



## TITAGARH WAGONS LIMITED

Titagarh Towers

756, Anandapur, E M Bypass, Kolkata 700 107

Phone: 91 33 4019 0800, Fax: 91 33 4019 0823

# NOTICE

**NOTICE** is hereby given that the **TWENTIETH ANNUAL GENERAL MEETING** of the members of **TITAGARH WAGONS LIMITED** ("the Company") will be held at Manovikas Kendra, 482, Madudah, Plot I-24, Sector-J, E M Bypass, Kolkata-700107 (Landmark: Near Ruby Hospital) on Monday, the 31st July, 2017 at 10.00 A.M. to transact the following businesses:

### ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2017, the consolidated financial statement for the said financial year and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Shri Sudipta Mukherjee (DIN: 06871871), Wholetime Director, who retires by rotation and, being eligible, offers himself for re-appointment.
4. **To appoint Auditors and fix their remuneration by passing, with or without modification(s) the following resolution as an Ordinary Resolution:**

*"RESOLVED THAT pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants (FRN 304026E/E-300009), be and is hereby appointed as the Statutory Auditors of the Company (in place of S. R. Batliboi & Co LLP, Chartered Accountants, retiring due to mandatory rotation of Auditors) for a term of five consecutive years commencing from the financial year ending March 31, 2018 to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty-fifth AGM of the Company subject to ratification of their appointment by the members at every subsequent AGM and the Board of Directors be and is hereby authorized to fix their remuneration plus other applicable expenses in connection with Statutory Audit and/or continuous audit and such other remuneration, as may be decided to be paid by the Board/Committee of the Board for performing*

*duties if any other than those referred to hereinabove and the remuneration so fixed may be paid at such intervals during the year as may be decided by the Board/Committee of the Board."*

### SPECIAL BUSINESS:

5. **To approve the re-appointment of Shri J.P. Chowdhary, Executive Chairman for a term of five years and in this regard to consider and if thought fit to pass, with or without modification(s) the following resolution as a Special Resolution:**

*"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof for the time being in force) and pursuant to Article 28 of Articles of Association of the Company and the recommendation of the Nomination and Remuneration Committee (NRC), the Audit Committee and as decided by the Board at their respective meetings held on 14th December, 2016, the consent of the members of the Company be and is hereby accorded to the re-appointment of Shri Jagdish Prasad Chowdhary (DIN: 00313685) as Chairman and Managing Director (designated as 'Executive Chairman') of the Company for a term of 5 (five) years w.e.f. 8th January, 2017 on the terms and conditions, including remuneration and in the event of inadequacy of profits or loss, minimum remuneration, as recommended by the NRC and set out in the explanatory statement annexed to this Notice.*

*RESOLVED FURTHER THAT the Board of Directors be and*

is hereby authorised to alter or vary the remuneration of Shri J.P. Chowdhary, Executive Chairman including the monetary value thereof, to the extent recommended by the NRC from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Act and do all necessary acts, deeds and things, which may be considered necessary or expedient to give effect to the aforesaid Resolution.”

6. **To approve the change in minimum remuneration of Shri Umesh Chowdhary, Vice Chairman and Managing Director and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution :**

“RESOLVED THAT pursuant to the provisions of Sections 196,197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification(s) or re-enactments(s) thereof for the time being in force) and pursuant to Article 28 of Articles of Association of the Company and the recommendation of the Board, the Audit Committee and Nomination and Remuneration Committee (NRC) at their respective meetings held on 14th December, 2016, the consent of the members of the Company be and is hereby accorded to change in minimum remuneration to ₹240 lakhs (Rupees Two Crore Forty Lakhs) per annum of Shri Umesh Chowdhary (DIN: 00313652), Vice Chairman & Managing Director (VCMD) of the Company w.e.f. 1st January, 2017 in the event of inadequacy of profits or loss during the remaining period of his term ending on 30th September, 2020.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter or vary the scope of remuneration of Shri Umesh Chowdhary, VCMD including the monetary value thereof, to the extent recommended by the NRC from time to time as may be considered appropriate, subject to the overall limits specified by these resolutions and the Act and do all necessary acts, deeds and things, which may be considered necessary or expedient to give effect to the aforesaid Resolutions.”

