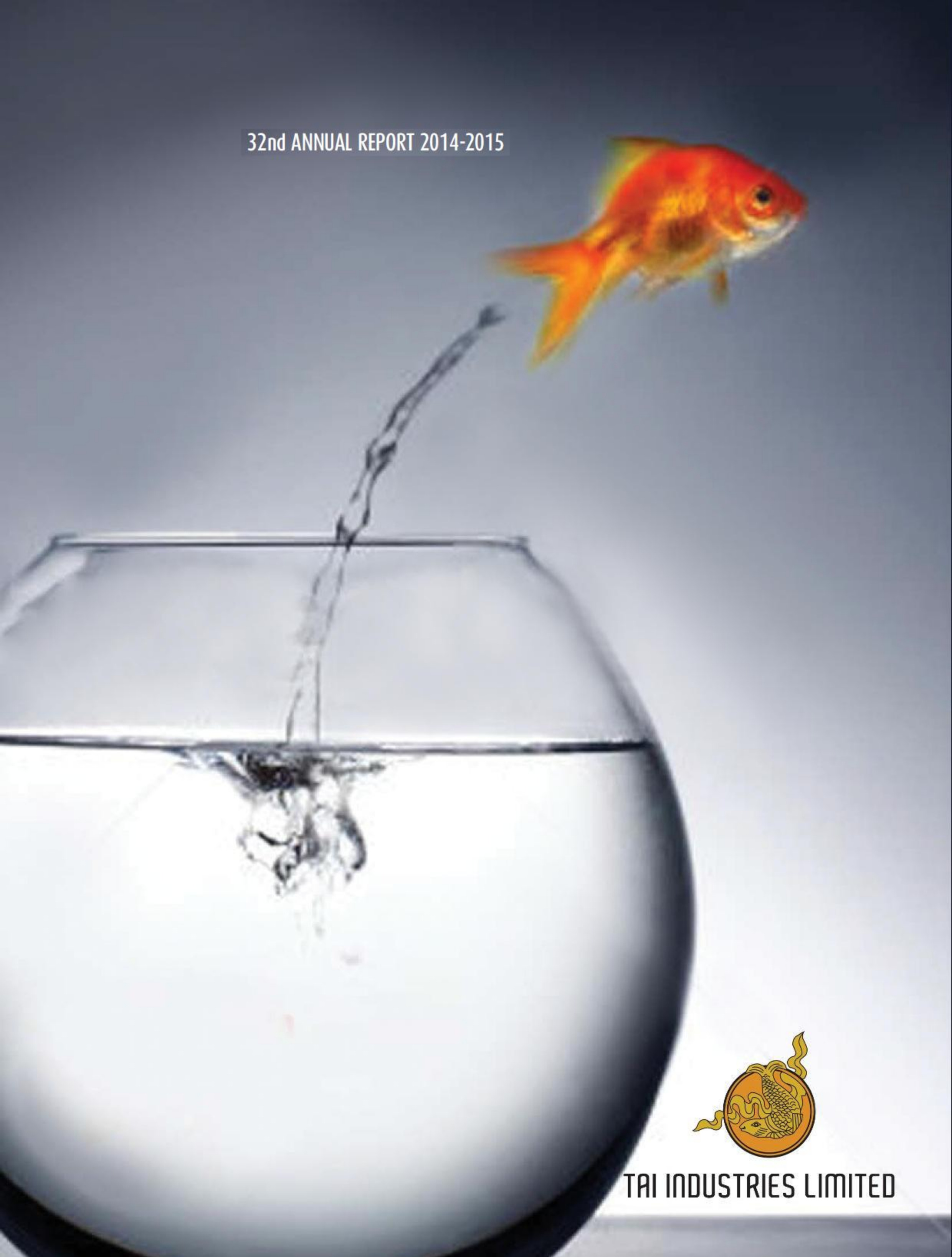
32nd ANNUAL REPORT 2014-2015



TAI INDUSTRIES LIMITED

TAI INDUSTRIES LIMITED

CIN :L01222WB1983PLC059695
53A, Mirza Ghalib Street, 3rd Floor, Kolkata – 700 016
Phone : (033) 22492956, 22292292; Fax : (033) 22497319
Email : info@taiind.com; Website : www.taiind.com

