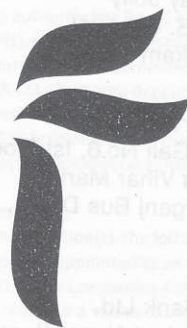


# TARAI FOODS LIMITED



## Tarai

### 24th ANNUAL REPORT 2013-2014

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## Tarai Foods Limited

### TARAI FOODS LIMITED

#### Board of Directors

|    |                          |                                 |
|----|--------------------------|---------------------------------|
| CI | Mr. Gurprit Singh Sandhu | (Managing Director)             |
| Na | Mrs. Kiran Sandhu        | (Director)                      |
| Re | Dr. R.P. Singh           | (Executive whole time Director) |
|    | Mr. Vijay Jolly          | (Director)                      |
|    | Mr. M.S. Garewal         | (Director)                      |
|    | Mr. Hakam Singh          | (Additional Director)           |

|     |                                     |
|-----|-------------------------------------|
| Na  |                                     |
| Re  |                                     |
| E-n | Audit Committee, Investors          |
| Fol | Grievances Committee & Remuneration |
| DP  | & Recruitment Committee             |

Mrs Kiran Sandhu  
Mr. Vijay Jolly  
Mr. M.S. Garewal  
Mr. Hakam Singh

#### I/W

1. Auditors

Rattan Anil & Co.  
A-90, Gali No.6, 1st Floor,  
Madhu Vihar Market,  
Patparganj Bus Depot,  
Delhi

2.

#### Bankers

Axis Bank Ltd.  
B-6, Lajpat Nagar-II,  
New Delhi-110024

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1. T

#### Regd. Office

13, Hanuman Road,  
Connaught Place  
New Delhi-110001

2. T

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3. T

#### Head Office : (Plant)

Village Fazilpur Meharola  
Rudrapur  
Distt. Udham Singh Nagar,  
Uttarakhand

4. Ap

5. Ap

6. Ap

7. Ap

8. To

#### Share Transfer Agent

**Beetal Financial & Computer Services (P) Ltd.**  
99, Madangir, Beetal House  
Behind Local Shopping Centre  
Near Dada Harsukhdas Mandir  
New Delhi-110062  
Tel.: 29961281/2

9. Sel

Signed t

Signatur

Signatur

ISIN No.

INE906C01016

**Note: Th  
Company**

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## Tarai Foods Limited

CIN: L15142DL1990PLC039291

Regd. Office: 13, Hanuman Road, Connaught Place, New Delhi- 110001 Phone: 011-32629838

Fax: 011-23341697, Website: www.taraifoods.com, Email ID: taraifoods@gmail.com

### NOTICE

Notice is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of Tarai Foods Limited will be held on Monday, the 29<sup>th</sup> day of September, 2014 at 09.30 A.M at Elcina House, 422, Okhla Industrial Estate, Phase-III, New Delhi- 110020 to transact the following businesses:

#### AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as on 31<sup>st</sup> March, 2014 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.  
"RESOLVED THAT the Audited Balance Sheet as at 31st March 2014 and the Profit and Loss Account for the Financial Year ended 31st March 2014 together with the Directors' Report and Auditors' Report thereon be and are hereby received, considered and adopted."
2. To appoint a Director in place of Ms. Kiran Sandhu, who retires by rotation and being eligible, offers herself for re-appointment.  
"RESOLVED THAT Ms. Kiran Sandhu (DIN: 00053876) who retires by rotation, and being eligible, offers herself for re-appointment be and is hereby re-appointed as Director".
3. To appoint Statutory Auditors of the Company who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with section 141 of the Companies Act, 2013 & other applicable provisions, if any, M/s. RATTAN ANIL & CO, Chartered Accountants, A-90, Gali No. 6, 1<sup>st</sup> Floor, Madhu Vihar Market, Patpar Ganj Bus Depot., New Delhi, Chartered Accountants, the retiring Statutory Auditors of the Company be and are hereby re-appointed as Statutory Auditors of the Company for the financial year 2014-15 to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company."