7. **To approve the payment of remuneration to Shri Umesh Chowdhary, Vice Chairman and Managing Director, from Titagarh Singapore Pte. Limited, Singapore, a wholly owned subsidiary and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section

188 and other applicable provisions of the Companies Act, 2013 (‘the Act’) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to Shri Umesh Chowdhary (DIN: 00313652), Vice Chairman and Managing Director (VCMD) of the Company to draw remuneration of a sum which taken together with the remuneration drawn by Shri Umesh Chowdhary as VCMD of the Company shall not exceed the minimum remuneration in accordance with the provisions of Schedule V to the Act as approved by the members of the Company, from Titagarh Singapore Pte. Limited, Singapore, a wholly owned subsidiary of the Company, deemed to be office or place of profit within the meaning of section 188 of the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter or vary the scope of remuneration of Shri Umesh Chowdhary, VCMD including the monetary value thereof, to the extent recommended by the NRC from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Act and do all necessary acts, deeds and things, which may be considered necessary or expedient to give effect to the aforesaid Resolutions.”

8. **To ratify the Remuneration of Cost Auditor 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 148 of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹2,00,000 (Rupees Two Lacs only) plus taxes as may be applicable and reimbursement of reasonable out of pocket expenses as may be actually incurred by the firm, payable to M/s. M. R. Vyas and Associates; Cost Accountants (Registration No. 2032) of D-219, Vivek Vihar, Phase-I, New Delhi- 110095 appointed by the Board as Cost Auditors of the Company for the financial year 2017-18 be and is hereby ratified.”

9. **To approve continuing contract/arrangement with Cimmco Limited 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 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder and pursuant

to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other enabling/applicable provisions of law as may be applicable and subject to such approvals, consents, permissions of the authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to enter into a contract or arrangement or Continuing Contract/Arrangement for purchase/sale of materials and/or supply of services between Cimmco Limited, subsidiary Company (Cimmco) and the Company from time to time during three financial years ending on the 23rd May, 2020 with an estimated ceiling of ₹60 crores per financial year and on the terms and conditions as may be mutually agreed upon between the Board of Directors of Cimmco and the

Company.

*RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."*

By Order of the Board

Registered Office:  
756, Anandapur  
E M Bypass, Kolkata -700107  
19th May, 2017

**Dinesh Arya**  
Company Secretary

#### NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL, ON HIS BEHALF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Members /Proxies/Authorised representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- Proxies in order to be effective must be received by the Company at the registered office address not less than 48 hours before the commencement of the Annual General Meeting (AGM).
- The Register of Members and Share Transfer Register shall remain closed with effect from Monday, July 24, 2017, to Monday, July 31, 2017 (both days inclusive) for the purpose of determining the members eligible for dividend, if declared at the Meeting.
- Members are requested to note that dividends not encashed/claimed, and warrants for fractional entitlements of shares within seven years from the date of declaration of dividend/IPO will, as per Section 124 of the Act, be transferred to Investor Education and Protection Fund (IEPF). Members concerned are requested to refer carefully to the provisions

of Sections 124(6) and 125 of the Act. Please browse the link <http://www.titagarh.in/investor.php> for the list of shareholders whose unclaimed dividend for the financial year ended March 31, 2010 is due for transfer to IEPF in September, 2017.

- The Company shall also display full text of these communications/documents/reports at its website **www.titagarh.in** and physical copies of such communications/documents/Annual Reports will be made available at the Registered Office of the Company for inspection by the shareholders during the office hours on working days.

Please note that as a member of the Company upon receipt of your request, you will be entitled to receive free of cost, copy of such communications/ documents/Annual Reports and all other documents required to be attached thereto.

In case you desire to receive the documents mentioned above in physical form, please write to us at [investors@titagarh.in](mailto:investors@titagarh.in) quoting your Folio No./Client ID and DP ID.

All those members who have not registered their e-mail addresses or are holding shares in physical form are requested to immediately register their e-mail addresses with NSDL/CDSL along with Folio No. /Client ID and DP ID.

- 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 RTA.

