



**IITL GROUP**

Industrial  
Investment  
Trust  
Limited

82<sup>nd</sup>  
Annual Report  
2014 - 2015

## **ANNUAL GENERAL MEETING**

Date  
**Wednesday, September 16, 2015**

Time  
**2.30 p.m.**

Venue:  
**M.C. Ghia Hall, 4th floor,  
Bhogilal Hargovindas Building,  
18/20 K. Dubash Marg, Mumbai 400 001**

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**INDUSTRIAL INVESTMENT TRUST LIMITED**  
**CIN: L65990MH1933PLC001998**

<b>BOARD OF DIRECTORS</b>	:	Dr. B. Samal Mr. Bipin Agarwal Mr. R. S. Loona Mr. Venkatesan Narayanan Mr. Subhash Bhargava Mr. P. K. Rath Mrs. Bhagyam Ramani  Ms. Cumi Banerjee	- Chairman     - Nominee of LIC India   - CEO & Company Secretary
<b>BANKERS</b>	:	Axis Bank Limited ICICI Bank Limited Union Bank of India IndusInd Bank Ltd. HDFC Bank Limited	
<b>AUDITORS</b>	:	Deloitte Haskins & Sells Chartered Accountants	
<b>REGISTRAR &amp; SHARE TRANSFER AGENTS</b>	:	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai 400 078 Tel: 022 25946970 - Investor Cell Email address: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website : <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>	
<b>REGISTERED OFFICE</b>	:	14E, Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai 400 001 Tel: 022 43250100 Email address: <a href="mailto:iitl@iitlgroup.com">iitl@iitlgroup.com</a> Website: <a href="http://www.iitlgroup.com">www.iitlgroup.com</a>	

### NOTICE

NOTICE is hereby given that the Eighty Second Annual General Meeting of the Members of Industrial Investment Trust Limited will be held at **M.C. Ghia Hall, 4th floor, Bhogilal Hargovindas Building, 18/20 K. Dubash Marg, Mumbai 400 001 on Wednesday, September 16, 2015 at 2:30 p.m.** to transact the following business :

### ORDINARY BUSINESS

1. To Consider and adopt the financial statements for the year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon and the consolidated financial statements of the Company for the year ended March 31, 2015.
2. To declare dividend on Preference Shares at the rate of 10%, absorbing a sum of ₹ 3,945/- for the year ended March 31, 2015.
3. To declare dividend on Equity Shares for the year ended March 31, 2015.
4. To appoint a Director in place of Dr. B. Samal (DIN: 00007256), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
5. To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the retiring Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (Firm Registration No. 117365W), be and are hereby re-appointed as Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them."

### SPECIAL BUSINESS

#### 6. Appointment of Mrs. Bhagyam Ramani as an Independent Director

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mrs. Bhagyam Ramani (DIN: 00107097), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years with effect from September 16, 2015 up to the 87th Annual General Meeting of the Company to be held in 2020 for the year ended March 31, 2020."

#### 7. Re-appointment of Dr. B. Samal as Executive Chairman

To consider, and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and 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(s) thereof, for the time

being in force), and subject to such other consents and approvals as may be required and pursuant to Articles 149 and 150 of the Articles of Association of the Company, the consent of the Members be and is hereby accorded for the re-appointment of Dr. B. Samal as Executive Chairman of the Company for a period of 3 years w.e.f. January 24, 2016 to January 23, 2019 on the following terms and conditions:

1. Tenure of Appointment : From January 24, 2016 to January 23, 2019
2. Remuneration Payable : ₹2,25,000/- per month (Upto January 23, 2016)  
₹ 3,00,000/- per month (w.e.f January 24, 2016)
3. Other Perquisites and Benefits : He shall be entitled to, as per rules of the Company, to:
  - i) Housing Accommodation,
  - ii) Company's contribution to Provident Fund,
  - iii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and
  - iv) Encashment of leave at the end of the tenure

In addition to salary, perquisites like club fees and use of Company's car for official purpose.

Provided that the Salary and the Perquisite on Housing Accommodation should not exceed ₹4,25,000/- per month.

#### Minimum Managerial Remuneration (in case of absence or inadequacy of profits):

Notwithstanding anything to the contrary herein contained, where, during the tenure of the appointment of Dr. B. Samal as the Executive Chairman of the Company, the Company has no profits or the profits are inadequate, the Company will pay the above remuneration as minimum remuneration, in compliance with Section 197 read with Section II-Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution.