BOARD OF DIRECTORS	Dasho Wangchuk Dorji	Chairman
	Mr. Rohan Ghosh	Managing Director
	Dasho Topgyal Dorji	Director
	Mr. Prem Sagar	Director
	Mr. K.N. Malhotra	Director
	Mr. Vinay Killa	Director
	Ms. Sarada Hariharan	Director
AUDIT COMMITTEE	Mr. Prem Sagar	Chairman
	Mr. K.N. Malhotra	Member
	Mr. Vinay Killa	Member
NOMINATION AND REMUNERATION COMMITTEE	Mr. Prem Sagar	Chairman
	Dasho Topgyal Dorji	Member
	Mr. K.N. Malhotra	Member
	Mr. Vinay Killa	Member
STAKEHOLDERS RELATIONSHIP COMMITTEE	Mr. Prem Sagar	Chairman
	Mr. K.N. Malhotra	Member
	Mr. Vinay Killa	Member
KEY MANAGERIAL PERSONNEL	Mr. Rohan Ghosh	Managing Director
	Ms. Mou Mukherjee	Chief Financial Officer
	Ms. Indira Biswas	Company Secretary
STATUTORY AUDITORS	M/s. Ray & Ray, Chartered Accountants Webel Bhavan, Ground Floor, Block-EF & GP, Sector-V, Bidhan Nagar, Salt Lake, Kolkata - 700 091	
SECRETARIAL AUDITOR	M/s. T. Chatterjee & Associates “Abhishek Point”, 4th Floor, 152, S.P. Mukherjee Road, Kolkata – 700 020	
REGISTRAR AND SHARE TRANSFER AGENT	Link Intime India Private Limited 59C, Chowringhee Road, Kolkata - 700020 Phone : (033) 22890539 / 22890540 Email : Kolkata@linkintime.co.in	

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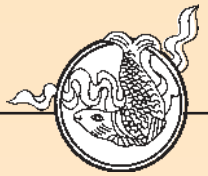
Annual General Meeting on Monday, 28th September, 2015, at Kalakunj, 48 Shakespeare Sarani, Kolkata - 700 017, at 10.00 a.m. As a measure of economy, copies of the Annual Reports will not be distributed at the General Meeting. Shareholders are requested to kindly bring their copies to the Meeting.

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 Second Annual General Meeting of the members of Tai Industries Limited will be held on Monday, 28th September, 2015 at 10.00 a.m., at Kalakunj, 48, Shakespeare Sarani, Kolkata - 700017, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2015, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Dasho Wangchuk Dorji (DIN: 00296747), retiring by rotation and eligible for reappointment.
4. To appoint Auditors and to fix their remuneration. Messrs. Ray & Ray, Chartered Accountants (Registration No. 301072E), the retiring Auditors are eligible for reappointment.

Special Business

5. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 (including any statutory modifications and re-enactments thereof for the time being in force),the Company does hereby approve the draft Regulations contained in the Articles of Association submitted at this Meeting as the Company's Articles of Association, in substitution for and to the exclusion of its existing Articles of Association."

   "RESOLVED FURTHER THAT any one of the Directors of the Company and the Company Secretary be and are hereby jointly and severally authorized to do all such acts, deeds and things as may be required, to give effect to this Resolution."

By Order of the Board

Indira Biswas
(ACS 9621)
General Manager - Corporate & CompanySecretary

Kolkata
11th May, 2015

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 INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

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

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

3. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.

4. Members/ proxies/ authorized representative should:

   i) bring their duly filled Attendance Slip, as enclosed, for easy identification of attendance at the Annual General Meeting.

   ii) bring their copies of the Annual Report to the Meeting.

5. The Register of Members of the Company will remain closed from 21st September, 2015 to 28th September, 2015, both days inclusive, for determining the names of Members eligible for final dividend on Equity Shares for the financial year 2014-2015.

6. The dividend on Equity Shares, if declared at the Meeting will be paid within a period of 30days from the date of declaration to those members whose names appear on the Register of Members of the Company as on the Book Closure dates.

7. The Company is registered with National Securities Depository Limited ('NSDL'), and Central Depository Services (India) Limited ('CDSL'), for dematerialization of its Equity Shares which has been allotted the ISIN INE358D01018. Link Intime India Private Limited is the Registrar and Share Transfer Agent of the Company.

8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Only the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend.

   Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately 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.

9. Members are requested to:

   a) update their e-mail addresses with their Depository Participants (in case of electronic holdings) and the Company (in case of physical holdings) to enable the Company to send communications electronically.

   b) communicate on all matters pertaining to their shareholdings with the Company's Registered Office/Company's Registrar, quoting their respective Ledger Folio Numbers/Client ID and DP ID;

   c) note that as per provisions of the Companies Act, 2013, facility for making/ varying/cancelling nominations is available for shareholders in respect of Equity Shares held by them. The relevant Forms can be obtained from the Company's Registrars.

10. Pursuant to Section 205A of the Companies Act, 1956 ('the Act') all dividends declared and relative dividend warrants posted upto and including the Dividend for the year 1993-1994 and remaining unclaimed by members have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants in respect of the said period are requested to prefer their claims to the Registrar of Companies, West Bengal. In case any assistance is required, shareholders are requested to write to the Company's Registered Office.