7. Details under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
8. Electronic copy of the Annual Report for 2017 is being sent to all the members whose email IDs are registered with the Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report for 2017 is being sent in the permitted mode.
9. Electronic copy of the Notice of the 20th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 20th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
10. Members may also note that the Notice of the 20th Annual General Meeting and the Annual Report for 2017 will also be available on the Company's website [www.titagarh.in](http://www.titagarh.in) for download. The physical copies of the aforesaid documents will also be available at the Company's Registered/Corporate Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investors@titagarh.in](mailto:investors@titagarh.in).
11. Voting through electronic means:
  - a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of LODR, the company is pleased to provide members the facility to exercise their vote through remote e-voting in respect of the resolutions proposed to be passed at the ensuing Annual General Meeting (AGM) by using the electronic voting facility provided by the Karvy Computershare Private Limited.
    - b. The remote e-voting period commences at 9:00 a.m. on Thursday, the 27th July, 2017 and ends at 5:00 p.m. on Sunday, the 30th July, 2017. The remote e-voting module shall be disabled by Karvy for voting thereafter.
    - c. During the remote e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date i.e. Monday, the 24th July, 2017 may cast their vote electronically.
    - b. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
    - e. Voting rights of the member shall be in proportion to their respective shareholding as on the cut-off date i.e. Monday, the 24th July, 2017.
    - f. The facility for voting through polling paper shall be made available at the AGM and members attending the meeting who have not cast their vote by remote e-voting shall be eligible to exercise their right to vote at the meeting through polling paper.
    - g. The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their vote again.
    - h. Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of this Notice and holds shares as on the cut-off date i.e. Monday, the 24th July, 2017 should follow the instructions for e-voting as mentioned below for FIRST TIME USER. In case of any queries, the shareholder may also contact the Registrar & Transfer Agent.
    - i. The Board of Directors has, at its meeting held on 19th May, 2017, appointed Sushil Goyal & Co; Company Secretaries as the scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
    - j. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at AGM through ballot paper.
    - k. The Instructions for Shareholders voting electronically are as under:
      - A. In case a Member receiving an email of the AGM Notice from Karvy [for Members whose email IDs are registered with the Company/ Depository Participant(s)] :

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii) Enter the login credentials (i.e., User ID and password mentioned below). Event No. followed by Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- iii) After entering these details appropriately, click on "LOGIN".
- iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v) You need to login again with the new credentials.
- vi) On successful login, the system will prompt you to select the "EVENT" i.e., Titagarh Wagons Limited.
- vii) On the voting page, you may select the option, 'Yes' or 'No' as desired. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x) You may then cast your vote by selecting an appropriate option and click on "Submit"
- xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your

vote. During the voting period, Members can login any numbers of times till they have voted on the Resolution(s).

- xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email ID: [csskgoyal@gmail.com](mailto:csskgoyal@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_ EVENT NO."
  - xiii) In case a person has become the Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. 24th July, 2017, may write to the Karvy on the email Id: [evoting@karvy.com](mailto:evoting@karvy.com) or to Ms. Shobha Anand, Contact No. 040-67162222, at [Unit: Titagarh Wagons Limited] Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No.(i) to (xii) as mentioned in (A) above, to cast the vote.
- B. In case of Members receiving physical copy of the AGM Notice by Post [for Members whose email IDs are not registered with the Depository Participant(s)]:
    - i) User ID and initial password as provided at the bottom of the Attendance Slip :
    - ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
  - C. In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com>. (Karvy's website).
  - D. The Scrutinizer shall, after the conclusion of the AGM, first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least 2 (Two) witnesses not in the employment of the Company. The Scrutinizer shall, within a period of not more than three days from the conclusion of the AGM, prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit to the Chairman or any person authorised by him in writing, who shall countersign the same and declare the results of the voting.



- E. The results so declared along with Scrutinizer's Report shall be placed on the website link : <https://evoting.karvy.com> and subject to the receipt of requisite number of votes, the resolution set out in the Notice shall be deemed to be passed on the date of the Annual General Meeting. The results shall also be forwarded to the BSE and NSE.
12. Members are requested to preferably send their queries to the Registered Office at least 7 days before the date of the Annual General Meeting.
13. The documents pertaining to all the special businesses set out in the Notice are available for inspection at the Registered Office of the Company during 10.30 A.M. to 1.00 P.M. on all working days.
14. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
15. Route-map to the venue of the meeting is provided at the end of the Notice.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('the Act')**

### **Items No. 5 & 6**

Reappointment and remuneration of Shri J P Chowdhary, Executive Chairman and Shri Umesh Chowdhary, Vice Chairman & Managing Director were approved by the members at the Annual General Meetings held on 15/09/2012 and 24/09/2015 respectively.