#### 8. Adoption of new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013

To consider, and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time

being in force), rules and regulations made thereunder and subject to the requisite approvals, consents, permissions and/or sanctions as may be required, if any, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

### 9. Approval of Related Party Transactions under Clause 49 of the Equity Listing Agreement

To consider, and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Clause 49(VII) of the Equity Listing Agreement governing the Related Party Transactions and such other rules as may be applicable and amended from time to time, consent of the Members of the Company be and is hereby accorded for the transactions hitherto entered or to be entered into by the Company in the ordinary course of business and at arm's length price with the Related Parties of the Company, which exceeds the threshold limit of 10 percent of annual consolidated turnover of the Company for the financial year 2014-2015 and for every financial year thereafter, upto the maximum limits as set out in the table here under:

Maximum limits as set out for Investment / Loans / Guarantees							
Particulars	IITL Projects Limited	IIT Insurance Broking & Risk Management Private Limited	World Resorts Limited	MRG Hotels Private Limited	IITL-Nimbus the Palm Village	IITL-Nimbus the Hyde Park	IITL-Nimbus the Express Park View
Relationship with the Related Party	Subsidiary Company	Wholly Owned Subsidiary Company	Associate Company	Entity under Significant Influence	Entity under Significant Influence	Entity under Significant Influence	Entity under Significant Influence
Maximum limits of Investment upto	-	-	-	-	-	-	-
Giving of Loans	₹ 50 Crores	₹ 5 Crores	₹ 5 Crores	₹ 5 Crores	₹ 20 Crores	₹ 20 Crores	₹ 30 Crores
Corporate Guarantees issued / to be issued on behalf of	Nil	Nil	₹35.34 Crores	Nil	Nil	Nil	Nil

**RESOLVED FURTHER THAT** approval of Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution.

By Order of the Board of Directors  
For **Industrial Investment Trust Limited**  
Cumi Banerjee  
CEO & Company Secretary

Mumbai : August 04, 2015

#### Registered Office :

14E, Rajabhadur Mansion, 2nd Floor,  
28, Bombay Samachar Marg, Mumbai 400 001  
CIN: L65990MH1933PLC001998  
E-mail address: iitl@iitlgroup.com  
Website: www.iitlgroup.com

#### NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 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 not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 or any other person or shareholder.

- The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 09, 2015 to Wednesday, September 16, 2015 (both days inclusive).

- The dividend on Equity Shares as recommended by the Board, if declared at the Annual General Meeting, will be payable on or before October 15, 2015 to those shareholders or their mandates whose names stand on the Register of Members after giving effect to all valid transfer deeds in physical form lodged with the Company on or before September 08, 2015 and in respect of dematerialised shares, the dividend will be payable on the basis of beneficial ownership as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited for the purpose as on the close of business hours on September 08, 2015.
- Dividend in respect of shares held in dematerialised form shall be credited to the beneficial owner's bank account directly through Electronic Clearing Services (ECS) subject to availability of bank account details and 9 digits MICR code number. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

Members holding shares in physical form and desirous of availing ECS facility, should provide the bank details and 9 digits MICR code number.

5. Members are requested to send all correspondences relating to shares including requests for transfer, change of address, change of status, change of mandate, Bank Account details to our Registrar and Share Transfer Agents: M/s. Link Intime India Private Limited having their office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, Tel. No.: 2596 3838. In respect of shares held in dematerialised mode, the shareholders should inform their concerned Depository Participant only.
6. In all the correspondences with the Company / Registrar and Share Transfer Agents, the members holding in physical form are requested to quote their account / folio numbers and in case their shares are held in dematerialised form, they must quote their Client ID Number and DP ID Number.
7. Members are requested to bring the copy of their Annual Report and the Attendance Slip at the Annual General Meeting.
8. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
9. Pursuant to the provisions of Section 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), the Company has transferred on due dates, the unpaid or unclaimed dividend amount for the financial year ended March 31, 2007 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on August 30, 2014 (date of the last Annual General Meeting) on the website of the Company viz. [www.iitlgroup.com](http://www.iitlgroup.com) and the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).

Members who have not encashed their dividend warrants for the year 2007-2008 or thereafter are requested to write to the Company / Registrars and Share Transfer agents. **Shareholders are requested to note that no claims shall lie against IEPF or the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.**

10. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Registrar and Share Transfer Agents (RTA) of the Company.
11. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
13. **E-Voting:** In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 82nd Annual General Meeting (AGM) by electronic means and the

business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The Company has signed an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their vote electronically.

