hampshire College, USA with specialization in Business Finance and Economics	A graduate from New Hampshire College, USA with specialization in marketing. He had undergone extensive training in Norway on Ferro Alloys.	Mr. Rohan Ghosh was educated at the St. Pauls' School, Darjeeling and has graduated from Presidency College, Kolkata.	An Engineer from Benaras Hindu University	A science graduate from Lucknow University and holds a Postgraduate Diploma in Fruit and Vegetable Technology.	A commerce graduate and holds a post graduate diploma in Business Management with specialization in Finance.	A graduate from the prestigious National Law School of India University at Bangalore in 1997, she enrolled as an Advocate with the Bar Council of West Bengal in 1998.
Brief resume and nature of his expertise	He has been serving the Company for the last twenty six years. He is the Vice-Chairman of Tashi Commercial Corporation, the largest business conglomerate in Bhutan and is also a Director on the Board of several companies in Bhutan.	He is the Vice-Chairman of Tashi Commercial Corporation, the largest business conglomerate in Bhutan and is also a Director on the Board of several companies in Bhutan. In recognition of his manifold contribution to the economy, Dasho Topgyal Dorji was made the President of the Bhutan Chamber of Commerce and Industries.	He 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. In recognition of his leadership abilities, Mr. Rohan 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. He is an avid sports enthusiast.	Mr. Prem Sagar started his career with TISCO and has assumed several responsible positions in the Tata Group of Companies. He has an experience of over four decades in the industry and is a widely travelled technocrat. Mr. Sagar is connected with several trade, social and sports associations in India.	He has vast experience in the food and beverages industry.	He is associated with several companies as a financial consultant and advisor.	Sarada Hariharan is a legal professional with more than 20 years experience in the industry. Apart from having been trained under several senior legal professionals in Mumbai, Bangalore and Cochin, she has worked as an Associate for the Chambers of Zia Mody (now known as AZB & Partners), a prestigious Mumbai based law firm, distinguished for its international clientele. She has her own practice as a solicitor/Advocate on Record, Calcutta High Court. Her core competence and practice areas are corporate transactions and contracts, including international



Name of Director	Dasho Wangchuk Dorji (DIN: 00296747)	Dasho Topgyal Dorji (DIN:00296793)	Mr. Rohan Ghosh (DIN: 00032965)	Mr. Prem Sagar (DIN: 00040396)	Mr. Kanwal Nain Malhotra (DIN: 00128479)	Mr. Vinay Killa (DIN : 00060906)	Ms. Sarada Hariharan (DIN: 06914753)
							contracts, corporate and commercial litigation, civil litigation, real estate, and other civil or civil related matters.
Details of Shares in the Company	NIL	NIL	NIL	NIL	NIL	200 Shares	NIL
Relationship with other Directors/ KMPs	Related to Dasho Topgyal Dorji	Related to Dasho Wangchuk Dorji	None	None	None	None	None
Terms and Conditions of appointment / reappointment	Liable to retire by Rotation	Liable to retire by Rotation	Liable to retire by Rotation	Term of 5 years. Not liable to retire by rotation.	Term of 5 years. Not liable to retire by rotation.	Term of 5 years. Not liable to retire by rotation.	Term of 5 years. Not liable to retire by rotation.
No. of Meetings of Board attended	4	1	4	4	4	3	4
Remuneration to be paid	Details of remuneration provided in the Explanatory Statement to the Notice of AGM	Sitting Fees	Details of remuneration provided in the Explanatory Statement to the Notice of AGM	Sitting Fees	Sitting Fees	Sitting Fees	Sitting Fees
Directorships / Committee Memberships in Listed Entities	Does not hold any Directorship or Committee Membership in any listed entity other than Tai Industries Limited.	Does not hold any Directorship or Committee Membership in any listed entity other than Tai Industries Limited.	Does not hold any Directorship or Committee Membership in any listed entity other than Tai Industries Limited.	Does not hold any Directorship or Committee Membership in any listed entity other than Tai Industries Limited.	Does not hold any Directorship or Committee Membership in any listed entity other than Tai Industries Limited.	Does not hold any Directorship or Committee Membership in any listed entity other than Tai Industries Limited.	Does not hold any Directorship or Committee Membership in any listed entity other than Tai Industries Limited.
List of Bodies Corporate in which outside directorships held as on 31st March, 2019	1.Bhutan Fruit Products Private Limited 2.Bhutan Brewery Private Limited 3.Royal Insurance Corporation of Bhutan Limited 4.Tashi Infocomm Limited 5.Tashi Group of Companies 6.Bhutan Carbide and Chemicals Limited 7.JAMIPOL Limited 8.Rijal Tashi Industries Private Limited 9.Bhutan Ferro Alloys Limited	1. Bhutan Carbide and Chemicals Limited. 2.Bhutan Eco Ventures Private Limited 3.Tashi Beverages Limited 4.Bhutan Silicon Metal Private Limited 5.Bhutan Silicon Metal Private Limited 6.Tashi Group of Companies 7.Bhutan Ferro Alloys Limited 8.Bhutan Fruit Products Private Limited	1. JAMIPOL Limited 2. Ronan Services Private Limited. 3. Tashi Metals Private Limited 4. Hilt & Berry International Private Limited	NIL	1. Rijal Tashi Industries Private Limited	1.Citrus Fashions Private Limited 2. Shagun Impex Private Limited 3. Utsav Promoters Private Limited 4. Inspiration Vinimay Private Limited. 5. Van Info Services Private Limited 6. Ganadhipati Infraventures Private Limited	NIL



Name of Director	Dasho Wangchuk Dorji (DIN: 00296747)	Dasho Topgyal Dorji (DIN:00296793)	Mr. Rohan Ghosh (DIN: 00032965)	Mr. Prem Sagar (DIN: 00040396)	Mr. Kanwal Nain Malhotra (DIN: 00128479)	Mr. Vinay Killa (DIN : 00060906)	Ms. Sarada Hariharan (DIN:06914753)
	10.Tashi Beverages Limited 11.Bhutan Silicon Metal Private Limited 12.T Bank Limited 13.Tashi Metals Private Limited	9.Bhutan Brewery Private Limited 10.Tashi Infocomm Limited 11.Tai Projects Private Limited 12.JAMIPOL Limited 13.Rijal Tashi Industries Private Limited 14.T Bank Limited 15.Tashi Metals Private Limited					
Chairman / Member of Committees of other Companies on which he is a Director (Committees include the Statutory Committees) as on 31st March, 2019	—	—	Nomination and Remuneration Committee 1. JAMIPOL Limited Corporate Social Responsibility 1. JAMIPOL Limited	—	—	—	—

INFORMATION PURSUANT TO SECTION II (B) (iv) OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013, FOR REAPPOINTMENT OF WHOLE TIME DIRECTOR AND MANAGING DIRECTOR

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 Charcoal, Ferro Silicon, 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 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 has been operating its store at City Centre, Salt Lake.

Financial performance based on given indicators

The year under review registered from the operations a turnover of Rs. 114.46 Crores as against a turnover of Rs. 73.63 Crores during the previous financial year. The Company has posted a profit after tax of Rs. 163.26 lakhs, for the financial year ended 31st March, 2019, against a profit after tax of Rs. 38.94 lakhs in the previous financial year.

**Export performance and net foreign exchange collaborations.**

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

2. INFORMATION ABOUT THE APPOINTEE**Mr. Rohan Ghosh (DIN: 00032965)*****Background details***

Mr. Rohan Ghosh (DIN: 00032965), aged about 60 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.

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 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 have been as follows:

Particulars	2018 - 2019 (Rupees)	2017 - 2018 (Rupees)	2016 - 2017 (Rupees)	2015 - 2016 (Rupees)	2014 - 2015 (Rupees)
Salary	20,17,765	17,85,616	17,85,616	17,85,616	17,85,616
Commission	–	–	–	–	–
Other benefits	4,34,906	3,65,698	1,24,940	2,77,370	2,93,889
Retiral Benefits	1,95,883	1,72,572	1,72,572	1,72,572	1,72,572
Total	26,48,554	23,23,886	20,83,128	22,35,558	22,52,077

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: 18,39,216/- 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.

Mr. Wangchuk Dorji (DIN : 00296747)**Background details**

Mr. Wangchuk Dorji (DIN: 00296747), aged 52 years, is a Bhutanese national. He is the Vice - Chairman of Tashi Commercial Corporation, the largest business conglomerate in Bhutan. He is also a Director of several companies in Bhutan and also a Director of Jamipol Limited, a Joint Venture between the Company, the Tata Group and SKW Metalchemie GMBH, Germany, which is engaged in the manufacture of desulphurisation compounds which are required in the Iron and Steel industry.

Mr. Wangchuk Dorji (DIN: 00296747) is a Graduate of New Hampshire College, USA, with specialization in Finance and has been serving the Company for the last twenty one years.

Past remuneration

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

Particulars	2018 - 2019 (Rupees)	2017 - 2018 (Rupees)	2016 - 2017 (Rupees)	2015 - 2016 (Rupees)	2014 - 2015 (Rupees)
Salary	23,89,167	21,58,334	20,51,167	18,51,833	17,91,833
Commission	–	–	–	–	–
Other benefits	–	–	–	1,35,000	1,30,500
Retiral Benefits	2,34,800	2,36,600	2,29,400	222,220	2,15,020
Total	26,32,967	23,94,934	22,80,567	22,09,053	21,37,353

Job profile and his suitability

Mr. Wangchuk Dorji (DIN: 00296747) has been the Managing Director of the Company since 1995. He was designated as a Whole-time Director of the Company on 19th May, 2014, with no change in the terms of his employment. Mr. Wangchuk Dorji (DIN: 00296747), as a Whole-time Director, shall exercise and perform such powers and duties as the Board of Directors of the Company may from time to time determine, and shall also perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

Since 1995, Mr. Wangchuk Dorji (DIN : 00296747) has been closely involved in resolving various complex business issues. His extensive practical experience as Director of several companies in Bhutan and as Vice – Chairman of Tashi Commercial Corporation, the largest conglomerate in Bhutan, have proved invaluable in the successful completion of varied transactions.

Remuneration proposed

Rs. 1,85,000/- (Rupees One lakh eighty five thousand only) per month with effect from 20th May, 2019 with annual increment of Rs. 5000/- (Rupees five thousand only) in the scale of Rs. 1,85,000/ – Rs. 5000/ – Rs.1,95,000/-.

Comparative remuneration profile with respect to industry, etc

The remuneration to the Whole-time 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. Wangchuk Dorji (DIN : 00296747) has no pecuniary relationship directly or indirectly with the Company apart from receiving remuneration as Whole-time Director. He is related to Mr. Topgyal Dorji, (DIN : 00296747) who is a Non Executive Director of the Company.

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

Despite a satisfactory performance in the industrial division, the overall profitability of the Company was impacted by the performance of the retail and fruit product divisions. Market competition and cost of real estate, transportation factors, amongst others, affected performance.

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 and 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.

**DIRECTORS' REPORT****TO THE MEMBERS**

Your Directors have pleasure in presenting their 36th Annual Report on the business and operations of your Company for the year ended 31st March, 2019.

HIGHLIGHTS OF PERFORMANCE

(₹ in Lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Turnover	11446.48	7362.91
Profit/(Loss) before Interest, Depreciation & Taxation (PBITD)	227.76	130.03
Interest	1.66	–
Profit/(Loss) before Depreciation & Taxation (PBDT)	226.10	130.03
Depreciation	49.82	93.99
Profit/(Loss) Before Tax and Extraordinary items (PBTE)	176.28	36.04
Extraordinary items	–	–
Profit/(Loss) Before Tax (PBT)	176.28	36.04
Provision for Taxation / (Deferred Tax)	13.02	(2.90)
Profit/(Loss) After Tax (PAT) (A)	163.26	38.94
Other Comprehensive Income	69.01	29.54
Total Comprehensive Income	232.27	68.48

SHARE CAPITAL

The Paid-up Share Capital of the Company, comprising Equity Shares, is Rs. 6 Crores as on 31st March, 2019. The Company has not, during the year, issued any shares with or without differential voting rights, granted stock options or issued sweat equity shares.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure A".

MEETINGS OF THE BOARD

During the year under review, four Board Meetings were held on 28th May, 2018, 27th July, 2018, 31st October, 2018 and 11th February, 2019.

During the year under review, the Audit Committee met on 28th May, 2018, 26th July, 2018, 31st October, 2018 and 11th February, 2019.

The intervening gap between the Meetings was within the period as prescribed under the Companies Act, 2013.

ACCOUNTING POLICIES AND PROCEDURES

The Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015, for preparation and presentation of these Financial Statements.

The financial statements provide a true and fair view of the state of affairs of the Company and are compliant with the accounting standards notified in the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm, to the best of their knowledge and belief, that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;



- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company which are adequate and operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

Mr. Prem Sagar (DIN: 00040396), Mr. K.N. Malhotra (DIN: 00128479), Mr. Vinay Killa (DIN: 00060906) and Ms. Sarada Hariharan (DIN: 06914753), Independent Directors, have filed the requisite declarations with the Company in accordance with Section 149(7) of the Companies Act, 2013 (the Act) to the effect that they qualify as Independent Directors within the meaning of Section 149(6) of the Act.

REMUNERATION POLICY

Upon the recommendations of the Nomination and Remuneration Committee in terms of Section 178(4) of the Companies Act 2013, your Board has adopted a policy relating to the remuneration for the Directors, key managerial personnel and other employees of the Company. The salient features of the said policy, is annexed herewith as "Annexure B" and the complete Policy can be viewed at the official website of the Company at www.taiind.com

The composition of the Nomination and Remuneration Committee is as follows:

Mr. Prem Sagar	Independent Director	Chairman
Dasho Topgyal Dorji	Non-executive Director	Member
Mr. Kanwal Nain Malhotra	Independent Director	Member
Mr. Vinay Killa	Independent Director	Member

DIRECTORS' RESPONSE TO COMMENTS MADE IN THE STATUTORY AUDITOR'S REPORT AND IN THE REPORT OF THE SECRETARIAL AUDITOR

The Statutory Auditors have issued an Audit Report with unmodified opinion on the Financial Results of the Company for the year ended 31st March, 2019 and there were no qualifications, reservations, adverse remarks or disclaimers in the said Report and also in the Secretarial Audit Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans, guarantees or made any investments in excess of the threshold amounts as prescribed in Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interests of the Company. All Related Party Transactions were placed before the Audit Committee and also the Board, for approval. Prior omnibus approval of the Audit Committee has been obtained on a quarterly basis for the transactions which were of a foreseen and repetitive nature. The statement of particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 is annexed hereto as "Annexure C".

**STATE OF COMPANY'S AFFAIRS**

The Income from the operations of your Company compared to that of the previous year, is given hereunder:

Particulars	Fruit Product (₹ Lakhs)	Industrial (₹ Lakhs)	C3 - Retail (₹ Lakhs)	Total (₹ Lakhs)
Revenue				
Current Year	1392.12	8387.15	1667.20	11,446.47
Previous Year	1355.33	4298.57	1709.01	7362.91

PLANS AND PROSPECTS**Fruit Product Division**

Increasing urbanization, lifestyle changes, greater affluence and increased rates of women working outside of home are driving the demand for processed foods.