The Board, pursuant to the recommendation of the Nomination and Remuneration Committee (NRC) and the Audit Committee in their respective meetings held on 14th December, 2016 had accorded its approval to the reappointment of Shri J P Chowdhary as the Executive Chairman (EC) of the Company for a further period of 5 (five) years w.e.f. 8th January, 2017 and the change in minimum remuneration of Shri Umesh Chowdhary, Vice Chairman & Managing Director (VCMD), to ₹240 lakhs (Rupees Two Crore Forty Lakhs) w.e.f. 1st January, 2017 in the event of inadequacy of profits or loss during the remaining period of his term ending on 30th September, 2020.

Shri J P Chowdhary at present draws remuneration as contained in the service agreement dated 14th December,

2016 i.e. Salary- Basic: ₹12,00,000/-, HRA: 60% of Basic and Special Allowance: ₹80,000 per month, plus perquisites and Performance Bonus such that aggregate of Salary, Perquisites and Performance Bonus shall not exceed 5% of net profit of the Company computed in the manner prescribed under the Act. Shri Umesh Chowdhary at present draws remuneration as contained in the supplemental service agreement dated 14th December, 2016 i.e. Salary- Basic: ₹12,00,000/-, HRA: 60% of Basic and Special Allowance: ₹80,000 per month plus perquisites and Performance Bonus such that aggregate of Salary, Perquisites and Performance Bonus shall not exceed 3.5% of net profit of the Company computed in the manner prescribed under the Act. In the event of inadequacy or loss during the tenure of the aforementioned managerial personnel, they would be paid the minimum remuneration equivalent to monthly fixed remuneration or such other higher amount as may be stipulated by the provisions of the Act. The other terms and conditions in detail are contained in their respective Service Agreements to be placed before the meeting and also available for inspection as stated hereinafter.

Shri J P Chowdhary at 77 years has vast experience of about 55 years in railway sector/heavy engineering industry and besides being the promoter of Titagarh Group has been the driving force behind the Company and Group's growth. In order to avail of the excellent and proven leadership of Shri J P Chowdhary, it would be in the interest of the Company to reappoint him as Executive Chairman as set out at Resolution No. 5.

A copy each of the aforesaid agreements dated 14th December, 2016 are available for inspection at the registered office of the Company till the date of the 20th AGM and a copy thereof shall be provided to a member upon request.

The remuneration payable to Shri J P Chowdhary and Shri Umesh Chowdhary respectively is in accordance with the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

The Directors recommend passing of the aforesaid Special Resolutions.

None of the Directors or key managerial personnel or their relatives, except Shri J P Chowdhary and Shri Umesh Chowdhary and their relatives are concerned or interested respectively in the said Resolutions.

## Details pursuant to Schedule V to the Companies Act, 2013

I. GENERAL INFORMATION				
Name	Shri J P Chowdhary		Shri Umesh Chowdhary	
Nature of industry	Rail Rolling Stock, Defence, Heavy Engineering and Infrastructure			
Date or expected date of commencement of commercial production	Existing Company, already commenced from 11/07/1997			
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Existing Company - Not Applicable			
Financial performance based on given indicators				₹in Lakhs
		2016-17	2015-16	2014-15
	Sales	37033.60	32585.61	37613.73
	Net Profit	1928.37	(898.18)	985.71
Foreign investments or collaborators, if any	The Company has invested in wholly owned/subsidiaries namely, Titagarh Singapore Pte. Limited ₹11149.35 Lakhs and Titagarh Wagons AFR: ₹2864.60 lakhs and in its subsidiary Titagarh Firema Adler SpA ₹127.75 Lakhs as at 31st March, 2017.			
II. INFORMATION ABOUT TWO MANAGERIAL PERSONNEL				
Name	Shri J P Chowdhary		Shri Umesh Chowdhary	
Background details	<p><b>Shri J P Chowdhary</b> aged about 77 years is an industrialist with 55 years' experience in railways sector/heavy engineering industry.</p>		<p><b>Shri Umesh Chowdhary</b>, aged 42 years, has 24 years' experience in railway wagons/heavy engineering industry.</p>	
Past remuneration	5% of the net profits per annum including fixed components of Salaries & allowance ₹20 Lacs per month and the balance by way of commission at the end of financial year.		3.5% of the net profits per annum including fixed components of Salaries & allowance ₹20 Lacs per month and the balance by way of commission at the end of financial year.	
Recognition or awards	Shri J P Chowdhary has been awarded by various Institutions like Confederation of Indian Industry (CII), Calcutta Management Association and All India Management Association. He also served as Sheriff of Kolkata in 1995.		Shri Umesh Chowdhary is Honorary Consul of Switzerland and bestowed National Order of Merit ("Chevalier du Ordre National du Mérite") by the French Republic.	
Job profile and his suitability	Shri J P Chowdhary is known as a turnaround expert having rehabilitated sick companies with his astute leadership and has vast experience as an Industrialist. He was re-appointed Executive Chairman for a term of five years w.e.f. 08.01.2012. He is also the Executive Chairman of Cimco Ltd., the company's subsidiary. Shri J P Chowdhary has been providing exemplary leadership.		He has been on the Board of the Company since incorporation and played a key role in the growth of the Company under guidance of the Executive Chairman. He has been re-appointed as Managing Director and designated as Vice Chairman and Managing Director on 1st October, 2015 for a period of five years.	

