



Ref: TI/NSE/COMP/14-15/20

June 26, 2014

To,
The Manager (Listing),
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra -Kurla Complex, Bandra (E).
Mumbai 400 051.
Ph No.: 26598235/36
Fax No.: 26598120/237/238

Sub: Postal Ballot Notice

Ref: Scrip Code - TI

Dear Sir/Madam,

Pursuant to Clause 31 and 33 of the Listing Agreement, please find attached herewith six copies of the Postal Ballot Notice being sent to the Shareholders on Thursday, June 26, 2014 for seeking their consent for the following special business:

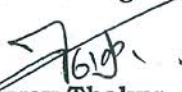
1. Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for authorizing the Board of Directors to borrow moneys on behalf of the Company upto a sum not exceeding Rs. 1000 Crores;
2. Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for authorizing the Board of Directors to create mortgage/pledge/ hypothecation/charge on all or any of the movable/immovable properties of the Company for securing the borrowings of the Company upto a sum not exceeding Rs. 1000 Crores;
3. Special Resolution under Section 94 of the Companies Act, 2013 for granting approval to keep the Register of Members and copies of Annual Returns alongwith annexures in Mumbai at the office of Registrar and Share Transfer Agents of the Company;
4. Special Resolution under Section 14 of the Companies Act, 2013 for adopting a new set of Articles of Association of the Company in alignment with the Companies Act, 2013; and
5. Special Resolution under Section 197 of the Companies Act, 2013 for granting approval for making payment of Commission to the Non-Executive Directors(including Independent Directors) of the Company.

Kindly acknowledge the receipt and take the same on your record.

Thanking you,

Yours faithfully,

For Tilaknagar Industries Ltd.


Gaurav Thakur
Company Secretary
Encl: a/a



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

Tel.: +91 22 22831716/18 Fax : +91 22 22046904 E-mail : tiliquor@tilind.com

Regd. Office & Works : P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720.

Tel.: (02422) 265 123 / 265 032 Fax : (02422) 265 135 E-mail : regoff@tilind.com Website : www.tilind.com



CERTIFIED TRUE COPY
For TILAKNAGAR INDUSTRIES LTD.

[Signature]
COMPANY SECRETARY

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

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

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

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

Pursuant to the provisions of Section 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Notice is hereby given that it is proposed to transact the special business as set out hereunder by passing special resolutions through Postal Ballot (including voting through electronic means). The proposed special resolutions and the statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts concerning each item of the special business, disclosure of interest, reasons thereof are annexed hereto along with a Postal Ballot Form for seeking consent of the Members.

Members may exercise their vote by Physical Postal Ballot or may choose to vote using the e-voting facility, the details whereof are specified under instructions for e-voting as contained under 'Notes'. The voting period begins on Friday, June 27, 2014 at 10:00 a.m. and ends on Saturday, July 26, 2014 at 06:00 p.m. Hence, the Members are requested to kindly cast their votes well within the aforesaid period.

The Board of Directors in its Meeting held on May 26, 2014 has appointed Mr. R. T. RajGuroo, Practicing Company Secretary as Scrutinizer for conducting the Postal Ballot process and also to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman & Managing Director of the Company after completion of the scrutiny of Postal Ballot received in physical form and through e-voting process. The results of the Postal Ballot shall be announced by Chairman & Managing Director on Friday, August 01, 2014 at 04.00 p.m. at the Corporate Office of the Company at 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai - 400 020. In addition to the results being communicated to National Stock Exchange of India Limited and BSE Limited, the same along with the Scrutinizer Report shall also be displayed at the Company's Corporate Office and on its website i.e. www.tilind.com. The results of the Postal Ballot shall also be published in the newspapers.

SPECIAL BUSINESS:

1. Authorization to the Board of Directors to borrow moneys on behalf of the Company

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

"RESOLVED THAT in supersession of all earlier resolutions passed in this regard and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent be and is hereby accorded to the Board of Directors or any Committee constituted by the Board (hereinafter referred to as 'the Board') to borrow, from time to time, whether by way of working capital facilities/term loans/corporate loans/debentures/other credit facilities in Indian rupees and/or foreign currency at its discretion, either from bank(s), financial institution(s), body corporate(s) or any other lending institution(s) or person(s), whether in India or abroad (including moneys that may be borrowed by issue of debentures whether convertible or not, zero coupon bonds or such other securities as the Board in its absolute discretion may determine) on such terms and conditions as may be considered suitable by the Board, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital and free reserves, that is to say, reserves not set apart for any specific purpose, of the Company, provided that the maximum outstanding amount of moneys so borrowed by the Board shall at any time not exceed Rs. 1000 Crores (Rupees One Thousand Crores only);