Continued efforts are being made to develop an efficient supply chain and distribution network that ensures visibility and availability of products in the market. DRUK products are very popular with the customers.

Industrial Division

The supply of our Ferro Silicon to the markets was satisfactory.

Charcoal supply was maintained as per regular demand in Bhutan.

Margins continued to remain constrained due to competition.

Retail Division

There was no improvement in the performance of C3 over that of the previous year. High cost of real estate and various changes in state policies continue to remain a challenge. Efforts are underway to explore the untapped markets with the right set of products and pricing.

TRANSFER TO RESERVES

Your Board has considered appropriate not to transfer any amount to the General Reserves of the Company.

DIVIDEND

In order to conserve funds for the future development and growth of the Company, your Directors have not recommended payment of any dividend on equity shares of the Company for the year ended 31st March, 2019.

OTHER INFORMATION**Conservation of Energy**

Your Company's activities being trading in nature, energy consumed is only in the nature of electrical consumption for use and maintenance of office appliances. However, the efforts of your Company are aimed at keeping the consumption levels to as low as practicable.

Technology Absorption

Your Company not being engaged in any manufacturing activity, there is no information to be provided in this regard.

Foreign exchange earnings and outgo

As trade between India and Bhutan are being transacted in Indian Rupees, there has been no foreign exchange earnings or outgo during the year.

RISK MANAGEMENT POLICY

Your Company has implemented an effective risk management policy focusing on risk assessment, risk management and risk monitoring, aimed at reducing losses or injury arising out of various risk exposures.



ANNUAL EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

In terms of section 134(3)(p) of the Companies Act, 2013, your Board of Directors has adopted an annual evaluation process for evaluating its own performance as a whole and that of its Committees and of its individual Directors.

As the law has not prescribed any evaluation methodology, the following factors have been considered for evaluating the performance of the Board/ Committees/ Directors/ Chairperson/ Managing Director/ Whole-time Director on a case to case basis:

- People factors (knowledge, personal characteristics, Board size, structure, directors' contribution, interpersonal skills, level of commitment, Board room behaviour, etc); and
- Process factors (planning and managing Board meetings, information flow, oversight management, risk management, coordination, etc.)

Each Director is given a Form for assessing the overall performance of the Board/ Committees/ Directors/ Chairperson/ Managing Director / Wholetime Director as the case may be, sufficiently in advance. The forms, which include a set of questions having a rating mechanism, are reviewed and analysed by the Nomination & Remuneration Committee before placing its feedback before the Board.

DIRECTORS

In accordance with Article 68 of the Articles of Association of the Company, Dasho Topgyal Dorji (DIN : 00296793), retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for reappointment.

Mr. Prem Sagar (DIN: 00040396), Mr. K.N. Malhotra (DIN: 00128479), Mr. Vinay Killa (DIN: 00060906) and Ms. Sarada Hariharan (DIN: 06914753), will vacate office as Independent Directors at the conclusion of the forthcoming Annual General Meeting of the Company. On the recommendations of the Nomination and Remuneration Committee, the Board has proposed the reappointment of Mr. Prem Sagar (DIN: 00040396), Mr. K.N. Malhotra (DIN: 00128479), Mr. Vinay Killa (DIN: 00060906) and Ms. Sarada Hariharan (DIN: 06914753), as Independent Directors of the Company for a period of 5 years commencing from the conclusion of the 36th Annual General Meeting to the conclusion of the 41st Annual General Meeting.

Your approval for their appointment as Independent Directors has been sought in the Notice convening the Annual General Meeting.

Notices u/s 160 of the Companies Act, 2013 have been received for the reappointments of Mr. Prem Sagar (DIN: 00040396), Mr. K.N. Malhotra (DIN: 00128479), Mr. Vinay Killa (DIN: 00060906) and Ms. Sarada Hariharan (DIN: 06914753), who have filed their consent to act as Directors of the Company if appointed.

During the current year, the tenure of Dasho Wangchuk Dorji (DIN: 00296747) as Whole-time Director expired on 19th May, 2019 and he was reappointed by the Board as Whole-time Director upon the recommendations of the Nomination and Remuneration Committee, subject to the approval of the shareholders of the Company and the Central Government for a period of three years with effect from May 20, 2019.

During the current year, the tenure of Mr. Rohan Ghosh (DIN: 00032965) as Managing Director expired on 18th May, 2019 and he was reappointed by the Board as Managing Director upon the recommendations of the Nomination and Remuneration Committee, subject to the approval of the shareholders of the Company for a period of three years with effect from 19th May, 2019.

Appropriate resolutions seeking your approval to the aforesaid appointments of the Whole-time Director and Managing Director and the terms of their remuneration have been provided in the Notice convening the 36th Annual General Meeting.

All Directors have certified that the disqualifications mentioned under Sections 164, 167, and 169 of the Companies Act, 2013 do not apply to them. Your Directors hereby affirm that the Directors are not debarred from holding the office of director by virtue of any SEBI order or any order from such other authority.

The Independent Directors have affirmed compliance with the Code for the Independent Directors mentioned in Schedule IV of the Companies Act, 2013. The Independent Directors have given their declaration that they meet the criteria of independence referred to in Section 149(6) of the Company's Act, 2013 and that they are not disqualified to act as such Independent Directors.

Brief profiles of the Directors being reappointed have been provided in the Notice of the Annual General Meeting.

**KEY MANGERIAL PERSONNEL**

The following functioned as Key Managerial Personnel during the year:

Rohan Ghosh	–	Managing Director
Mou Mukherjee	–	Chief Financial Officer
Indira Biswas	–	Company Secretary

DEPOSITS

The Company has not accepted any deposit from the public, falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

ORDERS PASSED BY REGULATORS

During the year under report, there were no significant and material orders passed by regulators or courts or tribunals, impacting the Company's going concern status and its future operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate internal audit system, carried out by external firms of Chartered Accountants, which is commensurate with the size, scale and complexity of its operations. The Internal Auditors submit their Reports upon completion of limited review / audit for consideration by the Directors.

Based on the reports of internal auditors, the respective heads of the departments/divisions undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

CORPORATE SOCIAL RESPONSIBILITY

It is not obligatory on the part of your Company to have a Corporate Social Responsibility Policy/Committee since your Company's net worth, turnover and net profit during the financial year ended on 31st March, 2019 is below the threshold limits as specified in Section 135 of the Companies Act 2013.

AUDIT COMMITTEE

The Audit Committee consists of three Non-executive Independent Directors, possessing the requisite experience and expertise.

The composition of the Audit Committee is as follows:

Mr. Prem Sagar	Independent Director	Chairman
Mr. Kanwal Nain Malhotra	Independent Director	Member
Mr. Vinay Killa	Independent Director	Member

The Company Secretary is the Secretary of the Committee and the Managing Director and The Chief Financial Officer are invitees to the Meetings of the Committee.

All recommendations of the Audit Committee were duly accepted by the Board and there were no instances of any disagreements between the Committee and the Board during the year.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has put in place a Vigil Mechanism Policy in accordance with Section 177(10) of the Companies Act, 2013. The details of the policy may be viewed at the official website of the Company at www.taiind.com and is also annexed hereto as "Annexure D"

PREVENTION OF SEXUAL HARASSMENT

Your company is committed to providing a safe and secure working environment to its women employees and has in place the required Internal Committee as envisaged in the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no cases of sexual harassment reported during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management



Discussion and Analysis Report is annexed hereto as "Annexure E".

CORPORATE GOVERNANCE

Your Company is exempted from complying with the Corporate Governance provisions under Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, since the Company's share capital and net worth, was less than the specified threshold as on the last day of the previous financial year.

SECRETARIAL STANDARDS

Your Directors confirm that the Company has, during the year, complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

DEMATERIALISATION OF SECURITIES

The shares of the Company are compulsorily traded in dematerialised form for all shareholders. 63.34 % of the total number of shares stand dematerialised as on 31st March, 2019. Letters have been sent to all shareholders holding shares in physical mode informing them that as per revised Regulation 40 of SEBI (LODR) Regulations 2015, shares will be transferred only in dematerialised mode effective from 1st April, 2019 and the shareholders have been requested to dematerialise their existing shares in physical form.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is annexed hereto as "Annexure F".

AUDITORS

M/s. KAMG & Associates, Chartered Accountants (Reg. No. 311027E), who were appointed Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, to hold office from the conclusion of the 33rd Annual General Meeting upto the conclusion of the 38th Annual General Meeting, continue as Statutory Auditors of the Company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed Messrs T. Chatterjee & Associates, Company Secretaries (FRN No. P2007WB067100), to undertake the Secretarial Audit of the Company.

The Report of the Secretarial Audit is annexed herewith as "Annexure E".

MATERIAL CHANGES

There have been no material changes between the end of the Financial Year and the date of this Report

ACKNOWLEDGEMENTS

Your Directors wish to place on record their grateful appreciation of the excellent support and co-operation received from the Shareholders, Banks, Financial Institutions and Investors, Government Authorities, Stock Exchanges, Reserve Bank of India, Central and State Governments. Your Directors also wish to place on record their deep appreciation of the dedication, competence and support of the employees at all levels for their contribution towards the performance of your Company.

For and on behalf of the Board

Place: Kolkata

Date: 27th May, 2019

VINAY KILLA
(DIN : 00060906)
Independent Director

ROHAN GHOSH
(DIN : 00032965)
Managing Director



ANNEXURE - A

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31.03.2019

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details	
CIN	L01222WB1983PLC059695
Registration Date	5th May, 1983
Name of the Company	Tai Industries Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	53A, Mirza Ghalib Street, 3rd Floor, Kolkata - 700 016 Phone: (033) 4041 6666 E-mail: info@taiind.com Website: www.taiind.com
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent	Link Intime India Private Limited 59C, Chowringhee Road, 3rd Floor, Kolkata - 700 020 Phone: (033) 2289 0539/2289 0540 Email: kolkata@linkintime.co.in

II. Principal Business Activities of the Company		
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:		
Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Marketing and Distribution of processed food and drinks	46309	12.19
Trading in Metals and Minerals	46102	72.57
Retail sale in Supermarket	47211, 47212, 47213, 47214, 47215, 47219	15.24

III. Particulars of Holding, Subsidiary and Associate Companies				
Name and address of the Company	CIN / GLN	Holding / Subsidiary	% of Shares	Applicable Section
There are no Holding, Subsidiary or Associate Companies	—	—	—	—



IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	–	–	–	–	–	–	–	–	–
b) Central Govt.	–	–	–	–	–	–	–	–	–
c) State Govt.(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corporate	–	–	–	–	–	–	–	–	–
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other...	–	–	–	–	–	–	–	–	–
Sub-Total (A) (1):	–	–	–	–	–	–	–	–	–
(2) Foreign									
a) NRIs - Individuals	–	–	–	–	–	–	–	–	–
b) Other - Individuals	–	1216000	1216000	20.267	–	1216000	1216000	20.267	–
c) Bodies Corporate									
d) Banks / FI	–	–	–	–	–	–	–	–	–
e) Any Other...	–	–	–	–	–	–	–	–	–
Sub-Total (A) (2):	–	1216000	1216000	20.267	–	1216000	1216000	20.267	–
Total Shareholding of Promoters (A) = (A) (1) + (A) (2)	–	1216000	1216000	20.267	–	1216000	1216000	20.267	–
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	–	–	–	–	–	–	–	–	–
b) Banks / FI	–	200	200	0.003	–	–	–	–	(0.003)
c) Central Govt.									
d) State Govt.(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-Total (B) (1):	–	200	200	0.003	–	–	–	–	(0.003)



i) Category-wise Shareholding (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	2444405	48100	2492505	41.542	2465288	18100	2483388	41.3898	(0.512)
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ` 1 lakh	794351	663146	1457497	24.292	814933	643352	1458285	24.304	0.012
ii) Individual Shareholders holding nominal share capital in excess of ` 1 lakh	450998	21800	472798	7.880	462694	21800	484494	8.0749	0.1949
c) Others (specify)									
i) Directors	200	–	200	0.003	200	–	200	0.003	–
ii) Relatives	59	–	59	0.001	59	–	59	0.001	0.000
iii) Clearing Members	5851	–	5851	0.098	1933	0	1933	0.0322	(0.1653)
iv) Trusts	–	–	–	–	–	–	–	–	–
v) Office Bearers	–	–	–	–	–	–	–	–	–
vi) NRI'S	19461	–	19461	0.324	19461	–	19461	0.324	0.000
vii) NRN	4686	–	4686	0.078	4819	0	4819	0.080	0.0022
viii) Foreign National	–	–	–	–	–	–	–	–	–
ix) Foreign Company	–	300000	300000	5.000	–	300000	300000	5.000	–
x) HUF	30743	–	30743	0.512	31361	0	31361	0.5227	0.0103
Sub-Total (B)(2):	3750754	1033046	4783800	79.730	3800748	983252	4784000	79.78	0.0033
Total Public Shareholding (B) = (B) (1) + (B) (2)	3750754	1033246	4784000	79.733	3800748	983252	4784000	79.78	0.0033
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	3750754	2249246	6000000	100.00	3800748	2199252	6000000	100.00	–

ii) Shareholding of Promoters

Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
Dasho Ugen Dorji	1216000	20.27	0.00	1216000	20.27	0.00	–
Total	1216000	20.27	0.00	1216000	20.27	0.00	–



iii) There was no change in Promoter's Shareholding in the Financial Year 2018 - 19.

iv) **Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. Neha Dealtrade Private Limited				
At the beginning of the year	299900	4.998	299900	4.998
Bought during the year	–	–	299300	–
Sold during the year	–	–	–	–
At the end of the year	299900	4.998	599200	9.9867
2. Katherene Dealtrade Private Limited				
At the beginning of the year	300000	5.000	300000	5.000
Bought during the year	–	–	–	–
Sold during the year	–	–	–	–
At the end of the year	300000	5.000	300000	5.000
3. Amas Bank (Switzerland) Limited				
At the beginning of the year	300000	5.000	300000	5.000
Bought during the year	–	–	–	–
Sold during the year	–	–	–	–
At the end of the year	300000	5.000	300000	5.000
4. Mangalrashi Tie Up Private Limited				
At the beginning of the year	299500	4.992	299500	4.992
Bought during the year	–	–	–	–
Sold during the year	–	–	–	–
At the end of the year	299500	4.992	299500	4.992
5. Anuraj Securities Private Limited				
At the beginning of the year	294262	4.904	294262	4.904
Bought during the year	–	–	–	–
Sold during the year	–	–	–	–
At the end of the year	294262	4.904	294262	4.904
6. Oriental Trade And Investments Private Limited				
At the beginning of the year	277400	4.623	277400	4.623
Bought during the year	–	–	–	–
Sold during the year	–	–	–	–
At the end of the year	277400	4.623	277400	4.623
7. Jai Pitreshwar Vyapaar Private Limited				
At the beginning of the year	268223	4.470	268223	4.470
Bought during the year	–	–	–	–
Sold during the year	–	–	–	–
At the end of the year	268223	4.470	268223	4.470
8. Sworn Brothers Assets Private Limited				
At the beginning of the year	109280	1.8036	109280	1.8036
Bought during the year	–	–	–	–
Sold during the year	–	–	–	–
At the end of the year	109280	1.8036	109280	1.8036