#### AS SPECIAL BUSINESS:

4. **Appointment of Mr. Hakam Singh as Director of the Company:**  
To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary resolution**:  
"RESOLVED THAT Mr. Hakam Singh (DIN: 06786586) who was appointed as an Additional Director of the Company with effect from 13<sup>th</sup> January, 2014 by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice alongwith the required deposit amount, from himself proposing his candidature for the office of Director under section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation."
5. **Appointment of Mr. Vijay Jolly as an Independent Director of the Company.**  
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT Mr. Vijay Jolly (DIN: 00080354), an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges and whose term of office was liable to be determined by retirement of director by rotation, be and is hereby appointed as an Independent Director of the Company pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 & Schedule IV read with relevant rules made thereunder, with effect from 1st April 2014 for a period of five years, who shall not liable to retire by rotation."
6. **Appointment of Mr. Melvinder Singh Garewal as an Independent Director of the Company.**  
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT Mr. Melvinder Singh Garewal (DIN: 06525633), an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges and whose term of office was liable to be determined by retirement of director by rotation, be and is hereby appointed as an Independent Director of the Company pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 & Schedule IV read with relevant rules made thereunder, with effect from 1st April 2014 for a period of five years, who shall not liable to retire by rotation."
7. **Appointment of Mr. Hakam Singh as an Independent Director of the Company.**  
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT Mr. Hakam Singh (DIN: 06786586), an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges and whose term of office was liable to be determined by retirement of director by rotation, be and is hereby appointed as an Independent Director of the Company pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 & Schedule IV read with relevant rules made thereunder, with effect from 1st April 2014 for a period of five years, who shall not liable to retire by rotation."
8. **To approve the remuneration of the Cost Auditors for the financial year 2014-15:**  
To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, if any, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors M/s Neeraj Sharma & Co., Cost Accountants (FRN: 100466) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2014-15, be paid the remuneration of Rs. 20,000/- (Rupees Twenty Thousand Only)."  
"RESOLVED FURTHER THAT the Board of Directors of the Company 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."
9. **Sell or otherwise dispose of the undertaking:**  
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:



## Tarai Foods Limited

**"RESOLVED THAT** pursuant to the provisions of section 180(1)(a) read with Section 110 of the Companies Act, 2013 (as amended or re-enacted from time to time) and other applicable provisions if any the approval of the members of the Company be and is hereby accorded to the Board to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) on such terms and conditions at such time(s) and in such form and manner, and in consideration of such financial assistance from such institutions / persons / bodies corporate as may be determined by the Board of Directors in the interests of the Company."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

By order of the Board  
For Tarai Foods Limited

Sd/-

Dr. R. P. Singh, Executive Whole Time Director

DIN: 03615102

Address: 1/3/3 Phoolbagh Pant Nagar, Udham Singh Nagar, 263145, Uttarakhand.

Place: Rudrapur  
Date: 14/08/2014

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 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 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 PERSON OR SHAREHOLDER.
2. In terms of Section 102(1) (a) and (b), none of the Directors, Key Managerial Persons or their relatives have any concern, financial or otherwise and does not have any conflict of interest in Item No. 4 to Item No. 9 except where if expressed under each of the items in the explanatory statement.
3. Explanatory Statements in respect of items (including the ones for items of Special Business under Section 102 of the Companies Act, 2013) are annexed herewith.
4. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.
5. In case of joint holders attending the Meeting, only such a joint holder who is higher in the order of names will be entitled to vote.
6. 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.
7. For the convenience of the Members, attendance slip is enclosed elsewhere in the Annual Report. Members/Proxy Holders/Authorized Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue of the AGM. Proxy/Authorized Representatives of a member should state on the attendance slip as 'Proxy or Authorized Representative' as the case may be.
8. The Directors' Report, Auditors' Report and Audited Balance Sheet as at 31st March 2014 and the Profit and Loss Account for the financial year ended on that date are enclosed.
9. In terms of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Ms. Kiran Sandhu, Director, retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. The Board of Directors of the Company commends her respective re-appointment. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges of person seeking re-appointment as director under Item No. 2 are annexed herewith.
10. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days between 09.30A.M. to 5:00 P.M. and upto the date of the Meeting.
11. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 27<sup>th</sup> September, 2014 to Monday, 29<sup>th</sup> September, 2014 (both days inclusive) in connection with the ensuing Annual General Meeting and for purpose of determining the entitlement of dividend, if any, declared by the Company.
12. The Company has designated an exclusive e-mail ID called grvnecs.tfl@gmail.com for redressal of shareholders'/investors' complaints /grievances. In case you have any queries / complaints or grievances, then please write to us at the above email address.
13. Members holding shares in electronic form may please note that the bank account details and 9 digit MICR code of their Bankers, as noted in the records of their depository, shall be used for the purpose of remittance of dividend through Electronic Clearing Service (ECS), or for printing on dividend warrants wherever applicable. Members are therefore requested to update their bank account particulars, change of address and other details with their respective Depository Participants for shares held in demat mode and to the Registrar and Share Transfer Agent for shares held in physical form.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company.