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such actions and steps, including delegation of authority, as may be necessary and to settle all matters arising out of and incidental thereto and to sign and execute on behalf of the Company such agreements, deeds, applications, documents and writings as may be required in this regard and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

2. **Authorization to the Board of Directors to create mortgage/pledge/hypothecation/charge on all or any of the movable/immovable properties of the Company**

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

“**RESOLVED THAT** in supersession of all earlier resolutions passed in this regard and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent be and is hereby accorded to the Board of Directors or any Committee constituted by the Board (hereinafter referred to as ‘the Board’) for creating the mortgage/pledge/hypothecation/charge on the whole or part of the Company’s land, building thereon, machinery, stocks, book debts and all other assets whether movable or immovable of the Company situated in India or abroad in one or more tranches and/or conferring power to enter upon and take possession of the assets of the Company in certain events to or in favour of any of the financial institution(s), bank(s), body corporate(s), lending institution(s) or person(s) to secure the working capital facilities/term loans/corporate loans/debentures/other credit facilities raised/to be raised by the Company from such financial institution(s), bank(s), body corporate(s), lending institution(s) or person(s) together with interest at the respective agreed rates, compound/additional interest, commitment charge, charges on prepayment or on redemption, costs, charges, expenses and all other moneys payable/to be payable to the financial institution(s), bank(s), body corporate(s), lending institution(s) or person(s) in terms of their respective agreements/letters of sanction/memorandum of terms and conditions, entered into/to be entered into by the Company in respect of the said working capital facilities/term loans/corporate loans/debentures/other credit facilities up to a sum not exceeding Rs. 1000 Crores (Rupees One Thousand Crores only) at any time;

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such actions and steps as may be necessary and to settle all matters arising out of and incidental thereto and to finalize the form, extent and manner of and the documents and deeds, as may be applicable, for creating the mortgage/pledge/hypothecation/ charge on the whole or part of the Company’s land, building thereon, machinery, stocks, book debts and all other assets whether movable or immovable of the Company situated in India or abroad on such terms and conditions as may be decided by the Board in consultation with the lenders and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

3. **Approval for keeping the Register of Members and copies of Annual Returns along with annexures in Mumbai at the office of Registrar and Share Transfer Agents of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Section 94 of the Companies Act, 2013 read with Rule 15 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent be and is hereby accorded for keeping the Register of Members together with Index of Members, the copies of all annual returns along with the copies of certificates and documents required to be annexed therewith in Mumbai at the office of M/s Bigshare Services Pvt. Ltd., the Registrar and Share Transfer Agents of the Company situated at E-2/3, Ansa Industrial Estate, Sakivihar Road, SakiNaka, Andheri(East), Mumbai – 400 072 instead of keeping the same at the Registered Office of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient to give effect to this resolution.”

4. **Adoption of a new set of Articles of Association of the Company in alignment with the Companies Act, 2013**
To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent be and is hereby accorded for adoption of the draft

regulations contained in the new set of Articles of Association of the Company, in substitution and to the entire exclusion of the regulations contained in the existing set of Articles of Association of the Company:

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient to give effect to this resolution."

5. Authorization for making payment of Commission to the Non-Executive Directors (including Independent Directors) of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 197 read with Section 198 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent be and is hereby accorded for payment of remuneration by way of commission to the Non-Executive Directors (including Independent Directors) for a period of five financial years commencing from April 01, 2014, subject to an overall ceiling of 1% (one percent) of the net profits of the Company computed in the manner prescribed in Section 198 of the Companies Act, 2013, in addition to the fee payable to such Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings and such commission shall be distributed amongst them, or some or any of them, in such proportion or in such manner as may be decided by the Board of Directors and/or Committee thereof from time to time;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient to give effect to this resolution."