    Pursuant to Section 205A of the Companies Act, 1956, dividends declared from the year 1994-1995 upto 2001 – 2002 and remaining unclaimed by the members at the end of the statutory period of seven years have been transferred to the Investor Education & Protection Fund constituted by the Central Government under Section 205C of the Act on which no claim for Unpaid Dividend can be preferred.

11. The last dates of claim for the following dividend is 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

12. The Securities and Exchange Board of India (SEBI) vide circular No. MRD/DOP/Cir-05/2009, dated 20th May, 2009, has clarified that for securities market transactions and off market/private transactions involving transfer of shares in physical form of Listed Companies, it shall be mandatory for the transferee(s) to furnish a copy of the PAN Card to the Company/RTA for registration of such transfer of shares.
13. To support the Ministry of Corporate Affairs' "Green Initiative in Corporate Governance", for paperless compliances by companies, members are requested to register their e-mail addresses, in respect of their holdings in the securities of the Company, for service of notice/documents including Annual Report by the Company by email. Members who hold securities in electronic form are requested to register their e-mail addresses with the Depositories through their Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses either by e-mail at or sending a duly signed letter by the sole/ first named shareholder, mentioning their name and Folio number, to the Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, 59C, Chowringhee Road, 3rd Floor, Kolkata – 700 020. Members are requested to keep the Company/ Depository Participants informed as and when there is any change in their e-mail addresses. Even after registering for e-communication, the Shareholders of the Company shall be entitled to receive such communication in physical form, upon request.
14. (a) In compliance with Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2014, and Clause 35B of the Listing Agreement the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting votes through the electronic voting system ("remote e-Voting") under an arrangement with The National Securities Depository Limited ("NSDL") as specified more fully in the instructions hereunder, provided that once the vote on a Resolution is cast, a Member shall not be allowed to change it subsequently or cast the vote again.

    (b) The facility for voting through polling paper shall also be made available at the Meeting and members attending the Meeting who have not already cast their vote by remote e-Voting shall be able to exercise their right at the Meeting.

    (c) The members who have cast their vote by remote e-Voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
15. The Notice of the 32nd Annual General Meeting and instructions for e-voting, along with the Attendance Slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company/ Depository Participant.
16. The Notice for the meeting and the Annual Report 2014-2015 will also be available on the Company's website http:/www.taiind.com and the website of The National Securities Depository Limited ("NSDL") at **www.evoting.nsdl.com**.
17. Voting shall be reckoned in relation to a shareholder's holding of the Paid-up Equity Share Capital of the Company at the close of business of 21st September, 2015 ("record date"). Any person who acquires shares of the Company and becomes a member of the Company after despatch of the Notice and holding shares as on 21st September, 2015, may obtain the Attendance Slip and Proxy form from the Registered Office of the Company.
18. The instructions for e-Voting are enclosed.
19. 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.
20. 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.

21. Members who do not have access to the e-voting facility will be entitled to vote at the AGM as per the extant law.
22. The Company has appointed Mr. Tarun Chatterjee(ICSI CP Registration no. 17195), Practising Company Secretary, as a Scrutinizer for conducting the entire polling process (including e-Voting) in a fair and transparent manner. His e-mail address is tchatterjeeassociates@gmail.com.
23. 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 and, not later than three (3) working days from the conclusion of the Meeting, submit a Consolidated Report on the voting pattern in accordance with the procedure set out in Companies (Management & Administration) Rules, 2014 and any amendments thereof.
24. The Results declared together with the Scrutinizer's Report shall be placed on the Company's website **www.taiind.com** and on the website of NSDL within 3(three) days of conclusion of the Meeting and communicated to the Stock Exchanges.
25. Members are requested to note that in accordance with Clause 14 of the new Secretarial Standards on General Meeting, which has come into force with effect from 1st July, 2015, no gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with this Meeting.

By Order of the Board

Indira Biswas
(ACS 9621)
General Manager - Corporate & CompanySecretary

Kolkata
11th May, 2015

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

Item No. 5

With the coming into force of the Companies Act, 2013, several provisions in the existing Articles of Association ("AoA") of the Company, which are based on the Companies Act, 1956, are no longer relevant or in conformity with the Companies Act, 2013 ("the Act"). To bring the Articles of Association in conformity with the Act, several Articles would require alteration and in some cases, even deletion. Given this position, it is considered expedient to wholly replace the Company's existing Articles of Association by a new set of Articles. The proposed set of AoA of the Company is aligned to the new Companies Act, 2013 and will therefore help in smooth transitioning and management of the Company as per the Companies Act, 2013 and other applicable laws.

The draft Articles of Association shall remain available for inspection by shareholders from Monday to Friday between 3:00 PM to 5:00 PM. A copy will also be placed on the Company's website.