Remuneration proposed	<p>The existing remuneration for EC and VCMD not aggregating 5% and 3.5% respectively to continue.</p> <p>Minimum Remuneration: Where in any financial year during the respective term of Shri J P Chowdhary and Shri Umesh Chowdhary, the Company has no profits or its profits are inadequate, the Company will pay minimum remuneration equivalent to the fixed components of ₹20 lacs only per month to each of them or such other remuneration as may be stipulated by Schedule V to Companies Act, 2013.</p>
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to complexities of business
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Shri J P Chowdhary, Executive Chairman and Shri Umesh Chowdhary, Vice Chairman & Managing Directors are related to each other and also related to Smt. Rashmi Chowdhary, Non-Executive Director of the Company.

### III. OTHER INFORMATION

Reasons of loss or inadequate profits	The Company's profit improved during FYE 31/03/2107, however the financial performance for the past 3 years had been impacted mainly due to successive lack of orders for procurement of Wagons from Indian Railways during the past 3-4 years, the largest customer, compounded by predatory pricing resorted to by some of the manufacturers aimed at securing larger allocation in the tender rendering the Wagons business unremunerative.
Steps taken or proposed to be taken for improvement	Implementation of the Company's plans to achieve growth in the other segments viz. Coaches, Castings, Bailey Bridges and Special Projects/Defence products has been taken up with greater focus and is being pursued aggressively. Cost efficiency and improvement in productivity for optimisation of resources are consistently practiced in order to achieve further improvement in performance while simultaneously de-risking the Company's business from predominant dependence on wagons procurement by Indian Railways. Growth through diversification into related areas of competence including by acquisitions and setting up of joint ventures is being pursued, however, the benefits thereof would take some time and accrue in future. During the year ended 31/03/2017 the Company has successfully secured prestigious orders for its shipbuilding vertical.
Expected increase in productivity and profits in measurable terms	Productivity improvement is assured but the increase in production will depend upon orders for other segments. Profitability is expected to improve from the measures inter alia aggressive marketing efforts to secure orders for wagons from private sector customers, repeat orders for customized wagons for export market and favourable result of participation in tender(s) for metro coaches.

### IV. DISCLOSURES

The following disclosures are mentioned in the Board of Director's report under the heading "Corporate Governance Report" of the Company in the Annual Report 2016-17:

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;
- (ii) Details of fixed component and performance linked incentives along with the performance criteria;
- (iii) Service contracts, notice period, severance fees;
- (iii) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.



### Item No. 7

Shri Umesh Chowdhary, Vice Chairman & Managing Director (VCMD) of the Company was appointed as a Director of Titagarh Singapore Pte. Limited (TSPL), Singapore, wholly owned subsidiary of the Company, with effect from 31st August, 2016. The purpose of appointment of Shri Umesh Chowdhary is to provide greater focus on the Company's overseas subsidiaries from the Dubai Branch of TSPL: Titagarh Singapore Pte. Limited, DMCC (TSPL DMCC) i.e. the place from outside India that offers the following advantages: presents ease of compliance and regulations; ensures more convenient accessibility to the overseas subsidiaries and is also the hub for seizing business opportunities from abroad for the Group with the underlying objective being to strengthen monitoring the operations of the overseas subsidiaries, augment export business, generate larger revenues for the Group and simultaneously protect the Company's investment in the overseas subsidiaries which ultimately would enhance overall stakeholders' value by the VCMD associating in a suitable capacity with TSPL DMCC, Dubai. The Board of the Company pursuant to recommendation of Nomination and Remuneration Committee at their respective meetings held on 22nd August, 2016 determined remuneration of Shri Umesh Chowdhary as a Director of TSPL of a sum which taken together with the remuneration drawn by Shri Umesh Chowdhary as VCMD of the Company shall not exceed the remuneration or minimum remuneration in the event of inadequacy of profit, or loss in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013. Shri Umesh Chowdhary has not drawn any remuneration from TSPL, DMCC till date.