**By order of the Board
For Tilaknagar Industries Ltd.**

**Place: Mumbai
Date : May 26, 2014**

**Sd/-
Gaurav Thakur
Company Secretary**

Notes:

1. In terms of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, assent or dissent of the Members in respect of the special resolutions contained in the Postal Ballot Notice is sought through Postal Ballot (including voting through electronic means).
2. The Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning each item of special business, disclosure of interest, reasons thereof is annexed hereto and forms part of this Notice.
3. The Board of Directors in its Meeting held on May 26, 2014 has appointed Mr. R. T. RajGuroo, Practicing Company Secretary as Scrutinizer for conducting the Postal Ballot process and also to scrutinize the e-voting process in a fair and transparent manner.
4. The Notice is being dispatched/mailed to all the Members whose names appear on the register of members/ statement of beneficial ownership furnished by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, June 20, 2014. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form can seek duplicate Postal Ballot Form by writing to Registrar and Share Transfer Agents i.e. M/s Bigshare Services Pvt. Ltd., Unit: Tilaknagar Industries Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, SakiNaka, Andheri(East), Mumbai – 400 072 or e-mail at investor@tilind.com. Duly completed Postal Ballot Form should, however, reach the Scrutinizer not later than 06.00 p.m. on Saturday, July 26, 2014.
5. Members desiring to exercise their vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed postage pre-paid self-addressed business reply envelope. Postage will be borne and paid by the Company. However, Postal Ballot

Form(s), if sent by courier or by registered post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the Scrutinizer's address. Duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 06:00 p.m. on Saturday, July 26, 2014 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. Unsigned/blank/incomplete/defaced/mutilated/incorrectly ticked Postal Ballot Forms will be rejected. Members desiring to exercise their vote through e-voting are requested to refer the instructions mentioned at Sr. No. 9 below.

6. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed postage pre-paid self-addressed business reply envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
7. The voting rights shall be reckoned in proportion to the paid-up value of the equity shares registered in the name of the Members as on Friday, June 20, 2014.
8. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is offering e-voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting facility to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form.
9. The instructions for Members for exercising their vote through e-voting, are as under:

A) In case of Members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab to cast your votes.
- (iii) Now, select the Electronic Voting Sequence Number - "EVSN" along with "Tilaknagar Industries Ltd." from the drop down menu and click on "SUBMIT".
- (iv) Now Enter your User ID - For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (in Capital) (Applicable for both demat shareholders as well as physical shareholders)	
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.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the default value i.e. APEXA1987D in the PAN field.

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the default value i.e. 1234567 in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the EVSN 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.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant EVSN on which you choose to vote.
- (xi) 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.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then 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.

B) In case of Members receiving the physical copy:

- i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - ii) The voting period begins on Friday, June 27, 2014 at 10:00 a.m. and ends on Saturday, July 26, 2014 at 06:00 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 (record date) of Friday, June 20, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - iii) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
10. Kindly note that the Members can opt only one mode of voting i.e. either by Physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Postal Ballot also and vice versa. However, in case Members cast their vote by Physical Postal Ballot and also by e-voting, then voting done through valid Physical Postal Ballot shall prevail and voting done by e-voting will be treated as invalid.
 11. The Scrutinizer will submit his report to the Chairman & Managing Director of the Company after completion of the scrutiny of Postal Ballot received in physical form and through e-voting process. The results of the Postal Ballot shall be announced by Chairman & Managing Director on Friday, August 01, 2014 at 04.00 p.m. at the Corporate Office of the Company at 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai – 400 020. In addition to the results being communicated to National Stock Exchange of India Limited and BSE Limited, the same along with the Scrutinizer Report shall also be displayed at the Company's Corporate Office and on its website i.e. www.tilind.com. The results of the Postal Ballot shall also be published in the newspapers.
 12. The Scrutinizer's decision on the validity of the Postal Ballot will be final and binding.
 13. The resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman & Managing Director, if the results of the Postal Ballot indicate that the requisite majority of the Members had assented to the resolutions.
 14. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Companies Act, 2013 are available for inspection by the Members at the Corporate Office at 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai – 400 020 as well as Registered Office of the Company at P.O. Tilaknagar, Tal. Shirampur, Dist. Ahmednagar, Maharashtra-413 720 during working hours on any working day from Friday, June 27, 2014 to Friday, August 01, 2014.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1 & 2

Pursuant to the erstwhile provisions of Sections 293(1)(d) and 293(1)(a) of the Companies Act, 1956, the Board of Directors was authorized by the Members of the Company to borrow moneys on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 1000 Crores at any point of time and also, to secure the said borrowings by creating mortgage/charge on all or any of the movable/immovable properties of the Company.