## Tarai Foods Limited

15. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares in individual name are advised to avail of the nomination facility by filing Form No. 2BV in their own interest. Blank form can be had from Beetal Financial & computer Sciences (P) Ltd. on request. Members holding shares in dematerialized form may contact their respective DP's for registration of nomination.
16. Members holding physical shares in multiple folios in identical name are requested to send their share certificates to Company's Registrar and Share Transfer Agent, M/s Beetal Financial and Computer Services (P) Ltd. for consolidation.
17. The Copies of the Annual Reports will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
18. In case of any query, Members are requested to send the same to the Company Secretary atleast 10 days before the date of the meeting so that information can be made available at the meeting.
19. Members are requested to note that no GIFT will be distributed at the meeting.
20. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
21. The entire Annual Report is also available at the Company's Website [www.taraifoods.com](http://www.taraifoods.com).
22. As per Section 101(1) read with Rule 18 of the Companies (Management and Administration) Rules, 2014 on Green initiative, the Company will send Annual Report along with other documents through emails to all members, who have registered their email address with the depository and physical hard copies will be dispatched to others. In case any member desires to get hard copy of Annual Report, they can write to Company at registered office address or email at [grvnces.tfl@gmail.com](mailto:grvnces.tfl@gmail.com).
23. In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the Rules), the Items of Business given in AGM Notice may be transacted through electronic voting system and the Company is providing e-voting facility to the members who are the members as on 22/08/2014 (End of Day) being the "Record Date" fixed for the purpose, to exercise their right to vote at the 24th AGM by electronic means through the e-voting platform provided by Central Depository Services India Ltd. (CDSL).
24. The process of e-voting shall be as follows:

**The instructions for members for voting electronically are as under:-**

- (i) The voting period begins on 23<sup>rd</sup> September, 2014 at 10:00A.M. and ends on 25<sup>th</sup> September, 2014 at 6:00P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22/08/2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form |   |
|--|---|
| PAN  | <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 first two letters of their name and the 8 digits of the sequence number 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                                      | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <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 the member id / folio number in the Dividend Bank details field.</li> </ul>   |



## Tarai Foods Limited



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- (viii) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Tarai Foods Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders & Custodians:  
 • Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.  
 • They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).  
 • After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.  
 • 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.  
 • They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xix) 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)
25. The Company has appointed Mr. Santosh Kumar Pradhan, Practicing Company Secretaries as the Scrutinizer for conducting the e-voting process, postal ballot and the process of Poll in the Annual General Meeting in a fair and transparent manner.
26. The Poll Papers will be distributed at the venue of the AGM for voting by those members who have not voted through E-voting. Further, please note that Item No. 9 of the attached Notice is a compulsory item for Postal Ballot and hence the item No. 9 shall not be considered for Poll in the Annual General Meeting.
27. The results of voting shall be declared by the Chairman of the meeting on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.taraifoods.com](http://www.taraifoods.com) and will be communicated to the BSE & NSE and also on the website of CDSL
28. Pursuant to Clause 49 (IV) (G) of the Listing Agreement, the details of Directors seeking appointment/re-appointment in the Annual General Meeting scheduled on Monday September 29<sup>th</sup>, 2014 are as below:
- a. **Brief profile of Ms. Kiran Sandhu, Director, recommended for re-appointment:**  
 Ms. Kiran Sandhu, aged 65 years has vast experience in the food business of the Company and she has been associated with the Company for more than a decade. She by qualification is graduate in Textiles and Designing from Delhi Polytechnic.  
 Ms. Kiran Sandhu is on the Board of Tarai Farmlands Pvt. Ltd. and Suraiya Exports Pvt. Ltd. She is the member of Audit Committee, Remuneration & recruitment Committee and Investors' / Shareholders' Grievance Committee of the Company.  
 None of the directors except Ms. Kiran Sandhu is interested in proposed resolutions. However, Mr. G. S. Sandhu, Director of the Company being related to her may also be deemed to be interested in the proposed re-appointment.
- b. **Brief profile of Mr. Hakam Singh, recommended for appointment as Director & fixing the term as Independent Director:**  
 He has rich experience of over 30 years in the refrigeration systems like Air Conditioning Equipment, KC-72 & KC-Series Compressing, Chilling Plant, Boilers, Frick India refrigeration system and all type of Cummins Engine, D.G.set, French Fry & Fruits Vegetables Processing Freezing line Production & recruitment Committee and Investors' / Shareholders' Grievance Committee of the Company.  
 & Mushroom & its canning, vegetable processing of Snow Pea, Peas, Sweet corn, Baby Corn, Strawberry, Spinach, Cauliflower, Carrot etc by I.Q.F system, quality control of raw material & finished product.  
 He is holding NIL shares of the Company.
- c. **Brief profile of Mr. Vijay Jolly to be appointed as an Independent Director of the Company:**  
 Mr. Vijay Jolly is a retired Naval Officer from the Executive Branch of Indian Navy. He has rich experience in running Holiday Resort and is associated with various projects in the field of Electronics.  
 Mr. Vijay Jolly is on the Board of Obex India Pvt. Ltd. and TVJ Steels Private Limited. He is the member of Audit Committee, Remuneration & recruitment Committee and Investors' / Shareholders' Grievance Committee of the Company.  
 He is holding NIL shares of the Company.