For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9. Stone Door Resources Private Limited				
At the beginning of the year	108213	1.804	108213	1.804
Bought during the year	–	–	2076	–
Sold during the year	–	–	–	–
At the end of the year	108213	1.804	105750	1.804
10. Alka J. Parekh				
At the beginning of the year	103674	1.7279	103674	1.7279
Bought during the year	–	–	2076	–
Sold during the year	–	–	–	–
At the end of the year	103674	1.7279	105750	1.7625

v) Shareholding of Directors and Key Managerial Personnel

Director

Mr. Vinay Killa	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	200	0.003	200	0.003
Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	There was no change			
At the end of the year	200	0.003	200	0.003

Other than Mr. Vinay Killa no other Director or Key Managerial Personnel held any shares in the Company during the Financial Year 2018 - 19.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment for secured loans, unsecured loans, Deposits during the Financial Year 2018 - 19 — NIL



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Mr Rohan Ghosh Managing Director	Dasho Wangchuk Dorji Chairman	Total Amount (₹)
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	20,17,765	23,89,167	44,06,932
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	4,34,906	—	4,34,906
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	—	—	—
2.	Stock Options	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	— as % of profit	—	—	—
	— others, specify....	—	—	—
5.	Others, please specify (Provident Fund)	1,95,883	2,43,800	4,39,683
	Total (A)	26,48,554	26,32,967	52,81,521

B. Remuneration to other Directors:

Independent Directors

		Name of Director				Total Amount (₹)
		Mr. Prem Sagar	Mr. K. N. Malhotra	Mr. Vinay Killa	Ms. Sarada Hariharan	
	• Fees for attending Board & Committee Meetings (`)					
	Board	40,000	40,000	30,000	40,000	2,60,000
	Audit	40,000	40,000	30,000	—	—
	• Commission	—	—	—	—	—
	• Others, please specify	—	—	—	—	—
	Total (B) (1)	80,000	80,000	60,000	40,000	2,60,000

Other Non Executive Directors

	Name of Director Dasho Topgyal Dorji	Total Amount (₹)
• Fee for attending Board/ Committee Meetings	10,000	10,000
• Commission	—	—
• Others, please specify	—	—
Total (B) (2)	10,000	10,000
Total (B) = (1 + 2)	2,70,000	2,70,000
Total Managerial Remuneration		55,51,521
Overall Ceiling as per Act	<p>The remuneration of the Managing Director is within the limits specified in Schedule V of the Companies Act, 2013.</p> <p>The remuneration of the Wholetime Director is as per the Central Government's Order no. G09226978/1/2016-CL-VII dated 16th November, 2016.</p>	

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mrs. Mou Mukherjee Chief Financial Officer	Mrs. Indira Biswas Company Secretary	Total Amount (₹)
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	19,24,696.00	19,24,696.00	3,84,392
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	—	—	—
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	—	—	—
2.	Stock Options	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	— as % of profit	—	—	—
	— others, specify....			
5.	Others, please specify – (Provident Fund)	1,44,240.00	1,44,240.00	2,88,480
	Total (C)	20,68,936.00	20,68,936.00	41,37,872

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place: Kolkata

Date: 27th May, 2019

VINAY KILLA
(DIN : 00060906)
Independent Director

ROHAN GHOSH
(DIN : 00032965)
Managing Director



ANNEXURE - B

**SALIENT FEATURES OF THE POLICY RELATING TO REMUNERATION OF DIRECTORS,
KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

The Nomination and Remuneration Committee constituted by the Board of Directors of the Company, adopted the Policy Relating to Remuneration of Directors, Key Managerial Personnel and Other Employees on 5th February, 2015, formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable Rules thereto and Clause 49 of the erstwhile Listing Agreement.

IMPORTANT DEFINITIONS

“The Committee” shall mean the Nomination and Remuneration Committee

“Independent Director” shall mean a director referred to in Section 149 (6) of the Companies Act, 2013.

“Key Managerial Personnel” (KMP) shall mean (i) the Managing Director, (ii) Company Secretary, (iii) Whole-time Director (in the absence of a Managing Director), (iv) Chief Financial Officer and (v) Such other officer as may be prescribed.

“Remuneration” shall mean any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

“Senior Management” shall mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

GUIDING PRINCIPLES

The Policy ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

APPOINTMENT AND REMOVAL OF DIRECTORS, KMPS AND SENIOR MANAGEMENT**● Appointment criteria and qualifications:**

1. The appointment, tenure and remuneration of Directors and KMPS shall be governed by the provisions of the Companies Act, 2013 and the Rules thereto (including any statutory modifications and re enactments thereof for the time being in force).
2. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
3. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

● Evaluation of Performance:

The Committee shall carry out annually evaluation of performance of every Director, KMP and Senior Management.

● Removal:

Due to reasons of any disqualification mentioned in the Companies Act, 2013, Rules made thereunder or under any other applicable Act, Rules and Regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, Rules and Regulations.

● Retirement:

The Directors, KMPS and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT****● General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the Rules made thereunder, for the time being in force.
3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Persons. Increments will be effective from the date of reappointment in respect of Managerial Person and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall generally not be treated as part of the remuneration payable to any such personnel.

● Remuneration to Managerial Person, KMP and Senior Management:**1. Fixed pay:**

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee and in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013.

● Remuneration to Non-Executive / Independent Directors:**1. Remuneration:**

The remuneration shall be in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force.

2. Sitting Fees:

The Non- Executive / Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof, not exceeding the maximum amount as provided in the Companies Act, 2013.

3. Limit of Remuneration:

Remuneration may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in individual cases.

The full text of the Policy Relating to Remuneration of Directors, Key Managerial Personnel and Other Employees is available on the website of the Company at www.taiind.com.



ANNEXURE - C

Form, No. AOC - 2

**[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2)
of the Companies (Accounts) Rules, 2014]**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

NOT APPLICABLE

2. Details of contracts or arrangements or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship

NAME OF THE RELATED PARTY	NATURE OF RELATIONSHIP
Bhutan Fruit Products Private Limited	Common Directors
Bhutan Carbide & Chemicals Limited (Purchase)	Common Directors
Bhutan Carbide & Chemicals Limited (Sale)	Common Directors
Bhutan Silicon Metal Private Limited	Common Directors
Bhutan Ferro Alloys Limited	Common Directors

(b) Nature of contracts/arrangements/transactions

NAME OF THE RELATED PARTY	NATURE OF CONTRACT/AGREEMENT/TRANSACTIONS
Bhutan Fruit Products Private Limited	Agency Agreement and Royalty Agreement
Bhutan Carbide & Chemicals Limited	Purchase Agreement
Bhutan Carbide & Chemicals Limited	Sale Agreement
Bhutan Silicon Metal Private Limited	Sale Agreement
Bhutan Ferro Alloys Limited	Day to day transactions
Tashi Metals Private Limited	Agency Agreement

(c) Duration of the contracts / arrangements/transactions

NAME OF THE RELATED PARTY	DURATION OF CONTRACT/AGREEMENT/TRANSACTIONS
Bhutan Fruit Products Private Limited	Agency Agreement: 01.01.2018 – 31.12.2020
Bhutan Carbide & Chemicals Limited	Carbide: 01.01.2018 – 31.12.2018 Ferro Silicon: 01.01.2019 – 31.12.2019
Bhutan Silicon Metal Private Limited	Day to day transactions
Bhutan Ferro Alloys Limited	Day to day transactions
Tashi Metals Private Limited	Agency Agreement: 01.08.2018 – 31.07.2019



(d) Salient terms of the contracts or arrangements or transactions including the value, if any

NAME OF THE RELATED PARTY	TERMS OF THE CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS INCLUDING THE VALUE (₹)
Bhutan Fruit Products Private Limited (Purchase)	5,58,97,605/-
Bhutan Carbide & Chemicals Limited (Purchase)	16,19,02,336/-
Tashi Metals Private Limited (Purchase)	4,47,64,000/-
Bhutan Carbide & Chemicals Limited (Sale)	24,08,73,681/-
Bhutan Silicon Metal Private Limited (Sale)	2,26,41,255/-
Bhutan Ferro Alloys Limited (Sale)	9,45,42,854/-
Tashi Metals Private Limited (Sale)	22,29,72,203/-

(e) Date(s) of approval by the Board

The Related Party transactions were approved by the Board on 28th May, 2018, 27th July, 2018, 31st October, 2018 and 11th February, 2019.

(g) Amount paid as advances, if any:

NAME OF THE RELATED PARTY	ADVANCES TO THE REALTED PARTY (as on 31.03.2019) (₹)
Bhutan Fruit Products Private Limited	—
Bhutan Carbide & Chemicals Limited	18,78,641
Bhutan Silicon Metal Private Limited	—
Bhutan Ferro Alloys Limited	2,998,948

For and on behalf of the Board

Place: Kolkata

Date: 27th May, 2019

VINAY KILLA
(DIN : 00060906)
Independent Director

ROHAN GHOSH
(DIN : 00032965)
Managing Director



ANNEXURE - D

WHISTLE BLOWER POLICY / VIGIL MECHANISM POLICY

1. BACKGROUND

Section 177 of the Companies Act, 2013, which has come into effect from 1 st April, 2014, mandates that, every listed company is required to establish a vigil mechanism for the directors and employees, to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall also provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee, in appropriate or exceptional cases.

The amended Clause 49 of the Listing Agreement, which shall come into effect from 1 st October, 2014, also provides for mandatory establishment of vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation. The mechanism is also required to provide for adequate safeguards against victimisation of the directors/employees using the mechanism. (Clause 49, Sub -clause II (F))

Under these circumstances, Tai Industries Limited, being a Company listed with BSE and CSE, proposes to establish a Vigil Mechanism/ Whistle Blower mechanism and to formulate a policy for the same.

2. POLICY OBJECTIVES

A Vigil mechanism shall provide a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or Service Rules of the Company. The mechanism shall also provide for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

3. SCOPE OF THE POLICY

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company's rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers.

4. ELIGIBILITY

All Employees and directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

5. DISQUALIFICATIONS

- While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.
- Whistleblowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

6. DEFINITIONS

"Alleged wrongful conduct" shall mean violation of law, infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

"Audit Committee" means a Committee constituted by the Board of Directors of the Company in accordance with the Companies Act, 2013 and the Listing Agreement.

"Board" means the Board of Directors of the Company.

"Company" means Tai Industries Limited and all its offices.

"Compliance Officer" shall mean the Compliance Officer of the Company under the Listing Agreement and shall mean an officer to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the whistle blower the result thereof.

"Employee" means all the present employees and Whole-time Directors of the Company.



“Protected Disclosure” means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. However, the Protected Disclosures should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

“Subject” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

“Vigilance Officer” means an officer of the Company nominated by the Audit Committee for conducting appropriate investigation of the protected disclosure.

“Whistle Blower” is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant..

7. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

Protected Disclosures should be reported in writing by the complainant as soon as possible after the whistle blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.

The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected Disclosure under the Vigil Mechanism Policy”. If the complaint is not super scribed and closed as mentioned above it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Compliance officer will not issue any acknowledgement to the complainant and the complainants are advised not to write the name / address of the complainant on the envelope, nor to enter into any further correspondence with the Compliance officer / Audit Committee.

The audit committee assures that in case any further clarification is required he will get in touch with the complainant.

Anonymous / Pseudonymous disclosure shall not be entertained by the Compliance Officer.

The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Compliance Officer/ MD / Chairman of Audit Committee shall detach the covering letter bearing the identity of the whistle blower and process only the Protected Disclosure.

All Protected Disclosures should be addressed to the Compliance Officer of the Company. The contact details of the Compliance Officer is as under:-

Address of Compliance Officer:

Ms. Indira Biswas
General Manager Corporate & Company Secretary,
Tai Industries Limited,
53A, Mirza Ghalib Street,
Kolkata 700016.

Protected Disclosure against the Compliance Officer should be addressed to the Managing Director (MD) of the Company and the Protected Disclosure against the MD of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the MD and the Chairman of the Audit Committee are as under:

Name and Address of Managing Director

Mr. Rohan Ghosh
Tai Industries Limited,
53A, Mirza Ghalib Street,
Kolkata 700016.

Name and Address of Chairman of Audit Committee

Mr. Prem Sagar
Tai Industries Limited,
53A, Mirza Ghalib Street,
Kolkata 700016.

On receipt of the protected disclosure the Compliance Officer / MD / Chairman of the Audit Committee shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected



disclosure or not before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:

- a) Brief facts;
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether the same Protected Disclosure was raised previously on the same subject;
- d) Details of actions taken by Compliance officer/ MD for processing the complaint.
- e) Findings of the Audit Committee;
- f) The recommendations of the Audit Committee / other action(s).

The Audit Committee if deems fit may call for further information or particulars from the complainant.

8. INVESTIGATION

All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee (AC) may investigate and may at its discretion consider involving any other Officer of the Company including the Vigilance Officer of the Company for the purpose of investigation.

The decision to conduct an investigation taken by the Audit Committee is by itself not an accusation and is to be treated as a neutral fact finding process.

Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard to the extent that such cooperation will not compromise self incrimination protections available under the applicable laws.

Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).

Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

Subject(s) have a right to be informed of the outcome of the investigations.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit and as applicable..

9. DECISION AND REPORTING

The Audit Committee along with its recommendations will report its findings to the Managing Director through the Compliance Officer within 15 days of receipt of report for further action as deemed fit. In case prima facie case exists against the subject, then the Managing Director shall forward the said report with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons. Copy of above decision shall be addressed to the Audit Committee, the Compliance Officer, the Vigilance Officer, the complainant and the subject.

In case the subject is the Compliance Officer of the Company, the protected disclosure shall be addressed to the Managing Director who, after examining the protected disclosure shall forward the matter to the audit committee. The Audit Committee after providing an opportunity to the subject to explain his position and after completion of investigation shall submit a report along with its recommendation to the MD. After considering the report and recommendation as aforesaid, the MD shall forward the said report with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons. Copy of the above decision shall be addressed to the Audit Committee, the Compliance Officer, the Vigilance Officer, the complainant and the subject.

In case the subject is the MD of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the Protected Disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.

If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.

A complainant who makes false allegations of unethical & improper practices or about wrongful conduct of the subject to the Compliance Office or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

**10. SECRECY / CONFIDENTIALITY**

The complainant, the Compliance Officer, the Vigilance Officer, Members of Audit committee, the Subject and everybody involved in the process shall:

- Maintain confidentiality of all matters under this Policy.
- Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- Not keep the papers unattended anywhere at any time.
- Keep the electronic mails / files under password.

11. PROTECTION

No unfair treatment will be meted out to a whistle blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like, including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure etc.

A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate the same and recommend suitable action to the management.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistleblower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the audit committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Service Rules of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

12. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

13. COMMUNICATION

A whistleblower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the web site of the company.