The corresponding provisions of Sections 180(1)(c) and 180(1)(a) of the Companies Act, 2013 notified on September 12, 2013 read with the General Circular No. 04/2014 dated March 25, 2014 issued by Ministry of Corporate Affairs stipulate that the resolutions passed under erstwhile Sections 293(1)(d) and 293(1)(a) of the Companies Act, 1956 prior to September 12, 2013 will be regarded as sufficient compliance of the requirements of Sections 180(1)(c) and 180(1)(a) of the Companies Act, 2013 for a period of 1 year from the date of their notification i.e. September 12, 2013.

Accordingly, in order to remain compliant with the provisions of Sections 180(1)(c) and 180(1)(a) of the Companies Act, 2013, the consent of the Members is being sought by way of special resolutions through Postal Ballot for authorizing the Board of Directors to borrow moneys on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 1000 Crores at any point of time and also, to secure the same by creating the mortgage/pledge/hypothecation/charge on the whole or part of the Company's land, building thereon, machinery, stocks, book debts and all other assets of the Company whether movable or immovable, situated in India or abroad.

The Board of Directors recommends the resolutions set forth in Item Nos. 1 and 2 for the approval of the Members as special resolutions.

None of the Promoters, Directors and Key Managerial Personnel of the Company and their relatives is in any way concerned or interested, in above referred resolutions.

Item No. 3

The Company is maintaining its Register of Members together with Index of Members (electronically) as well as the copies of annual returns and the certificates and documents required to be annexed therewith at the Registered Office of the Company at P.O. Tilaknagar, Tal. Shirampur, Dist. Ahmednagar, Maharashtra-413 720. Pursuant to the proviso to Section 94 of the Companies Act, 2013, the Companies are permitted to keep such register, returns, certificates and documents at a place other than its Registered Office where more than 1/10th of the total number of Members entered in its Register of Members reside.

For administrative convenience and also for facilitating the inspection of such register, returns, certificate and documents by the Members of the Company, it is proposed to seek the approval of the Members by way of special resolution through Postal Ballot for keeping the abovementioned registers, returns, certificates and documents in Mumbai (where more than 1/10th of the Members of the Company resides) at the office of M/s Bigshare Services Pvt. Ltd., the Registrar and Share Transfer Agents of the Company situated at E-2/3, Ansa Industrial Estate, Sakivihar Road, SakiNaka, Andheri(East), Mumbai - 400 072.

The Board of Directors recommends the resolution set forth in Item No. 3 for the approval of the Members as a special resolution.

None of the Promoters, Directors and Key Managerial Personnel of the Company and their relatives is in any way concerned or interested, in above referred resolution.

Item No. 4

The Ministry of Corporate Affairs ("MCA") had on September 12, 2013 and March 26, 2014 notified most of the Sections of the Companies Act, 2013 dealing with the general working of companies except those provisions which require sanction/confirmation of the National Company Law Tribunal and certain other provisions.

Since, several regulations in the existing Articles of Association contain references to specific Sections of the Companies Act, 1956 and some regulations in the existing Articles of Association are no longer in conformity with the provisions of the Companies Act, 2013, therefore, it is considered prudent and desirable to adopt a new set of Articles of Association of the Company conforming to the provisions of the Companies Act, 2013 and rules made thereof.

Accordingly, pursuant to the provisions of Section 14 of the Companies Act, 2013, the consent of the Members is being sought by way of special resolution through Postal Ballot for adopting a new set of Articles of Association of the Company, in substitution for, and to the exclusion of, the existing Articles of Association of the Company.

The attention of the Members is invited to some of the major new/amended regulations included in the proposed new set of Articles of Association as mentioned below :