## Tarai Foods Limited

d. **Brief profile of Mr. Melvinder Singh Garewal to be appointed as an Independent Director of the Company:**

Mr. Melvinder Singh Garewal is retired wing commandor-Air Force and has reached experience in farming. He is holding NIL shares of the Company.

By order of the Board  
For Tarai Foods Limited

Sd/-

Dr. R. P. Singh, Executive Whole Time Director

DIN: 03615102

Address: I/3/3 Phoolbagh Pant Nagar, Udham Singh Nagar, 263145, Uttarakhand.

Place: Rudrapur

Date: 14/08/2014

### ANNEXURE TO NOTICE

#### EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

##### ITEM NO. 4:

The Board of Directors of the Company appointed Mr. Hakam Singh as an Additional Director of the Company w.e.f 13<sup>th</sup> January, 2014 in the capacity of the Independent director as per the Clause 49 of the Listing agreement. In accordance with the provisions of Section 161 of the Companies Act, 2013 read with Article of Association of the Company, Mr. Hakam Singh holds office up to the date of this Annual General Meeting of the Company.

Your Board considers that his continued association with the Company would be of immense benefit to the Company. In view thereof, your Board has recommended him to be appointed as the Director of the Company. The Company has received a notice in writing from himself alongwith the deposit of requisite amount under Section 160 of the Act proposing the ratification of Mr. Hakam Singh as Director in the Annual General Meeting of the Company.

The proposed resolution does not relate to or affect the business interest of any other Company in which the Promoter, Director, Manager or Key Managerial Personnel have substantial interest.

None of the Directors, Key Managerial Personnel & Relatives of these persons except Mr. Hakam Singh is interested in the proposed resolution. The directors recommend the said resolution for the approval of the members of the Company.

##### ITEM NO. 5, 6 & 7:

The Board of Directors of the Company comprises three independent directors Mr. Vijay Jolly, Mr. Melvinder Singh Garewal, Mr. Hakam Singh who were appointed pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges. Section 149(4) of the Companies Act, 2013 states that every listed public company shall have at least one-third of the total number of directors as Independent Directors. Section 149(5) also provides that every company existing on or before the date of commencement of this Act shall, within one year from such commencement or from the date of notification of the rules in this regard as may be applicable; comply with the requirements of the provisions of sub-section (4). Section 149 (10) of the Companies Act, 2013, inter alia, provides that subject to the provisions of Section 152, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company. It is further clarified in the proviso to sub-sections (10) and (11) of Section 149 of the Act that, any tenure of an Independent Director on the date of commencement of this Act shall not be counted as a term under those sub-sections (10) and (11). Your Board is of the opinion that the above mentioned 3 Independent Directors fulfill the conditions specified in the Act for appointment as Independent Directors of the Company and the proposed Directors are independent of the Management of the Company and fulfills the conditions specified in the Act and rules made thereunder. Details in respect of these three Directors, who are proposed to be appointed as Independent Directors, are furnished in the Note No. 29 of this Notice. All the three directors are eminent personalities in their respective fields. Your Board considers that their continued association with the Company would be of immense benefit to the Company. In view thereof, your Board has recommended them to be classified as Independent Directors.