14. RETENTION OF DOCUMENTS

All Protected disclosures documented along with the results of Investigation relating thereto, shall be retained by the Compliance Officer for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

15. ADMINISTRATION AND REVIEW OF THE POLICY

The Managing Director shall be responsible for the administration, interpretation, application and review of this policy. The Managing Director also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

16. ANNUAL AFFIRMATION

The Company shall annually affirm that it has in place an adequate vigil mechanism policy and that it has provided protection to the complainant from unfair adverse personal action. The affirmation shall also form part of Corporate Governance report which is attached to the Annual report of the Company.



ANNEXURE - E

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Para B of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates disclosure under specific heads which are given in the following paragraphs and which continue to be followed in the usual course of the Company's business over the years in discussions amongst the Directors, Key Managerial Personnel and other Management Personnel.

(a) Industry Structure and Developments**Food Processing**

India being the second most populated country has one of the largest food processing industries in terms of production, consumption, export and growth prospects. It provides an important synergy between agricultural produce and industries. The fruit and vegetable processing is equally divided between organized and unorganized sector in India. Due to its diversity in climate and taste, India is one of the most challenging markets for FMCG industry. Due to changing lifestyle, consumer preferences are also seeing a marked change. With higher disposable income and limited time, people have moved toward fast food, ready to consume drinks, readymade pastes.

Charcoal and Ferro Silicon

Ferro Silicon is a major input in the preparation of alloys and special steel. Its growth is linked to the development of iron and steel industry.

The demand for charcoal increased during the year and the demand for Ferro Silicon remained stable.

Retail

The Indian retail market has seen a growth of 15 to 20 percent. Organized retail penetration in India is less than 10% as compared to 85% in USA, hence opportunity for growth is immense. With more and more people getting use to modern retail marketing the penetration of retail is bound to grow. Favorable Demographics, increase in urbanization and disposable income preference for brand and high aspirations will drive the growth in retail industry

(b) Opportunities and threats**Food Processing**

Due to changing lifestyle, higher disposable income and limited time, change in consumer consumption pattern will continue. The biggest challenge will be to anticipate this change and be ahead of the curve. The even bigger challenge is posed due to distinct consumer preferences varying by each region. These complexities combined with change in consumption pattern and increased competition pose a major challenge for Food Processing Industry.

Charcoal and Ferro Silicon

There is always a demand for quality material and our endeavor has always been to maintain a high standard. We enjoy a strong brand and extensive all India reach.

Market competition, erratic supply, counterfeit material sold under the brand name "DRUK", are the threats being faced by this division.

Retail

Opportunities in retail are immense. However, cost of real estate is one of the major challenges in further growth. To overcome these constraints the company plans to introduce online selling platform. Continuing escalation in real estate value may affect the viability of the store.

(c) Segment-wise or Product-wise Performance

The growth of the Fruit Product Division has not been significant during the year.

The overall performance of industrial division was satisfactory during the year.

C3 retail store has been giving a substantial growth from the year 2014 – 2015. It has built up a brand value in Salt Lake as well as in Kolkata. However, its performance has not been satisfactory compared to the previous year.

**(d) Outlook**

Your Company will continue to focus on both development and expansion of markets and share gains as appropriate to secure competitive growth. Managing margins through judicious pricing and sustained efficiencies and cost saving will receive constant attention.

(e) Risks & Concerns

Despite the prospects being good, the severe competition and weather conditions continue to govern demand and therefore results.

Vital areas of concern are the transport system for movement of goods from warehouses to the distributors and the dependence on IT sector for solutions that help automate and integrate the transactional and control system.

(f) Internal Control Systems & their Adequacy

The statutory requirements of the Audit Committee are being met. In meetings of the Audit Committee, the Statutory Auditors and Partners of Internal Audit Firms participate. Such Internal Auditors also periodically visit various divisions of the Company.

Activities of each sector are being programmed on a quarterly basis, which get translated into an Annual Activity Plan. Each departmental head is involved in the preparation of the activity plans and identifying and categorising the areas of risks, which are closely monitored. Such documentations thereafter undergo a further layer of scrutiny and implementation under direct superintendence of the Managing Director of the Company.

(g) Financial & Operational Performances

This has been adequately stated in the Directors' Report.

(h) Material Developments in Human Resources Industrial Relations Front

Industrial Relations remained cordial throughout the year. Your Company strongly believes that its intrinsic strength lies in the quality of its pool of dedicated and motivated employees.

The total number of permanent employees in the payroll of the Company is 95.



ANNEXURE - F

Information as required under Sections 134(3)(q) and 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2019

Sl. No.	Requirement	Details
(i)	The ratio of the remuneration of each Director to the median of remuneration of employees of the Company for the Financial Year	Mr. Dasho Wangchuk Dorji - 12.47 : 1 Mr. Rohan Ghosh - 12.54 : 1 Mr. Prem Sagar - 38 : 1 Mr. K. N. Malhotra - 0.38 : 1 Mr. Vinay Killa - 0.28 : 1 Ms. Sarada Hariharan - 0.19 : 1 Mr. Dasho Topgyal Dorji - 0.05 : 1
(ii)	The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the Financial Year	Directors: Mr. Dasho Wangchuk Dorji - 9.94% Mr. Rohan Ghosh - 13.97% Mr. Prem Sagar - 0.00% Mr. K. N. Malhotra - 33.33% Mr. Vinay Killa - 0.00% Ms. Sarada Hariharan - 0.00% Mr. Dasho Topgyal Dorji - 0.00% Mrs. Mou Mukherjee, CFO - 15.93% Mrs. Indira Biswas, CS - 15.93%
(iii)	The percentage increase in median remuneration of employees in the Financial Year	15.37%
(iv)	The number of permanent employees on the rolls of Company	95
(v)	a) Average percentage increase already made in salaries of employees other than the managerial personnel in the last Financial Year	11.89%
	b) Its comparison with the percentage increase in the managerial remuneration	1.17:1
	c) Justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Increase in remuneration is as per the Service Agreement as approved by the Central Government
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes



ANNEXURE - G

SECRETARIAL AUDIT REPORT

FORM MR - 3

(For the period 01-04-2018 to 31-03-2019)

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
TAI Industries Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TAI Industries Limited, CIN - L01222WB1983PLC059695 (hereinafter called the company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on verification of the books, papers, minute books, forms, returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents (including RTA) and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period ended on **31st March 2019**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and reports, statements, documents filed with the recognized stock exchange(s) on the electronic platform, in the official portal of the Ministry of Corporate Affairs (MCA) and other records maintained by the Company for the audit period according to the provisions of The Companies Act, 2013 (**the Act**) and the rules made thereunder;

- I. The Companies Act, 2013 (**the Act**) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made thereunder;
- III. The Depositories Act, 1996 and Regulations and By-laws framed thereunder;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- V. Management represented that other fiscal, labour and environmental laws and other Statutes which are generally applicable to such companies, are duly complied. The following laws/Acts are also inter-alia specifically applicable to the Company, the management represented that same are complied with, to the extent applicable:
 - a. The Standards of Weights and Measures (Enforcement) Act, 1985
 - b. Food Safety and Standards Act, 2006

We have also examined compliance of the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India,
- b. The Provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015;

During the period under review the Company has complied with the provisions of the SEBI Act, Rules, Regulations, Secretarial Standards and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 etc mentioned above to the extent applicable.



However, we report that 1216000 Equity Shares of the Company is held by the promoters in physical form, which are exempted under SEBI Circular No. SEBI/CIR/ISD/1/2012 dated March 30, 2012, Clause 3(c) in arriving at compliance with 100% Promoters holding in demat form.

2. We further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For T. Chatterjee & Associates
FRN No. P2007WB067100

CS. Binita Pandey - Partner
Membership No: 41594
Certificate of Practice No. : 19730

Place: Kolkata
Date: 18th May, 2019

**'Annexure - A'**

To,
The Members
Tai Industries Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company.

Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: 18th May, 2019

For **T. Chatterjee & Associates**
FRN No. P2007WB067100

CS. Binita Pandey - Partner
Membership No: 41594
Certificate of Practice No. : 19730



INDEPENDENT AUDITOR'S REPORT

To
The Members of
Tai Industries Limited

Opinion

We have audited the accompanying standalone financial statements of **Tai Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We would like to emphasize and express our concern on the matters stated in Note nos 9 and 13 of financial statements regarding receivables and advances which include outstanding balances of Rs 2,90,38,305 and Rs 6,93,70,742 respectively. The management has taken steps during the year to retrieve relevant documents relating to outstanding debtors and carry out reconciliation with books and records. Though they have partially resolved the issues but still the above amounts remain unreconciled. The advances are also outstanding for a considerable period of time though confirmed by parties. We feel the management should take special efforts to resolve the issues at the earliest.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Evaluation of uncertain indirect tax positions pertaining to GST regime</p> <p>The Company has material balances pertaining to Goods and Service Tax in its books whose reconciliation with the Statutory Returns and payment Challans is pending as on the reporting date.</p>	<p>Principal Audit Procedures</p> <p>We have sought from the Management the requisite reconciliation of the book balances of GST with the related Statutory records which, as explained by the management, is still under progress.</p>
<p>Evaluation of the recoverability of certain old outstanding receivables and advances</p> <p>The Company has substantial balances of receivables and advances to the tune of Rs 2.90 crores and Rs 6.94 crores respectively which are outstanding for a period of more than 3 years and considered good by the company.</p>	<p>Principal Audit Procedures</p> <p>We have sought from the Management the relevant records and documents to ascertain the veracity of the balances. As explained, all the related documents are not readily available. This is reported in Emphasis of Matter paragraph of our report.</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.



Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 32.1 of other Notes to Accounts.
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Kolkata

Date: 27th May, 2019

For **KAMG & Associates**
Chartered Accountants
(Firm's Registration No. 311027E)

Amitabha Niyogi
Partner
Membership No. 056720

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TAI Industries Limited of even date)

- (i) In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were stated to be physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were stated to be noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us and on the basis of certificate given to us, all the inventory of the Company has been physically verified during the year by the management. In our opinion and according to the information and explanations given to us, the frequency of the verification is reasonable having regard to the size of the Company and the nature of its business.
- (iii) According to the information and explanations given to us, the Company has neither granted nor taken any loans to and from companies, firms, limited liability partnerships or other parties as listed in the register maintained under section 189 of the Companies Act, 2013. Accordingly, provisions of the clause 3 (iii) (b) and (c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loans to directors as mentioned in Section 185 of the Companies Act, 2013 and has not made any investments or given any guarantees and security as mentioned in Section 186 of the Companies Act, 2013. Accordingly, provisions of the clause 3 (iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits during the year and so the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable.
- (vi) The Central Government has not prescribed for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the products of the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Cess and other material statutory dues applicable to it. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (b) There were no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty and Cess as on the last day of the financial year concerned which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, Bank or Government. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those were raised.
- (x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **KAMG & Associates**
Chartered Accountants
(Firm's Registration No. 311027E)

Amitabha Niyogi
Partner
Membership No. 056720

Place: Kolkata
Date: 27th May, 2019



ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of TAI Industries Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **TAI INDUSTRIES LIMITED** (“the Company”) as of March 31, 2019

in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has generally an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, except in respect of the following-

- i) Internal control is not based on risk assessment and risk matrix.
- ii) Standard Operating Procedures (SOP) are not documented.
- iii) Furthermore, we noticed lack of control regarding debtors and advances resulting in non recovery of substantial amount.
- iv) Reconciliation of the book balances of GST with the related statutory records is under progress

Place: Kolkata

Date: 27th May, 2019

For **KAMG & Associates**
Chartered Accountants
(Firm's Registration No. 311027E)

Amitabha Niyogi
Partner

Membership No. 056720

**Balance Sheet as at 31st March, 2019**

Particulars	Note	Ind AS March 31, 2019 (₹)	Ind AS March 31, 2018 (₹)
Assets			
Non - Current Assets			
Property, Plant and Equipment	4	5,819,112	8,994,967
Intangible Assets	4	6,040,937	1,785,413
Financial Assets			
(i) Investments	5	29,668,454	21,376,087
(ii) Others Non-current Financial Assets	6	22,881,445	16,106,902
Deferred Tax Assets (Net)	18	342,282	—
Others Non-current Assets	7	476,802	498,736
		65,229,032	48,762,105
Current Assets			
Inventories	8	32,567,474	28,870,937
Financial Assets			
(i) Trade Receivables	9	240,547,014	309,587,198
(ii) Cash And Cash Equivalents	10	23,883,439	12,475,508
(iii) Other Bank Balances	11	4,028,984	1,101,735
(iv) Other Financial Assets	12	2,423,370	337,150
Current Tax Assets (Net)	14	3,795,615	1,995,630
Other Current Assets	13	191,827,541	177,414,909
		499,073,436	531,783,067
Total Assets		564,302,468	580,545,172
Equity And Liabilities			
Equity			
Equity Share Capital	15	60,000,000	60,000,000
Other Equity	16	84,318,888	61,091,363
		144,318,888	121,091,363
Non-current Liabilities			
Financial Liabilities			
Employee Benefit Obligation	17	7,910,937	6,670,593
Deferred Tax Liabilities - (Net)	18	—	816,857
		7,910,937	7,487,450
Current Liabilities			
Financial Liabilities			
(i) Trade Payables	19	331,384,995	382,542,617
(ii) Other Financial Liabilities	20	8,235,683	5,224,117
Other Current Liabilities	21	64,743,659	58,905,254
Short Term Provisions	22	3,271,003	3,214,780
Employee Benefit Obligation	23	4,437,303	2,079,591
		412,072,642	451,966,359
Total Equity And Liabilities		564,302,468	580,545,172

The accompanying notes form an integral part of the Financial Statements 1 - 46

This is The Balance Sheet referred to our report of even date.