### A. The instructions for members for voting electronically:-

- (i) The remote e-voting period begins on Sunday, September 13, 2015 (9.00 a.m.) and ends on Tuesday, September 15, 2015 (5.00 p.m.). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of September 09, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on "Shareholders" tab.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 character DP ID followed by 8 digits client ID,
  - c. Members holding shares in physical form should enter folio number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If Demat account holder has forgotten his/her existing password then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.
- (ix) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>



DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio 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. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter member id/folio number in the Dividend Bank details field as mentioned in instruction (v)</li> </ul>

(x) After entering these details appropriately, click on "SUBMIT" tab.

(xi) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xiii) Click on the EVSN for 'Industrial Investment Trust Limited'.

(xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.

(xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.

(xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

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

(xx) Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals,

HUF, NRI etc) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers on which they wish to vote.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

B. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 09, 2015.

C. Ms. Chandanbala O. Mehta, Practising Company Secretary (Membership No. 6122) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

D. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and 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 shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

E. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.iitlgroup.com](http://www.iitlgroup.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and The National Stock Exchange of India Limited, Mumbai.

F. The Facility for voting through poll shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting.

G. The members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

**Details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting [In pursuance of Clause 49 of the Listing Agreement]**

<b>Name of the Director</b>	<b>Dr. B. Samal</b>	<b>Mrs. Bhagyam Ramani</b>
<b>Date of Birth</b>	02.03.1943	09.01.1952
<b>Nationality</b>	Indian	Indian
<b>Date of Appointment</b>	05.03.2008	30.03.2015
<b>Qualifications</b>	M.Sc. (Ag.), Ph.D (Economics), Post Graduate Diploma in Bank Management conducted by NIBM, Pune	Post Graduate in Economics (Hons) from Bombay University with specialization in Industrial & Monetary Economics
<b>Expertise in specific functional areas</b>	He has more than 35 years of experience in the areas of Banking – Rural Credit, HRD, Security related Market and Industrial Finance. He has served as Chairman & Managing Director of Allahabad Bank and Industrial Investment Bank of India. He was also a member of Securities Appellate Tribunal (SAT), Ministry of Finance, Government of India, Department of Economic Affairs.	She started her career in General Insurance Corporation of India, a Government of India Undertaking, as a direct recruit Officer and worked in various capacities with the company before assuming the office of Executive Director & General Manager.
<b>Directorships held in other companies</b>	<ol style="list-style-type: none"> <li>1. Mayfair Hotels and Resorts Limited</li> <li>2. IITL Projects Limited</li> <li>3. IITL Marketing Management Private Limited</li> <li>4. Vipul Limited</li> <li>5. World Resorts Limited</li> <li>6. Capital Infraprojects Private Limited</li> <li>7. MRG Hotels Pvt. Limited</li> <li>8. T.K. International Limited</li> <li>9. Reliance Capital Limited</li> <li>10. Future Generali India Life Insurance Company Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Capri Global Capital Limited</li> <li>2. Choice International Limited</li> <li>3. Saurashtra Cement Limited</li> <li>4. IDBI Federal Life Insurance Company Limited</li> <li>5. Gujarat Sidhee Cement Limited</li> <li>6. Capri Global Housing Finance Private Limited</li> <li>7. Lloyds Metals and Energy Limited</li> <li>8. L &amp; T Hydrocarbon Engineering Limited</li> <li>9. L &amp; T Special Steels and Heavy Forgings Private Limited</li> </ol>
<b>Committee position held in other companies</b>	<p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>1. Mayfair Hotels and Resorts Limited</li> <li>2. Reliance Capital Limited</li> <li>3. IITL Projects Limited</li> <li>4. Vipul Limited</li> <li>5. T.K. International Limited</li> </ol> <p><b>Stakeholders Relationship Committee</b></p> <ol style="list-style-type: none"> <li>1. Reliance Capital Limited</li> </ol>	<p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>1. Capri Global Capital Limited</li> <li>2. L &amp; T Hydrocarbon Engineering Limited</li> <li>3. L &amp; T Special Steels and Heavy Forgings Private Limited</li> </ol> <p><b>Stakeholders Relationship Committee</b></p> <ol style="list-style-type: none"> <li>1. Capri Global Capital Limited</li> </ol>
<b>No. of shares held in the company</b>	NIL	NIL



### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, RELATING TO THE SPECIAL BUSINESS UNDER ITEM NOS. 6 TO 9 OF THE ACCOMPANYING NOTICE DATED AUGUST 04, 2015

#### Item No.6

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mrs. Bhagyam Ramani as an Additional Director of the Company with effect from March 30, 2015.