- (i) The Company is authorized to exercise lien on dividend as well as bonuses declared from time to time in respect of partly paid shares over which it has exercised the lien;
- (ii) Issue of shares at discount has been prohibited excluding issue of such class of shares as may be permitted by the Companies Act, 2013;
- (iii) The time frame for issuing share certificates in respect of allotment and transfer/transmission of shares has been modified in line with the provisions of the Companies Act, 2013;
- (iv) The nominee(s) of a deceased sole Member is/are recognized as having title to the deceased's interest in the shares;
- (v) The provisions regarding quorum for the General Meeting have been amended in line with the provisions of the Companies Act, 2013;
- (vi) Regulations regarding timing and fees for inspection of the statutory registers, minutes of the general meetings and other documents/returns allowed to be inspected by Members under the provisions of the Companies Act, 2013 have been amended;
- (vii) The provisions regarding appointment, qualification, remuneration, tenure of Independent Directors and making them not liable to retire by rotation have been inserted;
- (viii) Managing Director and Executive Director(s) are made liable to retire by rotation with a provision that such retirement shall not be deemed as break in service, if they are re-appointed immediately;
- (ix) Regulation allowing an individual to be appointed as the Chairman as well as Managing Director or Chief Executive Officer of the Company at the same time has been inserted;
- (x) Regulations containing the provisions for appointment of Key Managerial Personnel have been inserted as per the provisions of the Companies Act, 2013;
- (xi) Specific regulations have been inserted in respect of matters where express provisions in the Articles of Association of the Company are required/desirable to comply with the provisions of the Companies Act, 2013; and
- (xii) Regulation authorizing and empowering the Company to have such rights, privileges and authorities and to carry out such transactions as may be permitted by the Companies Act, 2013 and/or the rules made there under, in absence of any specific Article in that behalf in the new Articles of Association of the Company has been inserted.

A copy of the proposed new set of Articles of Association of the Company is available for inspection by the Members of the Company at its Corporate Office at 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai – 400 020 as well as its Registered Office at P.O. Tilaknagar, Tal. Shirampur, Dist. Ahmednagar, Maharashtra-413 720 during working hours on any working day from Friday, June 27, 2014 to Friday, August 01, 2014 and has also been uploaded on the Company's Website i.e. www.tilind.com.

The Board of Directors recommends the resolution set forth in Item No. 4 for the approval of the Members as a special resolution.

None of the Promoters, Directors and Key Managerial Personnel of the Company and their relatives is in any way concerned or interested, in above referred resolution.

Item No. 5

Pursuant to the provisions of erstwhile Section 309(4) of the Companies Act, 1956, the Members of the Company had, at the Annual General Meeting held on September 21, 2012, passed a special resolution for granting approval for making payment of commission to Non-Executive Directors of the Company, of a sum not exceeding 1% (one percent) per annum of the net profits of the Company, calculated in accordance with the provisions of the Companies Act, 1956.

In order to comply with the provisions of Section 149(9) read with Section 197 of the Companies Act, 2013 as notified on March 26, 2014 and also the provisions of Clause 49(1)(B) of the Listing Agreement, it is proposed to seek fresh consent of the Members by way of special resolution through Postal Ballot for payment of remuneration by way of commission to the Non-Executive Directors (including Independent Directors) for a period of five financial years

commencing from April 01, 2014, subject to an overall ceiling of 1% (one percent) of the net profits of the Company computed in the manner prescribed in Section 198 of the Companies Act, 2013, in addition to the fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings.

The above-mentioned commission will be distributed amongst all or some of the above-mentioned Directors in accordance with the directions given by the Board of Directors and/or Committee thereof and subject to any other applicable requirements under the Companies Act, 2013.

The Board of Directors recommends the resolution set forth in Item No. 5 for the approval of the Members as a special resolution.

None of the Promoters, Directors and Key Managerial Personnel of the Company and their relatives is in any way concerned or interested in the above referred resolution except all Non-Executive Directors (including Independent Directors) of the Company to the extent of commission that may be payable to them from time to time.

**By order of the Board
For Tilaknagar Industries Ltd.**

**Place: Mumbai
Date : May 26, 2014**

**Sd/-
Gaurav Thakur
Company Secretary**



TILAKNAGAR INDUSTRIES LTD.

CIN: L15420PN1933PLC133303

Registered Office : P.O. Tilaknagar, Tal. Shirampur, Dist. Ahmednagar, Maharashtra-413720

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

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

POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before exercising the vote)

SERIAL NO.:

1. Name(s) of Member(s) including jointholders, if any :
2. Registered Address of the sole/ first named Member :
3. Registered Folio No./DP ID No. and Client ID No.* (*Applicable to Members holding shares in dematerialized form) :
4. Number of Share(s) held :



I/We hereby exercise my/our vote in respect of the special resolutions to be passed through Postal Ballot for the business stated in the Notice of the Company dated May 26, 2014 by sending my/our assent or dissent to the said special resolutions by placing the tick (✓) mark at the appropriate column in the box below:

Item no.	Description	No. of Shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for authorizing the Board of Directors to borrow moneys on behalf of the Company upto a sum not exceeding Rs. 1000 Crores.			
2.	Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for authorizing the Board of Directors to create mortgage /pledge/hypothecation/charge on all or any of the movable/immovable properties of the Company for securing the borrowings of the Company upto a sum not exceeding Rs.1000 Crores.			
3.	Special Resolution under Section 94 of the Companies Act, 2013 for granting approval to keep the Register of Members and copies of Annual Returns alongwith annexures in Mumbai at the office of Registrar and Share Transfer Agents of the Company.			
4.	Special Resolution under Section 14 of the Companies Act, 2013 for adopting a new set of Articles of Association of the Company in alignment with the Companies Act, 2013.			
5.	Special Resolution under Section 197 of the Companies Act, 2013 for granting approval for making payment of Commission to the Non-Executive Directors (including Independent Directors) of the Company.			

Place:

Date:

(Signature of the Member)

CERTIFIED TRUE COPY

For TILAKNAGAR INDUSTRIES LTD.

Note: Last Date for receipt of Postal Ballot Form by the Scrutinizer is Saturday, July 26, 2014.

COMPANY SECRETARY

INSTRUCTIONS

1. The Company is providing voting through Postal Ballot (including voting through electronic means). Members desiring to exercise their vote by Postal Ballot may complete this Postal Ballot Form (No other form or photocopy of the form is permitted) and send it to the Scrutinizer in the enclosed postage pre-paid self-addressed business reply envelope. Postage will be borne and paid by the Company. However, Postal Ballot Form(s), if sent by courier or by registered post at the expense of the Members will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the Scrutinizer's address. Members desiring to exercise their vote through e-voting are requested to refer the instructions mentioned at Sr. No. 9 in the Notes to the Postal Ballot Notice.
2. Kindly note that the Members can opt only one mode of voting, i.e. either by Physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Postal Ballot also and vice versa. However, in case Members cast their vote by Physical Postal Ballot and also by e-voting, then voting done through valid Physical Postal Ballot shall prevail and voting done by e-voting will be treated as invalid.
3. The postage pre-paid self-addressed business reply envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
4. A (✓) mark should be placed in the relevant box signifying assent/dissent for the resolution, as the case may be. Tick in both the boxes would render the Postal Ballot Form invalid. Please note that (X) mark or any other mark other than (✓) in the box signifying assent or dissent shall be deemed as if no mark has been placed and the box is left blank. Unsigned/blank/incomplete/defaced/ mutilated/incorrectly ticked Postal Ballot Forms will be rejected.
5. This Postal Ballot Form should be completed and signed by the Member (as per the specimen signature registered with the Company/Depository Participant). In case of joint holding, this form should be completed and signed by the first named Member and in his/her absence, by the next named Member. There shall be one Postal Ballot Form for every Folio/Client ID, irrespective of the number of jointholders.
6. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution/authorization giving requisite authority to the person voting on Postal Ballot Form, together with the duly attested specimen signature(s) of the authorized signatories.
7. A Member need not use all the votes nor he/she needs to cast all the votes in the same way.
8. The voting rights shall be reckoned in proportion to the paid-up value of the equity shares registered in the name of the Members as on Friday, June 20, 2014.
9. The right of voting by Postal Ballot shall not be exercised by a Proxy.
10. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed postage pre-paid self-addressed business reply envelope as such envelope will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
11. Duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 06:00 p.m. on Saturday, July 26, 2014 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.
12. A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write to the Registrar and Share Transfer Agents i.e. M/s Bigshare Services Pvt. Ltd., Unit: Tilaknagar Industries Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, SakiNaka, Andheri(East), Mumbai - 400 072 or e-mail at investor@tilind.com. Duly completed and signed Postal Ballot Form should, however, reach the Scrutinizer not later than 06:00 p.m. on Saturday, July 26, 2014.
13. The Scrutinizer will submit his report to the Chairman & Managing Director of the Company after completion of the scrutiny of Postal Ballot received in physical form and through e-voting process. The results of the Postal Ballot shall be announced by Chairman & Managing Director on Friday, August 01, 2014 at 04.00 p.m. at the Corporate Office of the Company at 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai - 400 020. In addition to the results being communicated to National Stock Exchange of India Limited and BSE Limited, the same along with the Scrutinizer Report shall also be displayed at the Company's Corporate Office and on its website i.e. www.tilind.com. The results of the Postal Ballot shall also be published in the newspapers.
14. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.