No Directors or Key Managerial Personnel or any of their relatives have any concern or interest in the Resolution. The passing of the Resolution does not and will not relate to or affect any other Company.

The Board of Directors recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

By Order of the Board

Indira Biswas
(ACS 9621)
General Manager - Corporate & CompanySecretary

Kolkata
11th May, 2015

Directors' Report

TO THE MEMBERS

Your Directors have pleasure in presenting their 32nd Annual Report on the business and operations of your Company for the year ended 31st March, 2015.

HIGHLIGHTS OF PERFORMANCE

(₹ in Lakhs)

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
Turnover	5253.51	5099.99
Profit/(Loss) before Interest, Depreciation & Taxation (PBIDT)	127.70	130.51
Interest	0.02	1.69
Profit/(Loss) before Depreciation & Taxation (PBDT)	127.68	128.82
Depreciation	28.68	23.78
Profit/(Loss) Before Tax and Extraordinary items (PBTE)	**99.00**	**105.04**
Extraordinary items	-	-
Profit/(Loss) Before Tax (PBT)	**99.00**	**105.04**
Provision for Taxation / (Deferred Tax)	6.58	26.75
Profit/(Loss) After Tax (PAT) (A)	**92.42**	**78.29**
Balance brought forward from previous year	1070.59	1041.43
Less: Adjustments due to change in depreciation method	16.20	0.00
Balance after adjustment (B)	**1054.39**	**1041.43**
Profit available for appropriation **(A+B)**	1146.81	1119.72
Proposed Dividend	50.55	*49.14*
Profit carried to Balance Sheet	**1096.26**	**1070.58**

Consolidated income for the year increased by 3% to Rs. 56.89 Crore as compared to Rs. 55.45 Crore in 2013 - 2014;

Consolidated net sales for the year was Rs. 52.53 Crore as compared to Rs. 51.00 Crore in 2013 - 2014, a growth of 3%;

Consolidated profit before tax for the year was Rs. 0.99 Crore as compared to Rs. 1.05 Crore in 2013 - 2014;

Consolidated profit after tax for the year was Rs. 0.92 Crore as compared to Rs.0.78 Crore in 2013 – 2014.

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 four Board Meetings and four Audit Committee Meetings were convened and held on 19th May, 2014, 12th August, 2014, 14th November, 2014 and 5th February, 2015.

The intervening gap between the Meetings was within the period prescribed under 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:

(a) 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 as per Section 149(7) of 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 said policy is annexed herewith as "Annexure B" and may 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 AUDITOR'S REPORT

There were no adverse remarks in the Auditor's Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, 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 are 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 interest of the Company. All Related Party Transactions are placed before the Audit Committee, as also the Board, for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are 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 details of Revenue/Income from operations of your Company for the different segments compared to that of the previous year, is given hereunder:

Particulars	Druk (₹)	C3- Retail (₹)	Total (₹)
Segment Revenue			
Current Year	38,41,38,039	14,12,12,944	52,53,50,983
Previous Year	42,54,29,277	12,90,28,856	55,44,58,133
Segment Results			
Current Year	1,27,61,955	7,923	1,27,69,878
Previous Year	1,41,92,042	(11,40,896)	1,30,51,146

PLANS AND PROSPECTS

Fruit Product Division

Faced by constrains such as high cost of warehousing facilities and transport costs, high inventory carrying cost, high taxation, high packaging cost, affordability and cultural preference of fresh food, this division saw a challenging year in 2014-2015.

To alleviate the situation, several trade and consumer initiatives were launched during the year to reach out to a large number of consumers beyond our traditional markets and customer segments, to further consolidate the Brand's potential.

Your Company's strength continues to lie in its established brand image and product quality

Your Company is exploring opportunities to expand its breakfast category by introducing new variants of cereals.

Industrial Division

Despite market competition coupled with the sluggish growth of the steel industry, the performance of this division was good.

Your Company is looking at developing additional supply sources and setting up more screening and sizing facilities.

Retail Division

C3's performance grew significantly over that of last year. Despite poor market outlook, C3 has not only defended its market share but has also managed to enhance its performance.

The introduction of the hard liquor section also attracted better footfalls.

Future plans and prospects lie in the direction of gradually phasing out shop in shops after profitability is achieved.

TRANSFER TO RESERVES

Your Board has considered appropriate not to transfer any amount to the General Reserves of the Company. The entire amount of Rs. 0.92 Crores is proposed to be retained in the Statement of Profit and Loss.

DIVIDEND

Yours Directors have recommended a dividend of Re. 0.70 per share (7 % on an equity share of Rs. 10/- each). The payment of the aforesaid dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting.

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.

Your Company not being engaged in any manufacturing activity, disclosure as per Form A of the Annexure in respect of total energy consumption and energy consumption per unit of production is not applicable.