In terms of the provisions of Section 161(1) of the Act, Mrs. Bhagyam Ramani would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Bhagyam Ramani for the office of Director of the Company.

Mrs. Bhagyam Ramani is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

Section 149 of the Act inter alia stipulates the criteria of independence. As per the said Section, an Independent Director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he / she shall not be included in the total number of directors for retirement by rotation.

Mrs. Bhagyam Ramani has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and she is an independent of the management.

The Nomination & Remuneration Committee at its meeting held on March 30, 2015 has recommended the appointment of Mrs. Bhagyam Ramani as an Independent Woman Director from September 16, 2015 up to the conclusion of 87th Annual General Meeting to be held in the year 2020.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Bhagyam Ramani as an Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Mrs. Bhagyam Ramani as an Independent Director shall be open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

The brief profile of Mrs. Bhagyam Ramani is given hereunder:

Mrs. Bhagyam Ramani, Ex-Director & GM of General Insurance Corporation of India (GIC-Re) is a post graduate in Economics (Hons) from Bombay University with specialization in Industrial & Monetary Economics.

She started her career in General Insurance Corporation of India, a Government of India Undertaking, as a Direct Recruit Officer and worked in various capacities with the company before assuming the office of General Manager in 2005. As a General Manager, she was in charge of finance and accounts department of the corporation. She was elevated to the position of Director on the Board of GIC - Re in 2009, which she held until her retirement in 2012. After retirement, she was invited to join as an independent director on the Board of various listed companies.

Keeping in view her vast experience and knowledge, it will be in the interest of the Company that Mrs. Bhagyam Ramani is appointed as an Independent Director of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

Except Mrs. Bhagyam Ramani, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.6 of the Notice.

#### Item No.7

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee and subject to the approval of Shareholders and any other approvals as may be required, at its meeting held on August 04, 2015, has unanimously approved reappointment and increase in remuneration payable to Dr. B. Samal as Executive Chairman of the Company for a further period of 3 years w.e.f. January 24, 2016 to January 23, 2019 on the terms and conditions as set out in the resolution.

The following additional information as required by the Companies Act, 2013 is given below:

#### I. GENERAL INFORMATION

- (1) **Nature of Industry :** Investment Company registered as Non-Banking Finance Company with the Reserve Bank of India.
- (2) **Date or expected date of commencement of commercial production :** Certificate of Commencement of Business dated 10.11.1933.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus :** N.A.
- (4) **Financial performance based on given indicators :** Financial performance of the company during last three years.

Amt. in ₹

Financial Parameters	Year		
	2014-2015	2013-2014	2012-2013
Total Revenue	113,879,789	202,683,584	144,941,398
Net Profit under Section 198 of the Companies Act, 2013	76,081,645	176,809,781	114,329,858
Net Profit after tax as per Statement of Profit and Loss	31,321,458	140,193,851	85,639,804
Amount of Equity Dividend Declared	22,543,605	37,135,986	29,703,311
Rate of Dividend %	10.00	17.50	15.00

- (5) **Export performance and net foreign exchange earnings & collaborations :** The company is not engaged in export business. It does not have any foreign collaboration.
- (6) **Foreign investments or collaborations, if any :** None

#### II. INFORMATION ABOUT THE APPOINTEE :

- (1) **Background details :** Dr. B. Samal is on the Board of the Company since March 2008. His educational qualifications are M.Sc. (Ag.), Ph.D (Economics), Post Graduate Diploma in Bank Management conducted by NIBM, Pune. He has more than 35 years of experience in the areas of Banking – Rural Credit, HRD, Security related Market and Industrial Finance. He has served as Chairman & Managing Director of Allahabad Bank and Industrial Investment Bank of India. He was also a member of Securities Appellate Tribunal (SAT), Ministry of Finance, Government of India, Department of Economic Affairs.

The Company's financial performance and activities have grown steadily under his stewardship.