For **KAMG & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 311027E

AMITABHA NIYOGI

Partner

Membership No. 056720

Place : Kolkata

Date : 27th May, 2019

For and on behalf of the Board

VINAY KILLA
(DIN : 00060906)
Independent Director

INDIRA BISWAS
Company Secretary
Membership No. A- 9621

ROHAN GHOSH
(DIN : 00032965)
Managing Director

MOU MUKHERJEE
Chief Financial Officer

**Statement of Profit and Loss Account for the Year ended 31st March, 2019**

Particulars	Note	Ind AS March 31, 2019 (₹)	Ind AS March 31, 2018 (₹)
Income			
Revenue from Operations	24	1,144,647,964	736,291,392
Other Income	25	16,176,880	17,847,750
Total Revenue		1,160,824,844	754,139,142
Expenses			
Purchase of stock-in-trade	26	941,021,944	591,902,316
Changes in Inventories & stock-in-trade	27	(3,696,537)	(1,126,500)
Employee benefit expenses	28	39,340,967	34,405,461
Finance costs	29	165,696	—
Depreciation and Amortisation Expenses	30	4,982,203	9,398,953
Other Expenses	31	161,382,541	115,955,081
Total Expenses		1,143,196,814	750,535,311
Profit before exceptional items and tax		17,628,030	3,603,831
Exceptional Items - Profit / (Loss)		—	—
Profit before tax		17,628,030	3,603,831
Tax expenses	32		
Current tax		3,250,000	—
Deferred tax		(1,948,268)	(289,716)
Profit for the year		16,326,298	3,893,547
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of post-employment benefit obligations		(602,011)	1,215,282
- Change in equity instruments - Fair value through other comprehensive income		8,292,367	2,395,996
Income tax relating to these items			
1) Current Tax		—	—
2) Deferred Tax		(789,129)	(656,342)
Total other comprehensive income for the year, net of tax		6,901,227	2,954,936
Total comprehensive income for the year		23,227,525	6,848,483
Earnings per equity share			
1) Basic Earnings Per Share		2.72	0.65
2) Diluted Earnings Per Share		2.72	0.65

The accompanying notes form an integral part of the financial statements 1 - 46

For **KAMG & ASSOCIATES**
Chartered Accountants
Firm's Registration No. 311027E
AMITABHA NIYOGI
Partner
Membership No. 056720
Place : Kolkata
Date : 27th May, 2019

For and on behalf of the Board

VINAY KILLA
(DIN : 00060906)
Independent Director

ROHAN GHOSH
(DIN : 00032965)
Managing Director

INDIRA BISWAS
Company Secretary
Membership No. A- 9621

MOU MUKHERJEE
Chief Financial Officer

**Statement of Cash Flow for the Year ended 31st March, 2019**

Particulars	Year ended 31st March, 2019 (₹)	Year ended 31st March, 2018 (₹)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	17,628,030	3,603,831
Adjustments for:		
Depreciation and amortisation expenses	4,982,203	9,398,952
Loss on disposal of property, plant and equipment	200	11,116
Provisions written back	(2,124,527)	(6,702,709)
Debts and advances written off	14,490,689	1,637,251
Interest income classified as investing cash flow	(2,540,839)	(1,123,710)
Dividend income classified as investing cash flow	(8,912,122)	(7,656,738)
Finance costs	165,696	—
Provision for doubtful advances	21,934	—
Changes in operating assets and liabilities		
(Increase)/decrease in trade receivables	54,538,429	(51,593,736)
(Increase)/decrease in inventories	(3,696,537)	(1,126,500)
(Increase)/ decrease in other financial assets	(8,852,947)	(4,057,654)
(Increase)/decrease in other non-current assets	21,934	65,898
(Increase)/decrease in other current assets	(14,412,632)	(15,011,785)
Increase/(decrease) in trade payables	(49,033,095)	64,154,548
Increase/ (decrease) in employee benefit obligations	2,996,045	1,900,178
Increase/(decrease) in other financial liabilities	84,317	(2,858,630)
Increase/(decrease) in short term provisions	56,223	326,968
Increase/(decrease) in other current liabilities	5,838,405	3,007,708
Cash generated from operations	11,251,405	(6,025,012)
Income taxes paid (net of refund)	(1,799,985)	(1,005,640)
Net cash inflow from operating activities	9,451,420	(7,030,652)
Cash flow from investing activities		
Payments for property, plant and equipment	(6,063,572)	(1,182,682)
(Purchase)/sale of investments	—	3,500
Proceeds from sale of property, plant and equipment	1,500	14,599
Changes in other bank balances	(2,927,249)	2,075
Interest received	2,199,405	862,787
Dividend received	8,912,122	7,656,738
Net cash outflow from investing activities	2,122,206	7,357,016
Cash flow from financing activities		
Interest paid	(165,696)	—
Dividends paid (including dividend tax)	—	(2,075)
Net cash inflow (outflow) from financing activities	(165,696)	(2,075)
Net increase (decrease) in cash and cash equivalents	11,407,931	324,289
Cash and cash equivalents at the beginning of the year	12,475,508	12,151,219
Cash and cash equivalents at the end of the year	23,883,439	12,475,508



Notes :

1. The above cash flow statement has been compiled from and is based on the balance sheet as at 31st march, 2019 and the related statement of profit and loss for the year ended on that date.
2. The above cash flow statement has been prepared under as set out in the indian accounting standard 7 (IND AS-7) on statement of cash flows.
3. Cash and cash equivalents represent cash and bank balances
4. Additions to fixed assets are stated inclusive of movements of capital work-in-progress between the beginning and the end of the year and are treated as part of investing activities.
5. Figures in parenthesis represent outflows.
6. Previous year's figures have been regrouped, wherever necessary, to conform current year's presentation.

This is the cash flow referred to in our report of even date.

For **KAMG & ASSOCIATES**

Chartered Accountants

Firm's Registration No. 311027E

AMITABHA NIYOGI

Partner

Membership No. 056720

Place : Kolkata

Date : 27th May, 2019

For and on behalf of the Board

VINAY KILLA

(DIN : 00060906)

Independent Director

ROHAN GHOSH

(DIN : 00032965)

Managing Director

INDIRA BISWAS

Company Secretary

Membership No. A- 9621

MOU MUKHERJEE

Chief Financial Officer



Statement of Changes in Equity for the Year ended 31st March, 2019

A. Equity Share Capital

As at April 01, 2017	60,000,000
Changes in equity share capital during the year	—
As at March 31, 2018	60,000,000
Changes in equity share capital during the year	—
As at March 31, 2019	60,000,000

B. Other Equity

	Reserves and Surplus			Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained earnings (Surplus)		
Balance as at April 01, 2017	595,100	3,878,789	41,388,586	8,380,405	54,242,880
Profit for the year			3,893,547		3,893,547
Other comprehensive income for the year, net of tax			—	2,954,936	2,954,936
Total comprehensive income for the year	—	—	3,893,547	2,954,936	6,848,483
Allocations/Appropriations:					
Final Dividend paid for the year 2015-16			—	—	—
Dividend distribution tax			—	—	—
	—	—	—	—	—
Balance as at March 31, 2018	595,100	3,878,789	45,282,133	11,335,341	61,091,363
Balance as at April 01, 2018	595,100	3,878,789	45,282,133	11,335,341	61,091,363
Profit for the year			16,326,298	—	16,326,298
Other comprehensive income for the year, net of tax	—	—	—	6,901,227	6,901,227
Total comprehensive income for the year	—	—	16,326,298	6,901,227	23,227,525
Balance as at March 31, 2019	595,100	3,878,789	61,608,431	18,236,568	84,318,888

The accompanying notes form an integral part of the financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **KAMG & ASSOCIATES**
Chartered Accountants
Firm's Registration No. 311027E
AMITABHA NIYOGI
Partner
Membership No. 056720
Place : Kolkata
Date : 27th May, 2019

For and on behalf of the Board

VINAY KILLA
(DIN : 00060906)
Independent Director

INDIRA BISWAS
Company Secretary
Membership No. A- 9621

ROHAN GHOSH
(DIN : 00032965)
Managing Director

MOU MUKHERJEE
Chief Financial Officer



Notes to The Financial Statements

NOTE : 1

GENERAL INFORMATION

Tai Industries Limited ("the Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in trading, marketing and distribution and retailing, in India, of "DRUK" brand of fruit products such as squashes, jam, fruit juices, pickles, ketchup, etc. The Company also carries on trading and marketing of industrial and mineral products and raw materials such as calcium carbide, charcoal, manganese ore, etc.

1 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these separate financial statements of the Company. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) BASIS OF PREPARATION

(i) Compliance with Ind AS

The separate financial statements have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 under the historical cost convention as a going concern on an accrual basis except for certain financial instruments which are measured at fair value. The financial statements up to year ended 31 March 2017 were prepared earlier in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- equity investments in entities other than subsidiary, joint ventures and associate which are measured at fair value;
- Certain financial assets and liabilities that are measured at fair value;
- defined benefit plans – plan assets measured at fair value.

(iii) Use of estimates

In preparing the financial statements in conformity with generally accepted accounting principles, management is required to make judgements, estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the amounts of revenue and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of facts and circumstances as at the date of the financial statement. Actual results could differ from those estimates. Estimates and underlying assumption are reviewed on an ongoing basis. Any revision to such estimates is recognised in the period the same is determined.

(b) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at historical cost less depreciation. Historical Cost represents direct expenses incurred on acquisition of the assets and the share of indirect expenses relating to acquisition allocated in proportion to the direct cost involved. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on 'Written Down Value Method' based on useful life as prescribed under Schedule II to the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(c) INTANGIBLE ASSETS

Measurement at recognition:

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method



are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when it is technically feasible to complete the software so that it will be available for use, management intends to complete the software and use or sell it, there is an ability to use or sell the software, it can be demonstrated how the software will generate probable future economic benefits, adequate technical, financial and other resources to complete the development and to use or sell the software are available, and the expenditure attributable to the software during its development can be reliably measured. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(d) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) FINANCIAL ASSETS:

(A) Classification:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(B) Initial recognition and measurement:

A financial asset is classified as measured at

- Amortised Cost;
- FVOCI — debt investment;
- FVOCI - equity investment; or — FVTPL

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt investment:

A 'debt investment' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

Debt investment included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investment:

The Company subsequently measures all equity investments in companies other than equity investments in subsidiaries, joint ventures and associates at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

(C) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily



derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(D) Impairment:

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt investments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance, Lease receivables and Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables which do not contain a significant financing component.

All lease receivables resulting from transactions.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

(ii) FINANCIAL LIABILITIES:

(A) Classification:

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(B) Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

(C) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) OFFSETTING FINANCIAL INSTRUMENT:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(iv) DERIVATIVE FINANCIAL INSTRUMENT:

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to interest rate and foreign exchange risks. For contracts where hedge accounting is not followed, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(v) INCOME RECOGNITION:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(e) CASH AND CASH EQUIVALENTS

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(f) REVENUE RECOGNITION

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity after providing the services to the customers.

- (i) Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax and other value added tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable.



- (ii) Revenue from interest is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

The company uses significant judgments in accordance with IND AS 115 while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

Provisions for estimated losses are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

The standard (IND AS 115) permits two possible methods of transition:

Retrospective approach – Under this approach, the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind As 8 – Accounting policies, Changes in Accounting estimates and Errors.

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch up approach).

The Company has adopted the Standard (Ind AS-115) on and from April 1, 2018 by using cumulative catch up transaction method and accordingly comparatives for the year ended March 31, 2018 has not been retrospectively adjusted.

- (iii) Dividend income is stated at gross and is recognized when right to receive payment is established.

(g) EMPLOYEE BENEFITS

The Company has various schemes of retirement benefits such as Provident Fund, Superannuation Fund and Gratuity Fund duly recognized.

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The employees of the company are entitled to leave benefits as per the policy of the Company. As per leave policy of the Company, liability for leave is treated as short term in nature. Provision towards short term accrued leave is made based on accumulated leave balances of employees on the payroll of the Company at year end.

(ii) Post-employment obligations

The company operates the following post-employment schemes:

Gratuity obligations –

Maintained as a defined benefit retirement plan and contribution is made to the Life Insurance Corporation of India. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Provident Fund –

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(h) LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under leases are charged or credited to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

**(i) FOREIGN CURRENCY TRANSLATION****(i) Presentation Currency**

These financial statements are presented in INR which is the Functional Currency of the Company.

(ii) Transactions and balances

The foreign currency balances receivable/payable as at the year end are converted at the closing rate and exchange difference has been recognized in the statement of Profit and Loss. The company classifies all its foreign operations as integral in nature.

(j) TAXES ON INCOME

Current income tax is recognized based on the amount expected to be paid to the tax authorities, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(k) DIVIDENDS

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

(l) EARNINGS PER SHARE

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of shares and dilutive equity equivalent shares outstanding during the period, except when results will be anti-dilutive.

(m) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed, unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(n) INVENTORIES

Inventories are valued at cost which is based on FIFO method or net realisable value, whichever is lower. Unserviceable/damaged/discarded stocks and shortages are charged to the statement of Profit or Loss.

2 Recent accounting pronouncements**a. Ind AS 116 Leases.**

On March 30, 2019 MCA has notified. Ind AS 116, Leases. Ind AS 116 will replace the existing standard on leases and related interpretations. The standard sets out the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying assets is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS17.



The effective date for adoption of Ind AS 116 is annual period beginning on or after April 1, 2019. The standard permits two possible methods of transition:

Full retrospective – retrospectively to each prior period presented applying Ind AS 8, Accounting policies, Changes in Accounting estimates and errors.

Modified retrospective – retrospectively, with cumulative effect of initially applying the standard recognized at the date of initial application.

b. Ind AS 12, Appendix C, Uncertainty over Income Tax treatments.

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax treatments which is to be applied while performing in determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatment under Ind AS 12.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

Amendment to Ind AS 19, plan amendment, curtailment or settlement. On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

3 Significant estimates and judgements

- (a) The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides information about the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

- (b) The preparation of financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities. The disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the result are known / materialized and, if material their effect are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

- i) Determining whether an arrangement contains leases and classification of leases : The Company enters into service / hiring arrangements for various assets / services. The determination of lease and classification of the service / hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- ii) Fair value as Deemed cost for PPE and Investment Property : The Company has opted to use its previous GAAP carrying amounts as on the date of transition i.e. 1st April 2016 as its deemed costs.
- (c) Depreciation of and impairment loss on property, plant and equipment / investment property : Property, plant and equipment and Investment Property (except land) are depreciated on written down value method over the estimated useful lives in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation to be recorded during any reporting period. This reassessment may result in change in depreciation expense in future periods.

The company reviews its carrying value of its Tangible and Investment Property whenever there is objective evidence that the assets are impaired. The required level of impairment losses to be made is estimated by reference to the estimated value in use or recoverable amount.

- (d) Impairment loss on trade receivables : The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Company bases the estimates on the ageing of the trade receivable balance, credit worthiness of the receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.