Accordingly, your Board has recommended for approval of the shareholders by way of ordinary resolution, under item nos. 5 to 7 of the accompanying notice, the classification of the aforementioned Directors also as an Independent Directors pursuant to Section 149 of the Companies Act, 2013 read with Rules made thereunder, with their respective term of Office to be for a period of five years with effect from 1st April 2014.

The Company has received notices in writing from themselves/members' alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of directors Mr. Vijay Jolly, Mr. Melvinder Singh Garewal, Mr. Hakam Singh for their respective appointment as an Independent Director of the Company.

Copy of the draft letters for appointment of directors Mr. Vijay Jolly, Mr. Melvinder Singh Garewal, Mr. Hakam Singh as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges

The proposed resolution does not relate to or affect the business interest of any other Company in which the Promoter, Director, Manager or Key Managerial Personnel have substantial interest.

Mr. Vijay Jolly, Mr. Melvinder Singh Garewal, & Mr. Hakam Singh and their relatives are interested in the resolutions set out respectively at Item Nos. 5 to 7 of the Notice with regard to their respective appointments.

Save as the above, none of the other Directors/ Key managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The directors recommend the said resolution for the approval of the members of the Company.

##### ITEM NO. 8.

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors- M/s. Neeraj Sharma & Co., Cost Accountants (FRN: 100466) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 at an Annual Fee of Rs. 20,000/- (Rupees Twenty Thousand Only).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.



## Tarai Foods Limited

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2014-15  
The proposed resolution does not relate to or affect the business interest of any other Company in which the Promoter, Director, Manager or Key Managerial Personnel have substantial interest.  
None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.  
The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

### ITEM NO. 9:

The Section 180(1)(a) of the Companies Act, 2013 provides the power to the Board of Directors of the Company to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking including slump sale by the Company. Further, the assistances from the institutions / banks provided / agreed to be provided to the Company have to be secured by the mortgage and charge of the assets of the Company, both present and future and the whole of the undertaking of the Company.

The Company therefore requires the approval of the Members of the Company to sell whole or part of the undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013.

The proposed resolution does not relate to or affect the business interest of any other Company in which the Promoter, Director, Manager or Key Managerial Personnel have substantial interest.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the said Resolution for approval of the shareholders by way of Special Resolution through Postal Ballot.

By order of the Board  
For Tarai Foods Limited

Place: Rudrapur  
Date: 14/08/2014

Sd/-  
Dr. R.P. Singh  
Executive Whole Time Director  
DIN: 03615102  
Address: I/3/3 Phoolbagh Pant Nagar, Udham Singh Nagar,  
263145, Uttarakhand.

## Tarai Foods Limited

CIN: L15142DL1990PLC039291

Regd. Office: 13, Hanuman Road, Connaught Place, New Delhi- 110001 Phone: 011-32629838  
Fax: 011-23341697, Website: www.taraifoods.com, Email ID: taraifoods@gmail.com

### ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain additional Slip on request.

Master Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Name of Shareholder \_\_\_\_\_

Address \_\_\_\_\_

I hereby record my presence at the 24th Annual General Meeting of the Company held on Monday, 29th September, 2014, at 9.30 A.M. at Elcina House, 422, Okhla Industrial Estate, New Delhi-110020

(Signature of the Shareholder or Proxy\*)

\* Strike out whichever is not applicable.

### IMPORTANT

Shareholders may please note that No Coupons / Gifts will be-distributed at or before the Meeting.



## Tarai Foods Limited

### DIRECTORS' REPORT

Dear Members, Your Directors present the 24<sup>th</sup> Annual Report together with the Audited Financial Accounts for the year ended 31<sup>st</sup> March, 2014.  
**FINANCIAL RESULTS:**

| Particulars  | For the period ended<br>31-03-2014 | For the period ended<br>31-03-2013 (Rupees in Lacs) |
|--|------------------------------------|---|
| Gross Revenue  | 196                                | 168   |
| Operating Profit before Interest,<br>Financial Charges and<br>Depreciation | (6)                                | 20  |
| Less: Interest and Finance<br>Charges                                      | 0.20                               | 0.17  |
| Profit/(Loss) before<br>Depreciation                                       | (6)                                | 20  |
| Less: Depreciation   | 51                                 | 55  |
| Profit/(Loss) for the year   | (57)                               | (35)  |
| Extra Ordinary Items   | 0                                  | 598   |
| Net Profit/(Loss) for the year   | (57)                               | 564   |
| Less: Provision for Tax  | 0                                  | 0.00  |
| Net Profit/(Loss) after Taxation   | (57)                               | 564   |