Dr. B. Samal attained the age of 70 years on March 02, 2013. As per the provisions of Section 196 read with Schedule V - Part I - Clause (c), approval of the Central Government is not required in case the re-appointment and remuneration is approved by the shareholders by a Special Resolution in the General Meeting.

**(2) Past remuneration :**

Year	Salary	Perquisites	Commission	Others (P.F)	Total
2012-2013	21,00,000/-	-	-	2,52,000/-	23,52,000/-
2013-2014	25,00,000/-	5,41,667/-	-	3,00,000/-	33,41,667/-
2014-2015	27,00,000/-	15,00,000/-	-	3,24,000/-	45,24,000/-

**(3) Recognition or Awards :** Seva Ratna awarded by His Excellency Governor of West Bengal.

**(4) Job Profile and his suitability :**

Dr. B. Samal as Executive Chairman looks after the overall management and day-to-day operations of the Company. He plays an active role in business strategy and business development of the Company and its subsidiary / associate companies.

Considering his qualifications, vast experience and deep knowledge of the business in which the company operates and the contribution made by him towards the growth of the Company, the remuneration proposed is justified. Considering education and experience of Dr. B. Samal, his appointment on the Board as Executive Chairman would help the Company for future growth and expansion.

**(5) Remuneration proposed :** As mentioned in the Resolution set out in Item No. 7 of the Notice.

**(6) Comparative remuneration profile :** The remuneration proposed to be paid to him is most reasonable considering the size of the company, the type of industry and his position and profile.

**(7) Pecuniary relationship :** Besides the remuneration being paid to him as the Executive Chairman, he does not have any other pecuniary relationship with the company or any other managerial personnel.

The Board of Directors believe that his re-appointment as Executive Chairman is in the interest of the Company and therefore recommends the Special Resolution for your approval.

The terms set out in the resolution and Statement pursuant to section 102 of the Companies Act, 2013 may be deemed and regarded as memorandum in terms of Section 190 of the Companies Act, 2013.

Except Dr. B. Samal, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

**Item No. 8**

The existing Articles of Association ("Articles") of the Company are based on the Companies Act, 1956 and several regulations in the existing Articles contain reference to the Sections of the Companies Act, 1956. Some regulations in the existing Articles are no longer in conformity with the provisions of the Companies Act, 2013 ("Act").

With the enactment of the Companies Act, 2013, several regulations of the existing Articles of the Company require alteration and/or deletion. Given this position, it is considered expedient to wholly replace the existing Articles by a new set of Articles.

The draft Articles shall be open for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 1.00 p.m. upto the date of this Annual General Meeting.

The Board of Directors recommend the Special Resolution set out at Item No.8 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the Resolution mentioned at Item No. 8 of the Notice.

**Item No. 9**

The revised provisions of Clause 49 of the Listing Agreement, effective from October 1, 2014, require approval of shareholders by way of Special Resolution for material related party transactions. There is no exemption thereunder even if such transaction is in the ordinary course of business of the entity and on arm's length basis. A transaction with a related party shall be considered material under Clause 49 of the Listing Agreement, if the transaction / transactions in a contract to be entered into individually or taken together with previous transactions during a financial year, exceed(s) ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

The annual consolidated turnover as per the last audited financial statements for the year 2014-15 was ₹ 33.97 Crore.

The transactions entered with the Related Parties, were placed before the Audit Committee. The said transactions were approved and recommended to the Board.

Currently, it cannot be ascertained whether the transactions to be entered in the current financial year 2015-2016 would exceed the threshold of 10% of annual consolidated turnover as per the latest audited financial results. The approval of the Shareholders for the transactions to be entered into and carried out with the Related Parties, from time to time, in the ordinary course of business and at arm's length price, during the Financial year 2015-16, is being sought by way of abundant caution and as a proactive measure.

Further, Clause 49 of the Listing Agreement requires the entities falling under the definition of related party to abstain from voting irrespective of whether the entity is a party to the transaction or not. Accordingly, the Related Parties of the Company who are (or could potentially be considered) as related party, are required to abstain from voting on this resolution of the Notice.

The Board, therefore, recommends the passing of the resolution set out under Item no. 9 as Special Resolution. None of Directors, other than those representing the Related Parties, Key Managerial Personnel and / or their relatives, are interested and / or concerned in passing of the said resolution.

By Order of the Board of Directors  
For Industrial Investment Trust Limited

Cumi Banerjee  
CEO & Company Secretary

Mumbai : August 04, 2015

**Registered Office :**

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