NOTE : 4 - Property Plant and Equipment

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION					Carrying Value as at March 31, 2019 (₹)	Carrying Value as at March 31, 2018 (₹)
	Deemed cost as at April 01, 2018 (₹)	Additions during the year (₹)	Sales / Adjustments during the year (₹)	Balance as at March 31, 2019 (₹)	As at April 01, 2018 (₹)	For the year (₹)	Less: Sales/ Adjustments (₹)	As at March 31, 2019 (₹)		
i) Property Plant and Equipment										
Buildings	8850,193	—	—	850,193	75,136	33,512	—	108,648	741,546	775,057
Office Equipment	1,467,045	335,692	—	1,802,737	728,819	345,991	—	1,074,810	727,927	738,227
Plant & Machinery	1,984,813	—	—	1,984,813	849,460	247,249	—	1,096,709	888,104	1,135,353
Electrical Equipment	117,977	—	—	117,977	3,830	277	—	4,107	113,870	114,147
Furniture & Fittings	714,449	300,000	—	1,014,449	106,135	107,494	—	213,629	800,820	608,314
Computer	13,699,834	82,880	1,700	13,781,014	8,260,131	3,099,543	—	11,359,674	2,421,340	5,439,703
Vehicles	408,766	—	—	408,766	224,600	58,661	—	283,261	125,505	184,166
Total	19,243,077	718,572	1,700	19,959,949	10,248,111	3,892,727	—	14,140,838	5,819,112	8,994,967
ii) Intangible Assets										
Computer Softwares	2,789,164	5,345,000	—	8,134,164	1,003,751	1,089,476	—	2,093,227	6,040,937	1,785,413
Total	2,789,164	5,345,000	—	8,134,164	1,003,751	1,089,476	—	2,093,227	6,040,937	1,785,413
Grand Total	22,032,241	6,063,572	1,700	28,094,113	11,251,862	4,982,203	—	16,234,065	11,860,049	10,780,380
Previous Year	20,875,272	1,182,685	25,715	22,032,242	1,852,909	9,398,953	—	11,251,862	10,780,380	



(Amount in ₹)

	As at March 31, 2019 (₹)	As at March 31, 2018 (₹)
5. Investments		
In Equity Instruments		
Quoted -		
Other Bodies Corporate (Equity investments at Fair value through other comprehensive income)		
Usha Ispat Limited 300 (2018 - 300) Equity Shares of INR 10 each, fully paid	—	—
Core Health Care Limited 100 (2018 - 100) Equity Shares of INR 10 each, fully paid	687	—
State Bank of India 1800 (2018 - 1800) Equity Shares of INR 1 each, fully paid	577,350	450,180
Bata India Limited 8750 (2018 - 8750) Equity Shares of INR 5 each, fully paid	12,294,188	6,387,500
Infosys Limited 832 (2018 - 416) Equity Shares of INR 5 each, fully paid	618,883	471,910
Reliance Industries Limited 4120 (2018 - 4120) Equity Shares of INR 10 each, fully paid	5,616,590	3,637,134
India Steel Works Limited 250 (2018 - 250) Equity Shares of INR 1 each, fully paid	250	—
Reliance Capital Limited 51 (2018 - 51) Equity Shares of INR 10 each, fully paid	10,429	21,599
Reliance Communications Limited 1030 (2018 - 1030) Equity Shares of INR 5 each, fully paid	4,275	22,403
Reliance Infrastructure Limited 77 (2018 - 77) Equity Shares of INR 10 each, fully paid	10,549	32,860
Reliance Power Limited 257 (2018 - 257) Equity Shares of INR 10 each, fully paid	2,917	9,291
Reliance Home Finance Limited 51 (2018 - 51) Equity Shares of INR 10 each, fully paid	1,466	3,073
Unquoted -		
In Others Entities (at Cost) -Refer Note below		
Jamipol Limited 800,000 (2018 - 800,000) Equity Shares of INR 10 each, fully paid	8,000,000	8,000,000
Investments In Mutual Fund (At Fair value through other comprehensive income)		
UTI Equity Fund - Dividend Plan (NAV) 10000 (2018 - 10,000) Units of INR 10 each	1,064,729	977,937
SBI Large & Midcap Fund - Regular Dividend (NAV) 10000 (2018 - 10,000) Units of INR 10 each	1,003,662	939,600
HDFC Growth Opportunities Fund - Regular Growth Plan (NAV) 4000 (2018 - 4,000) Units of INR 10 each	462,480	422,600
Total Investments	29,668,454	21,376,087

Note:

The Company holds 800,000 shares of RS 10 each in an unlisted entity "Jamipol Limited". Since the shares of Jamipol Limited are unquoted and this being a strategic investment, there is a wide range of possible fair value measurement. The management of the Company has concluded that cost represents the best estimate of fair value within the range. Therefore the investment in Equity Shares of Jamipol Limited will be carried at cost unless there is any significant change in fair value.

Aggregate amount of quoted investments	21,668,455	13,376,087
Market value of quoted investments	21,668,455	13,376,087
Aggregate amount of unquoted investments	8,000,000	8,000,000



	Ind AS March 31, 2019 (₹)	Ind AS March 31, 2018 (₹)
6. OTHER NON-CURRENT FINANCIAL ASSETS		
Fixed Deposit more than 12 months maturity	19,586,668	11,161,427
Security Deposits	5,301,725	7,297,388
Less: Provision for Doubtful Deposits	(2,474,900)	(2,474,900)
Interest Accrued on Fixed Deposits	467,952	122,987
	22,881,445	16,106,902
7. OTHER NON-CURRENT ASSETS		
Other Advances recoverable - considered doubtful	21,934	21,934
Less : Provision for Doubtful Advance	(21,934)	—
Deferred Rent Expense- Security Deposit Assets	476,802	476,802
	476,802	498,736
8. INVENTORIES		
<i>(At lower of cost or net realisable value)</i>		
Stock in trade	32,567,474	28,870,937
	32,567,474	28,870,937
9. TRADE RECEIVABLES (Unsecured)		
Considered good	240,547,014	309,587,198
	—	—
	240,547,014	309,587,198
10. Cash & Cash Equivalents		
Cash in hand	2,507,462	2,334,532
Balances with Banks		
Current Accounts	21,375,977	10,140,976
	23,883,439	12,475,508
11. Other Bank Balances		
Unpaid Dividend Accounts	4,028,984	1,101,735
	4,028,984	1,101,735
12. OTHER CURRENT FINANCIAL ASSETS		
Interest Accrued on Fixed Deposits	—	337,150
Security Deposit	2,423,370	—
	2,423,370	337,150
13. OTHER CURRENT ASSETS		
Prepaid Expenses	404,980	409,738
Deferred Rent Expense- Security Deposit Assets- Current Portion	—	112,526
Advances to Related Parties	131,970,944	128,162,453
Other Advances	54,046,686	32,180,800
Advance to Vendors	5,404,931	16,549,392
	191,827,541	177,414,909
14. CURRENT TAX ASSETS (NET)		
Opening balance	1,995,630	989,990
Less: Tax payable for the year	—	—
Add: Taxes paid	1,799,985	1,005,640
Add/(Less): Refund/adjustment for earlier years	—	—
Total Current Tax Assets (Net)	3,795,615	1,995,630



	Ind AS March 31, 2019 (₹)	Ind AS March 31, 2018 (₹)
15. EQUITY SHARE CAPITAL		
Authorised		
7,500,000 Equity Shares of ₹ 10 each (2018 -7,500,000)	75,000,000	75,000,000
	75,000,000	75,000,000
Issued, Subscribed & Fully Paid Up		
6,000,000 Equity Shares of ₹ 10 each (2018-6,000,000)	60,000,000	60,000,000
	60,000,000	60,000,000

	Number of Shares	Equity Share Capital (par Value) (₹)
a) Reconciliation of Share Capital		
As at March 31, 2017	6,000,000	60,000,000
Change during the year	—	—
As at March 31, 2018	6,000,000	60,000,000
Change during the year	—	—
As at March 31, 2019	6,000,000	60,000,000

b) Rights and preferences attached to equity shares:

The Company has one class of equity shares having a par value of ₹ 10 per share. These shares rank *pari passu* in all respects including voting rights and entitlement to dividend except interim dividend declared by the Board and approved at the shareholder's meeting.

c) Shares held by Shareholders holding more than 5 percent shares in the Company :

	Number of Shares	As at March 31, 2019 (% of holding)	Number of Shares	As at March 31, 2018 (% of holding)
Late Dasho Ugen Dorji	1,216,000	20.2667	1,216,000	20.2667

	Ind AS March 31, 2019 (₹)	Ind AS March 31, 2018 (₹)
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16. OTHER EQUITY**(i) Capital Reserve**

As per last Account	595,100	595,100
Adjustment during the year	—	—
Closing Balance	595,100	595,100

(ii) General Reserve

As per last Account	3,878,789	3,878,789
Adjustment during the year	—	—
Closing Balance	3,878,789	3,878,789

(iii) Surplus in Statement of Profit and Loss

Opening Balance	45,282,133	41,388,586
Add: Profit during the year as per Statement of Profit & Loss	16,326,298	3,893,547
Less: Allocations / Appropriations	—	—
Proposed Dividend on Equity Shares	—	—
Tax on Dividend	—	—



	Ind AS March 31, 2019 (₹)	Ind AS March 31, 2018 (₹)
16. OTHER EQUITY (Contd.)		
Ind AS Adjustments		
Deferred Tax Asset Created on Fair value remeasurement of Security Deposit	—	—
Fair value measurement of Security Deposit paid	—	—
Lifetime expected credit loss on Trade Receivables	—	—
Lifetime expected credit loss on Advance given to Vendors	—	—
	61,608,431	45,282,133
FVOCI - Equity Instruments		
As per last Account	11,335,341	8,380,405
Add: Gain on fair valuation of Investments	8,292,367	2,395,996
Add: Actuarial Gain provided for the year on employee benefits	—	1,215,282
Add: Deferred Tax Asset Created on employee benefit for the year	167,479	—
Less: Deferred Tax Liability Created on employee benefit for the year	—	375,522
Less: Deferred Tax Liability Created on Fair value measurement of Investments	956,608	280,820
Less: Actuarial loss provided for the year on employee benefits	602,011	—
	18,236,568	11,335,341
Total of Other Equity	84,318,888	61,091,363
17. PROVISIONS FOR EMPLOYEE BENEFIT		
Leave Encashment (Unfunded)	1,740,209	1,726,932
Gratuity (Unfunded)	6,170,728	4,943,661
	7,910,937	6,670,593
18. DEFERRED TAX LIABILITIES - NET		
Deferred Tax Liabilities on account of :		
Fair Valuation of Investment	2,422,598	1,465,990
Fair Valuation of Security Deposit-Asset	9,896	9,896
Leave Encashment	272,214	272,214
Provision for Gratuity	338,690	338,690
Total deferred tax liabilities (A)	3,043,398	2,086,790
Deferred Tax Assets on account of :		
Depreciation	981,009	39,823
Provision for Leave Encashment & Diminution Value of Investment	932,171	385,839
Provision for Gratuity	1,388,376	766,250
Fair Valuation of Security Deposit-Asset & Other Advances	84,123	78,021
Total deferred tax assets (B)	3,385,680	1,269,933
Deferred Tax (Liabilities)/Asset (Net) (B) - (A)	342,282	(816,857)



	Ind AS March 31, 2019 (₹)	Ind AS March 31, 2018 (₹)
19. TRADE PAYABLE		
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	331,384,995	382,542,617
	331,384,995	382,542,617
20. OTHER CURRENT FINANCIAL LIABILITIES		
Unclaimed Dividend	4,028,984	1,101,735
Other Payables	851,072	814,851
Liabilities for stale cheques	100,127	52,031
Security Deposits	3,255,500	3,255,500
	8,235,683	5,224,117
21. OTHER CURRENT LIABILITIES		
Statutory Dues	17,772,736	2,341,502
Advance from Customer	1,805,155	11,133,479
Advance from Others	45,165,768	45,430,273
	64,743,659	58,905,254
22. SHORT TERM PROVISIONS		
Leave Encashment (For continuing employee)	—	2,071,334
Provision for LTA	21,003	1,143,446
Provision for Income Tax	3,250,000	—
	3,271,003	3,214,780
23. EMPLOYEE BENEFIT OBLIGATION		
Leave Encashment (Unfunded)	2,226,791	276,257
Gratuity (Unfunded)	2,210,512	1,803,334
	4,437,303	2,079,591



	Ind AS March 31, 2019 (₹)	Ind AS March 31, 2018 (₹)
24. REVENUE FROM OPERATIONS		
Fruit Products	139,212,471	135,533,448
Calcium Carbide	3,335,832	72,682,186
Charcoal	581,029,993	332,951,167
Ferro Silicon	201,645,065	—
Sale of Retail Products	166,720,277	170,900,926
Other Operating Income	52,704,326	24,223,664
	1,144,647,964	736,291,392
25. OTHER INCOME		
Interest (Gross)	2,540,839	1,123,710
Dividend	—	—
From Others - Long Term Investments (Trade)	8,912,122	7,656,738
From Mutual Fund - Current Investments (Non-trade)	—	—
Miscellaneous Income	2,599,392	2,364,593
Provisions/ Liabilities Written Back	2,124,527	6,702,709
	16,176,880	17,847,750
26. PURCHASE OF STOCK-IN-TRADE		
Fruit Products	98,192,705	99,224,164
Calcium Carbide	2,958,336	65,239,880
Charcoal	483,783,362	272,189,664
Ferro Silicon	203,708,000	—
Retail Products	144,390,124	145,259,967
Carraige Inward, Octroi Expenses and Other related expenses	7,989,417	9,988,641
	941,021,944	591,902,316
27. CHANGES IN INVENTORIES AND STOCK-IN-TRADE		
Opening Stock	28,870,937	27,744,437
Less : Closing Stock	32,567,474	28,870,937
	(3,696,537)	(1,126,500)
28. EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	33,227,538	28,333,142
Contribution to Provident fund and Other Funds	2,674,268	2,432,721
Provision for Gratuity (Note - 33)	1,032,234	2,053,801
Staff Welfare Expenses	2,406,927	1,585,797
	39,340,967	34,405,461
29. FINANCE COSTS		
Interest Expense	165,696	—
	165,696	—
30. DEPRECIATION AND AMORTISATION		
Tangible Assets	3,892,727	8,823,980
Intangible Assets	1,089,476	574,973
	4,982,203	9,398,953



	Ind AS March 31, 2019 (₹)	Ind AS March 31, 2018 (₹)
31. OTHER EXPENSES		
Rent	6,755,464	6,388,114
Repairs to Others	12,391,458	12,481,901
Insurance	525,340	593,895
Rates and Taxes	529,871	490,225
Electricity	4,260,519	4,680,914
Travelling and Conveyance	6,545,719	6,199,138
Communication Expense	1,764,463	1,791,024
Legal and Professional charges	2,962,543	3,161,698
Printing and Stationery	776,068	793,296
Carriage Outward	73,109,224	50,864,339
Commission on Depot Sales	244,649	387,148
Commission Paid on Ferro Silicon	18,341,837	1,678,040
Breakage and Damages	3,251,214	2,530,207
Provision for Doubtful Advances	21,934	—
Advertisement, Publicity and Sales Promotion	991,028	755,856
Other Selling Expenses	7,201,211	6,141,491
Debts and Advances written off	14,490,689	1,637,251
Bank & Other Charges	1,001,741	1,234,192
Miscellaneous Expenses [Note 44]	2,909,172	10,857,683
Security Charges	1,810,117	1,851,166
Common expenses Store	1,228,080	1,156,353
Director's sitting fees	270,000	270,000
Loss on sale of Fixed Assets (Net)	200	11,116
Provision for dimunition in value of Investments	—	34
	161,382,541	115,955,081
32. TAX EXPENSES		
Income Tax Expense		
(a) Income tax		
Tax on profits for the year	3,250,000	—
Total income tax	3,250,000	—
(b) Deferred tax		
Decrease (increase) in deferred tax assets	(1,948,268)	(525,098)
(Decrease) increase in deferred tax liabilities	—	235,832
Total Deferred tax	(1,948,268)	(289,266)



	Ind AS March 31, 2018 (₹)	Ind AS March 31, 2017 (₹)
32. TAX EXPENSES (Contd.)		
(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:		
Profit before tax as per IND AS	17,628,030	3,603,831
Add : Depreciation as per Companies Act	4,982,202	9,398,952
Add : Disallowance as per U/S 14A	132,825	100,899
Add : Loss on sale of Investment	—	34
Add : Provision for Doubtful Advances	21,934	—
Add : Provision for Gratuity during the year	1,032,234	2,053,801
Add : Provision for Leave Encashment during the year	2,266,711	2,163,256
	26,063,936	17,320,773
Less : Dividend income -u/s 10(34)	8,912,122	7,656,738
Less : Depreciation as per Income Tax Act	5,785,479	7,416,364
Less : Payment of gratuity	—	199,875
Less : Payment of leave encashment	2,374,234	1,828,926
	8,992,102	218,870
Less : Set off against brought forward business loss	8,992,102	218,870
Income tax expenses recognised in Statement of Profit/(Loss) A/c	—	—