#### REVIEW OF OPERATION:

The company has incurred the net loss of Rs. 57 lacs as compared to the loss of Rs. 35 Lacs incurred during the previous year. However, the gross revenue of the Company has increased to Rs. 196 Lacs as compared to Rs. 168 Lacs in the previous year. The Mushroom sales went down as compared to previous years sale but Frozen Peas turnover showed improvement.

In the year under review, the company has diversified into Mushroom growing in artificially controlled temperature setting. This year the company has processed 56 tonnes of Frozen Peas, processed small quantities of Frozen sweet corn to cater to the Institutional Market. Your Directors are hopeful of expanding the Mushroom capacities in near future to nearly 1 ton a day and also capture the mushroom market in a big way.

#### MANAGEMENT DISCUSSION & ANALYSIS REPORT, REVIEW OF OPERATIONS DURING THE YEAR & FUTURE PLANS

##### i. Industry structure and developments.

Indian food processing industry is widely recognized as a sunrise industry, having huge potential for uplifting agricultural economy, creating of large scale processed food manufacturing and food chain facilities and the resultant generation of employment and export earnings. Indian food industry is expected to grow to US\$ 280 billion by 2015 and generate an additional employment for approximately 8.2 million people. The Indian food industry which presently stands at close to US\$ 135 billion with a CAGR of 10 per cent, is expected to touch US\$ 200 billion by 2015. The food processing industry in India attracted foreign direct investments (FDI) worth US\$ 5,793.95 million during the period April 2000–March 2014, according to data published by Department of Industrial Policy and Promotion (DIPP).

Mushroom farming is practiced in more than 100 countries and its production is increasing at an annual rate of 6-7% presently. World production of mushroom is over 25 million tons as per claims of Chinese Association of edible mushrooms. Indoor cultivation of mushrooms utilizes the vertical space and is regarded as the highest protein producer per unit area and time – almost 100 times more than the conventional agriculture and animal husbandry. This high tech horticulture venture has a promising scope to meet the food shortages without undue pressure on land. In India, mushroom production shot up from near 5000 tons in 1992 over 1 lac tons in 2010. India produces about 600 million tons of agricultural waste annually and a major part of it are left out to decompose naturally for burnt *in situ*. This can effectively be utilized to produce highly nutritive food unlike mushrooms and spent mushroom substrate can be converted into organic manure for field crops. Mushroom growing is highly labour oriented venture and two factors, i.e., availabilities of raw material and labour make mushroom growing economically profitable in India.

On the export front also, for the first time during 1994 India not only figured in the US imports but emerged as the 11<sup>th</sup> largest exporter of the canned mushrooms replacing Taiwan. Now a few commercial mushroom units are exporting canned mushrooms to the Americans, European and other countries regularly.

##### ii. Opportunities and Threats.

###### Opportunities

Foods and vegetables - fast growing sector

Fruits and vegetables are one of the most important and fast growing sub-sectors of the food processing industry. Over the last few years, there has been a positive growth in ready-to-serve beverages, fruit juices and pulps, dehydrated and frozen fruits and vegetable products, tomato products, pickles, convenience veg spice pastes, processed mushrooms and curried vegetables. The demand has increased because of the factors like consumption by nuclear families, working women, students and single employees staying alone. There are abundant opportunities in expanding the export market because of good international demand for certain fruits and vegetable products. The Indian food processing industry is primarily export oriented. India's geographical situation gives it the unique advantage of connectivity to Europe, the Middle East, Japan, Singapore, Thailand, Malaysia and Korea.

Macro-economic as well as industry specific (FMCG and Packaged Food) indications point to enduring buoyancy in the domestic market, while the international geographies in which your Company operates are likely to be stable as well.

Changing demographics (young, higher disposable income, experimental, urbanization, willingness to spend) further fuelled by trends like a greater awareness of health and nutrition on one hand and more hedonism (especially the new 'affluent' generation) is rapidly enlarging the opportunity.