33. Employee benefit obligations**(Amount in `)**

	As at March 31, 2019			As at March 31, 2018		
	Current	Non-current	Total	Current	Non-current	Total
Leave Encashment - Unfunded						
Present value of obligation	2,226,791	1,740,209	3,967,000	276,257	1,726,932	2,003,189
Gratuity - Unfunded						
Present value of obligation	2,210,512	6,170,728	8,381,240	1,803,334	4,943,661	6,746,995
Less: Fair value of plan assets	—	—	—	—	—	—
Net Liability	2,210,512	6,170,728	8,381,240	1,803,334	4,943,661	6,746,995
Total Employee Benefit Obligations	4,437,303	7,910,937	12,348,240	2,079,591	6,670,593	8,750,184

(i) Defined benefit plans**a) Gratuity**

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Such liability is recognised on the basis of actuarial valuation following Projected Unit Credit Method. It is an unfunded plan.

b) Leave Obligation

As per the policy of the company, leave obligations on account of accumulated leave on employee is settled only on termination/retirement of the employee. Such liability is recognised on the basis of actuarial valuation following Projected Unit Credit Method. It is an unfunded plan. The amount of the provision of INR 22,26,791 (2018 – INR 2,76,257; 2017 – INR 59,783) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations

(ii) Defined contribution plans

The company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The contributions to Defined Contribution Plans recognized as expenses in the Statement of Profit & Loss are as follows:

	2018 - 19	2017 - 18
Employers' contribution to Provident Fund	1,285,290	1,086,688
Employers' contribution to Pension Fund	881,646	870,334
Employers' contribution to ESIC	452,359	427,577
Employers' contribution to EDLI	54,973	48,122



(iii) Movement of defined benefit obligation and fair value of plan assets :

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Gratuity			Leave Encashment
	Present value of obligation	Fair value of plan assets	Net amount of obligation	Present value
March 31, 2017	5,012,265	—	5,012,265	3,053,023
Current service Cost	425,178	—	425,178	4,099
Interest expense / (income)	361,056	—	361,056	217,937
Past service cost	1,267,567	—	1,267,567	—
Total amount recognised in profit or loss	2,053,801	—	2,053,801	222,036
Remeasurements	—	—	—	—
Loss due to experience	(12,440)	—	(12,440)	(1,052,728)
Change in Financial Assumption	(106,757)	—	(106,757)	(43,357)
Return on plan assets (greater)/ less than discount rate	—	—	—	—
Total amount recognised in other comprehensive income	(119,197)	—	(119,197)	(1,096,085)
Employer contributions	—	199,874	(199,874)	—
Benefit payments	(199,874)	(199,874)	—	(175,785)
March 31, 2018	6,746,995	—	6,746,995	2,003,189
April 01, 2018	6,746,995	—	6,746,995	2,003,189
Current service cost	519,462	—	519,462	—
Interest expense/(income)	512,772	—	512,772	140,732
Total amount recognised in profit or loss	1,032,234	—	1,032,234	140,732
Remeasurements	—	—	—	—
Loss due to experience	458,504	—	458,504	486,503
Change in Financial Assumption	143,507	—	143,507	51,958
Return on plan assets (greater)/ less than discount rate	—	—	—	—
Total amount recognised in other comprehensive income	602,011	—	602,011	538,461
Employer contributions	—	—	—	—
Benefit payments	—	—	—	(302,900)
Settlement	—	—	—	1,587,518
March 31, 2019	8,381,240	—	8,381,240	3,967,000

The net liability disclosed above relating unfunded plan are as follows:

Particulars	March 31, 2019	March 31, 2018
GRATUITY: Present value of funded obligations	8,381,240	6,746,995
Fair value of plan assets	—	—
Deficit of funded plan	8,381,240	6,746,995
Deficit of Employee Benefit Plans	3,967,000	2,203,189

**(iv) Post-Employment benefits**

The significant actuarial assumptions were as follows:

Particulars	GRATUITY		LEAVE ENCASHMENT	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Discount Rate	7.30%	7.60%	7.30%	7.60%
Salary Growth Rate	2.00%	2.00%	2.00%	2.00%
Expected Return on Plan Assets	Unfunded	Unfunded	Unfunded	Unfunded
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Withdrawal Rate	4.20%	4.20%	4.20%	4.20%
Weighted average duration of the defined benefit plan (in years)	8.10	8.87	10.20	12.21

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption	Change in assumption	Impact on defined benefit obligation			
			Increase		Decrease	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Gratuity						
Discount rate	1%	1%	(460,168)	(397,194)	354,738	446,936
Salary growth rate	1%	1%	442,443	378,153	(396,079)	(337,804)
Withdrawal rate	50%	50%	21,917	21,769	(22,186)	(22,040)
Mortality rate	10%	10%	10,152	9,864	(10,192)	(9,904)
Leave obligation						
Discount rate	1%	1%	(19,979)	(158,942)	20,361	183,260
Salary growth rate	1%	1%	NA	192,088	NA	(168,583)
Withdrawal rate	50%	50%	NA	9,789	NA	(9,968)
Mortality rate	10%	10%	NA	4,011	NA	(4,029)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

(vi) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on yield on long term government bonds. The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Demographic risk : In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the scheme cost.

Pay-as-you-go Risk: For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.

Liquidity Risk: This risk arises from the short term asset and liability cash-flow mismatch thereby causing the company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow mismatch. (Or it could be due to insufficient assets/cash.)

**(vii) Defined benefit liability and employer contributions**

Expected contribution to post employment benefit plan for the year ending March 31, 2019 is INR NIL as they are unfunded.

The expected maturity analysis of undiscounted gratuity and leave encashment is as follows:

(Amount in ₹)

Particulars	Less than a year	Between 2 - 5 years	Between 6 - 10 years	Beyond 10 years	Total
March 31, 2019					
Gratuity	2,289,774	1,885,755	5,671,111	4,448,822	14,295,462
Leave encashment	2,253,096	1,871,853	—	—	4,124,949
Total	4,542,870	3,757,608	5,671,111	4,448,822	18,420,411
March 31, 2018					
Gratuity	1,870,606	959,446	4,638,021	4,819,132	12,287,205
Leave encashment	286,562	325,190	1,241,132	2,694,467	4,547,351
Total	2,157,168	1,284,636	5,879,153	7,513,599	16,834,556

34. FAIR VALUE MEASUREMENTS**Financial instruments by category**

Particulars	As at March 31, 2019		As at March 31, 2018	
	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial assets				
Investments				
Equity instruments	19,137,584	—	11,035,950	—
Mutual Funds	2,530,871	—	2,340,137	—
Subsidiary and Joint Venture				
Trade Receivables	—	240,547,014	—	309,587,198
Cash and cash equivalents	—	23,883,439	—	12,475,508
Other Bank Balance	—	4,028,984	—	1,101,735
Fixed Deposit more than 12 months maturity	—	19,586,668	—	11,161,427
Interest Accrued on deposits	—	467,952	—	—
Security deposits	—	5,250,195	—	4,822,488
Total financial assets	21,668,455	293,764,252	13,376,087	339,148,356
Financial liabilities				
Security deposits	—	3,255,500	—	—
Trade payables	—	331,384,995	—	—
Unclaimed Dividend	—	4,028,984	—	—
Others	—	951,199	—	—
Total financial liabilities	—	339,620,678	—	—

**(i) Financial assets and liabilities measured at fair value - recurring fair value measurements**

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
	Level 1	Level 1	Level 1
Financial Assets at FVOCI			
<i>Investment in equity shares</i>			
Usha Ispat Limited	—	—	—
Core Health Care Limited	687	—	—
IFCI Limited	—	—	2,970
State Bank of India	577,350	450,180	526,680
Bata India Limited	12,294,188	6,387,500	4,965,188
Infosys Limited	618,883	471,910	424,653
Reliance Industries Limited	5,616,590	3,637,134	2,717,552
India Steel Works Limited	250	—	1,118
Reliance Capital Limited	10,429	21,599	31,375
Reliance Communications Limited	4,275	22,403	39,449
Reliance Infrastructure Limited	10,549	32,860	43,771
Reliance Power Limited	2,917	9,291	12,336
Reliance Home Finance Limited	1,466	3,073	—
<i>Mutual Funds</i>			
UTI Equity Fund - Dividend Plan (NAV)	1,064,729	977,937	899,342
SBI Large & Midcap Fund - Regular Dividend (NAV)	1,003,662	939,600	928,901
HDFC Growth Opportunities Fund - Regular Growth Plan (NAV)	462,480	422,600	390,256
Total financial assets at FVOCI	21,668,454	13,376,087	10,983,591

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

Significant estimates

The Company holds 800,000 share of Rs 10 each in an unlisted entity "Jamipol Limited". Since the shares of Jamipol Limited are unquoted and this being a strategic investment, there is a wide range of possible fair value measurement. The management of the Company has concluded that cost represents the best estimate of fair value within the range. Therefore the investment in Equity Shares of Jamipol Limited will be carried at cost unless there is any significant change in fair value.

35. Other notes to Financial Statements**35.1. Contingent liabilities**

A claim of 68,00,000/- towards enhanced municipal taxes over 10% of the previous rate was raised by the landlords of the premises from where the Company, as a sub-tenant, was operating one of its retail stores, in terms of the Company's sub tenancy agreement with them.



The said claim has been disputed by the Company on the ground that the said enhancement pertained to assessment of Annual Valuation based on the status (residential or commercial) of the property in question, which the Landlords had concealed before the municipal authorities as well as before the Company and the Company has initiated legal proceedings which are on.

- 35.2. Advances recoverable in cash or in kind or for value to be received include 7,42,37,148 (previous year - 7,42,37,148) on Account of Tai Projects Private Ltd, in which one of the directors of the Company is also a director, incorporated with an object of setting up of a Family Entertainment Complex (FEC) at Nonadanga in Eastern Metropolitan, Kolkata in pursuance of a decision to make investment in the said Company, which was approved by the share holders of the Company in its Annual General Meeting held on 17 September 2002. The Company is not in physical possession of the complex. The Company has initiated legal proceedings against KMDA which is now pending disposal before the Calcutta High Court.
- 35.3. The amount due to Micro and Small Enterprises as defined in 'The Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small enterprises as at 31st March, 2019 are as under:

Sl. No.	Description	Amount outstanding as at March 31, 2019	Amount outstanding as at March 31, 2018
1.	The principal amount remaining unpaid to suppliers as at the end of the year	67,19,891	66,59,278
2.	The interest due thereon remaining unpaid to supplier as at the end of the accounting year	NIL	NIL
3.	The amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during the year 2016-17	NIL	NIL
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the act.	NIL	NIL
5.	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	NIL	NIL
6.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23.	NIL	NIL

Note: As per terms of purchase, no interest is payable by the Company to the party covered under MSMED Act, 2006.

- 35.4. Reconciliation of GST liability for the year with Input Tax Credit for GST is in progress.

36. RELATED PARTY TRANSACTIONS

(a) List of Related Parties (as identified by the Management)

A. Key Management Personnel of the company and close member of Key Management Personnel of the company:

- | | |
|---|---|
| 1. Dasho Wangchuk Dorji - Chairman | 2. Dasho Topgyal Dorji – Director |
| 3. Mr. Prem Sagar | 4. Mr. K. N. Malhotra |
| 5. Mr. Vinay Killa | 6. Ms. Sarada Hariharan |
| 7. Mr. Rohan Ghosh - Managing Director | 8. Mrs. Mou Mukherjee – Chief Financial Officer |
| 9. Mrs. Indira Biswas - Company Secretary | |

B. Enterprises in which Key Management Personnel and close member of Key management Personnel have Control:

- | | |
|---|--|
| ■ Bhutan Fruit Products Private Limited | ■ Bhutan Carbide and Chemicals Limited |
| ■ Bhutan Ferro Alloys Limited | ■ Tashi Infocom Limited |
| ■ Tashi Commercial Corporation | ■ Tai Projects Private Limited |
| ■ Bhutan Eco Ventures Private Limited | ■ Bhutan Brewery Private Limited |
| ■ Tashi Metals Private Limited | ■ T Bank Limited |
| ■ Tashi Beverages Limited | ■ Bhutan Silicon Metal Private Limited |
| ■ Bhutan Tourism Corporation Limited | ■ JAMIPOL Limited |
| ■ Royal Insurance Corporation of Bhutan Limited | ■ Rijal Tashi Industries Private Limited |
| ■ Tashi Air Private Limited | ■ Bhutan Hyundai Motors |



(b) Transactions with Related Parties for the year ended March 31, 2019
(in ordinary course of business at arm's length and on commercial terms)

NATURE OF TRANSACTIONS	Key Management Personnel of the company and close member of Key Management Personnel of the company		Enterprises in which Key Management Personnel and close member of Key Management Personnel have Control/Joint Control	
	2019	2018	2019	2018
i) EXPENSES :				
Purchase of Good & Services:				
Bhutan Fruit Products Pvt. Ltd.	—	—	55,897,605	54,635,348
Bhutan Carbide & Chemicals Ltd.	—	—	161,902,336	65,239,881
Tashi Metals Pvt. Ltd.	—	—	44,764,000	—
Salary & Wages:				
Dasho Wangchuk Dorji	2,632,967	2,267,988	—	—
Mr. Rohan Ghosh	2,648,554	2,252,142	—	—
Mrs. Mou Mukherjee	2,068,936	1,784,634	—	—
Mrs. Indira Biswas	2,068,936	1,784,634	—	—
Sitting Fees paid to other Directors	270,000	270,000	—	—
Rent:				
Bhutan Carbide & Chemicals Ltd.	—	—	495,000	495,000
Bhutan Ferro Alloys Ltd.	—	—	480,000	480,000
Royalty				
Bhutan Fruit Products Pvt. Ltd.	—	—	1,400,478	1,560,871
ii) INCOME:				
Sale of Goods & Services:				
Bhutan Ferro Alloys Ltd.	—	—	94,542,854	—
Bhutan Carbide & Chemicals Ltd.	—	—	240,873,681	125,623,335
Bhutan Silicon Metal Pvt. Ltd.	—	—	22,641,255	91,543,981
Tashi Metals Pvt. Ltd.	—	—	222,972,203	89,095,187
(c) Outstanding Balances as on March 31, 2019				
PAYABLES :				
For Goods & Services				
Bhutan Fruit Products Pvt. Ltd. (Creditor)	—	—	175,705,906	187,766,157
Bhutan Carbide & Chemicals Ltd. (Creditor)	—	—	143,114	58,009,573
RECEIVABLES :				
For Goods & Services				
Bhutan Carbide & Chemicals Ltd. (Debtor) - Rent	—	—	681,790	624,685
Bhutan Ferro Alloys Ltd. (Debtor) - Rent	—	—	232,013	351,213
Bhutan Silicon Metal Pvt. Ltd.	—	—	28,497,585	123,047,747
Bhutan Carbide & Chemicals Ltd. (Debtor)	—	—	44,308,916	99,182,303
Tashi Metals Private Limited	—	—	87,768,597	7,669,523
Bhutan Ferro Alloys Limited (Debtor)	—	—	13,536,348	(1,522,530)
For loans				
Bhutan Ferro Alloys Ltd.	—	—	2,993,561	2,998,948
Bhutan Carbide & Chemicals Ltd.	—	—	1,878,641	1,326,405
Tppl - Expenses	—	—	(45,008,874)	(45,378,125)
Tppl - Land	—	—	74,237,148	74,237,148
Tashi Metals Private Limited	—	—	387,468	125,825

**37. Leases****Non-cancellable operating leases****As a Lessee**

The Company has entered into operating lease arrangements primarily for office premises, site offices and residential premises for its employees. These leases are generally not non-cancellable in nature and may generally be terminated by either party by serving a notice. During the year, the company has recognised lease rent expense of INR 30,18,168 (2017: INR 30,39,407) related to such non-cancellable operating lease. The future minimum lease payments payable by the company taken under non-cancellable operating lease, are as under:-

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	481,327	2,707,462
Later than one year but not later than five years	—	481,327
Later than five years	—	—

38. Segment Reporting

The Company is primarily engaged in business of trading of goods and managed organisationally as a single unit. Therefore, according to the management, the Company's operations are carried in a single segment.

39. Earnings per Equity share

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Basic earnings per share	2.72	0.65
(b) Diluted earnings per share	2.72	0.65

(a) Reconciliations of earnings used in calculating earnings per share

Particulars	As at March 31, 2019	As at March 31, 2018
Profit attributable to the equity holders of the company used in calculating basic earnings per share:	16,326,298	3,893,547
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	16,326,298	3,893,547

(b) Weighted average number of shares used as the denominator

Particulars	As at March 31, 2019 Number of shares	As at March 31, 2018 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	6,000,000	6,000,000
Adjustments for calculation of diluted earnings per share:	—	—
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	6,000,000	6,000,000

40. The Company has not obtained year-end confirmation certificates from most of Trade receivables and Trade Payables and for loans & advances and deposits. However, the Company has a system of obtaining balance confirmations more than once during the year and adjustment for difference in balance, arising out of such confirmation/ reconciliation statement, is made in the accounts on receipt of final agreed balances/reconciliation statement. The management is of the opinion that the impact of adjustment, if any, on year-end balances is not likely to be significant.

Furthermore, in the opinion of the management, all Trade Receivables, advances and Deposits (both current and non-current) would be realised at values at which these are stated in the accounts in the ordinary course of business.

41. Management is continuing with its efforts to locate the relevant papers and documents for reconciling old outstanding debtors and advances and in the process has been able to recover / adjust substantial funds.

**42. First-time adoption of Ind AS****Transition to Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (date of transition to Ind AS). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Exemptions and exceptions availed**A.1 Ind AS optional exemptions****Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption is also used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value, which has been considered as deemed cost.

A.2 Ind AS mandatory exceptions**(a) Estimates**

Estimates made under Ind AS as at April 1, 2015 are consistent with the estimates as under previous GAAP. carrying value, which has been considered as deemed cost.

(b) Classification and measurement of financial assets

Ind AS 101 requires that an entity should assess the classification of its financial assets on the basis of facts and circumstances exist on the date of transition. Accordingly, in its Opening Ind AS Balance Sheet, the company has classified all the financial assets on basis of facts and circumstances that existed on the date of transition, i.e., April 1, 2016.

43. The Company has adopted IND AS 115. Revenue from contracts with customers with effect from 1st April, 2018 using modified retrospective approach certain payment mode to customers earlier classified as discount paid under the head other expenses are to be treated as variable component of consideration and are therefore in accordance with IND AS 115 have now been netted off from sales. Revenue from operations in the statement of profit and loss, has resulted in decrease in both revenues and expenses by ` 30,97,618/- (2018 – ` 36,84,470/-). The impact on net profit on adoption of IND As 115 for the year ended 31st March, 2019 and 31st March, 2018 respectively was Nil.

44. Miscellaneous expenses include -

Auditor's Remunerations

	2018-19 (₹)	2017-18 (₹)
Amount paid/payable to Auditors		
Statutory Audit Fee	190,000	190,000
Tax Audit Fee	52,500	52,500
Other Certificates	100,000	100,000
[(Reimbursement of Expenses [(Including Service-Tax: Nil) 2017-18 : Nil]]	—	—
Total	342,500	342,500

45. The previous year's figures have been regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year Financial Statements and are to be read in relation to the accounts and other disclosures relating to the current year.

46. The financial statements were authorised for issue by the Board of Directors on 27.05.2019.

For and on behalf of the Board

VINAY KILLA
(DIN : 00060906)
Independent Director

ROHAN GHOSH
(DIN : 00032965)
Managing Director

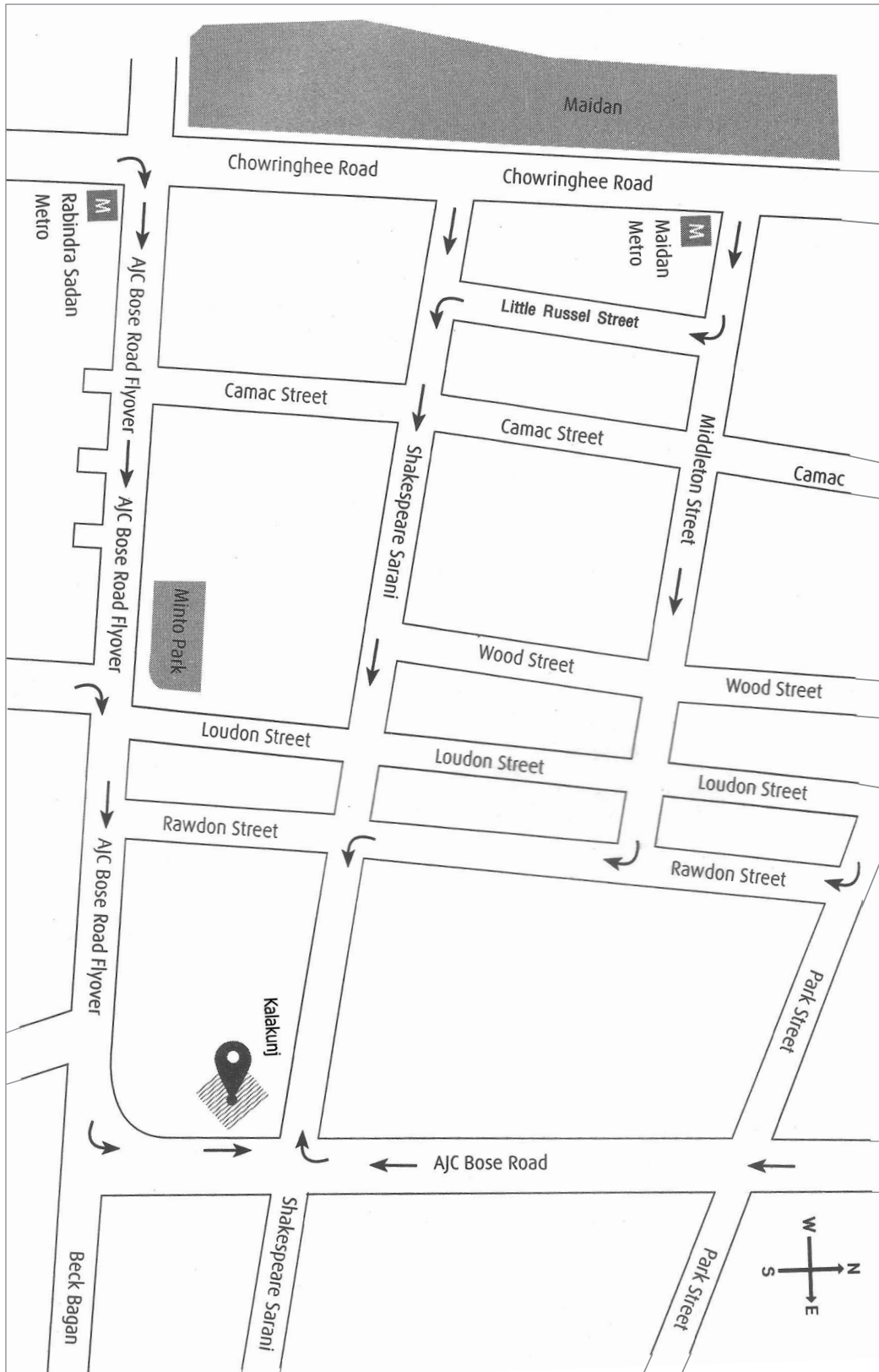
INDIRA BISWAS
Company Secretary
Membership No. A- 9621

MOU MUKHERJEE
Chief Financial Officer

Place : Kolkata
Date : 27th May, 2019



ROUTE MAP TO THE AGM VENUE
“Kala Kunj”, 48, Shakespeare Sarani, Kolkata - 700 017











TAI INDUSTRIES LIMITED

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

36TH ANNUAL GENERAL MEETING on 22ND AUGUST, 2019

PROXY FORM

(FORM NO. MGT 11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

1. Name of the Shareholder(s) :

2. Registered Address :

3. E-mail ID :

4. Registered Folio No./
Client ID No./DP ID No. :

I/We, being the member(s) of _____ shares of Tai Industries Limited, hereby appoint

(1) Name : _____

Address : _____

E-mail ID : _____ Signature: _____, or failing him

(2) Name : _____

Address : _____

E-mail ID : _____ Signature: _____, or failing him

(3) Name : _____

Address : _____

E-mail ID : _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on the 22nd day of August, 2019 at 2.00 p.m. at Kalakunj, 48, Shakespeare Sarani, Kolkata 700 017, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional (✓)	
		For	Against
Ordinary Resolutions			
1.	Adoption of the Audited Financial Statement of the Company for the year ended 31st March, 2019, and the Reports of the Directors and the Auditors thereon.		
2.	Reappointment of Dasho Topgyal Dorji (DIN: 00296793), Director, who retires by rotation and, being eligible, offers himself for reappointment.		
Special Resolutions			
3.	Reappointment of Mr. Prem Sagar (DIN: 00040396) as an Independent Director of the Company for a second term of 5 years.		
4.	Reappointment of Mr. K. N. Malhotra (DIN: 00128479) as an Independent Director of the Company for a second term of 5 years.		
5.	Reappointment of Mr. Vinay Killa (DIN: 00060906) as an Independent Director of the Company for a second term of 5 years.		
6.	Reappointment of Ms. Sarada Hariharan (DIN: 06914753) as an Independent Director of the Company for a second term of 5 years.		
7.	Reappointment of Mr. Rohan Ghosh (DIN: 00032965) as the Managing Director of the Company for a term of 3 years and approval of his remuneration.		
8.	Reappointment of Mr. Wangchuk Dorji (DIN: 00296747) as a Whole - time Director of the Company for a term of 3 years and approval of his remuneration.		

Signed this _____ day of _____ 2019.

Folio/DP ID/Client ID _____ Signature of shareholder _____

Signature of Proxy holder(s) _____

Revenue
Stamp

Note: 1. This Proxy form, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting i.e. by 2.00 p.m. on 20th August, 2019.

2. For the Resolutions and Notes, please refer to the Notice of the 36th Annual General Meeting.

3. It is optional to put a "✓" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



TAI INDUSTRIES LIMITED

CIN: L01222WB1983PLC059695

Registered Office: 53A, Mirza Ghalib Street, 3rd Floor, Kolkata 700 016

Tel: (033) 4041 6666; Fax: (033) 2249 7319

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

36TH ANNUAL GENERAL MEETING

ATTENDANCE SLIP

DATE
THURSDAY
22ND AUGUST, 2019

VENUE
KALAKUNJ
48, SHAKESPEARE SARANI
KOLKATA - 700 017

TIME
2.00 P.M.

Name & Address of Member

I/We hereby record my/our presence at the 36th Annual General Meeting of the Members of the Company held on Thursday, 22nd August, 2019 at Kalakunj, 48, Shakespeare Sarani, Kolkata 700017.

No. of Shares _____

Member's Folio/DP ID/Client ID No. _____

Member's/Proxy's name in Block Letters _____

Member's/Proxy's Signature _____

- Note :** 1) Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.
- 2) Duplicate Attendance slip will not be issued at the venue.

ELECTRONIC VOTING

Dear Shareholder,

Pursuant to provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 36th Annual General Meeting to be held on Thursday, 22nd August, 2019, at 2.00 p.m. The Company has engaged the services Link Intime India Pvt. Ltd. to provide e-voting facilities. The Notice is displayed on the Company's website, www.taiind.com, and on the website of Link Intime India Pvt. Ltd, <https://instavote.linkintime.co.in>.

The electronic voting facility is available at the link, <https://instavote.linkintime.co.in>.

The electronic voting particulars are set out as below:

EVEN (Electronic Voting Event Number)	User ID	Password

The electronic voting will be available during the following voting period:

Commencement of e-voting	End of e-voting
August 19, 2019 at 10.00 a.m.	August 21, 2019 at 5.00 p.m.

Note: Please read the instructions printed overleaf before exercising the vote.

These details and instructions form an integral part of the Notice for the Annual General Meeting to be held on 22nd August, 2019.

Instructions for shareholders to vote electronically [Forms part of the Notice of the 36th AGM]:

❖ Log-in to e-Voting website of Link Intime India Private Limited (LIPL)

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
 - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
 - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Shareholders holding shares in Demat Form or 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). ■ Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number. ■ Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

Note: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ Cast your vote electronically

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting. Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

❖ General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us : Tel : 022 - 49186000.

General Instructions

1. The e-voting period commences on 19th August, 2019 (10.00 a.m.) and ends on 21st August, 2019 (5.00 p.m.). During this period, shareholders of the Company holding shares either in physical form or dematerialized form, as on the cut-off date, i.e. 16th August, 2019, may cast their vote electronically. The e-voting module will be disabled by Link Intime India Private Limited (LIPL) for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
2. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date i.e. 16th August, 2019, may obtain login ID and password by sending a request at enotices@linkintime.co.in.
3. A member may participate in the AGM even after exercising his right to vote through remote e-voting, but shall not be allowed to vote again at the AGM.
4. The facility for voting through ballot paper will also be made available at the AGM, and members attending the AGM who have not cast their vote by remote e-voting will be able to exercise their right at the AGM by casting their vote through ballot paper.
5. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the company as on 16th August, 2019.
6. Messers. T. Chatterjee & Associates, Company Secretaries (FRN No. - P2007WB067100), has been appointed as Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
7. At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using the remote e-voting facility.
8. The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairman of the Company or any other person authorized by the Chairman, who shall declare the results of the voting forthwith.
9. The result, along with the Scrutinizer's Report, will be placed on the Company's website at www.taiind.com and on the website of Link Intime India Private Limited at <https://instavote.linkintime.co.in> immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to the Calcutta Stock Exchange and Bombay Stock Exchange.

All the documents referred to in the accompanying Notice will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the 36th Annual General Meeting of the Company.



TAI INDUSTRIES LIMITED
53A, Mirza Ghalib Street
3rd Floor, Kolkata 700 016