Pursuant to the provisions of Section 188(1)(f) of the Act read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, consent of the shareholders is, inter alia, required by passing a Resolution, where a Director holds an

office or place of profit in any subsidiary of the Company. Shri Umesh Chowdhary is the VCMD of the Company and also a Director on the board of the wholly owned subsidiary company.

The Directors recommend passing of the Resolution as set out in Item No. 7 as a special resolution.

None of the Directors or key managerial personnel or their relatives, except Shri Umesh Chowdhary and his relatives are concerned or interested in the said Resolution.

### ITEM NO. 8

The Company with the recommendation of Audit Committee and approval of the Board at its meeting held on 19th May, 2017, has appointed M/s. M.R. Vyas and Associates; Cost Accountants as Cost Auditor of the Company for the financial year 2017-18 at a remuneration of ₹2,00,000/-. Pursuant to Section 148 of the Act read with The Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor is to be ratified by the shareholders.

The Board recommends the resolution set forth at this Item for approval of the members. None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the Resolution.

### ITEM NO. 9

Cimmco Limited (Cimmco) and the Company (TWL) propose to enter into transactions of sale/purchase of certain materials and/or provide services related thereto for manufacture of Wagons/products in the ordinary course of business under a continuing contract/arrangement. As Cimmco is a 'related party' within the meaning of Section 2(76) of the Act, the transaction requires the approval of members by a resolution under Section 188 of the Act. The particulars of such contract/arrangement are as under:

(a) Name of the related party and Relationship	<b>Cimmco Limited (Cimmco)</b>	Remark
	TWL is holding company of Cimmco Limited	
(b) the nature, duration of the contract and particulars of the contract or arrangement	Continuous/recurring contract for sale/ purchase of goods/materials for three years w.e.f. May 24, 2017	

(c) material terms of the contract or arrangement including the value, if any;	<p>TWL supplies to Cimmco bogies, couplers and steel castings etc. used in manufacture of Wagons and provides related services from time to time and Cimmco supplies steel plates and/or other raw materials/components as and when requisition/ Purchase order is placed by the purchaser, of such value or amount as specified in the requisition/Purchase order broadly on the following terms and conditions:</p> <p>a) Delivery terms: Ex-works of supplier  b) Freight charges: To be paid by purchaser  c) Packing and Loading charges: To be paid by supplier  d) Payment: Within 30 days  e) Amount payable will include all applicable taxes.  f) Other terms and conditions as may be mutually agreed by TWL and Cimmco  g) The terms and conditions stated above are standard in nature and subject to mutually agreed modifications in accordance with purchase order/requisition.</p>	<p>If the aggregate value of transaction exceeds the threshold of 10% of annual turnover of the Company u/s 188 of the Act, approval of the shareholders is being hereby obtained as an enabling power.</p>
(d) any advance paid or received for the contract;	No	
(e) the manner of determining the pricing and other commercial terms, both included as part of the contract and not considered as part of contract;	<p>Price and other terms of contract for the materials/services are fixed after obtaining generally three quotations from unrelated parties/manufacturer(s)/supplier(s) and are included as part of the contract.</p> <p>Commercial terms not as part of contract: not applicable.</p>	
(f) whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering	All factors have been considered	
(g) any other information relevant or important to take a decision on the proposed transaction	<p>As both the parties viz. TWL and Cimmco have the expertise in the area of manufacture of materials/services involved in the contract and their respective strengths/ relevant aspects are known, as long as the pricing is competitive and in sync with market conditions, the transaction works in their mutual interests</p>	

The Board recommends the resolution set forth at Item No. 9 above for approval of the members. None of the Directors or Key Managerial Personnel (KMP) or their relatives except Shri J P Chowdhary, Shri Umesh Chowdhary and Shri Anil Kumar Agarwal, is in any way concerned or interested in the Resolution.

By Order of the Board

Registered Office:  
756, Anandapur  
E M Bypass, Kolkata -700107  
19th May, 2017

**Dinesh Arya**  
Company Secretary

### Detail of Directors seeking Appointment/Re-appointment at the Annual General Meeting

Particulars	Shri J P Chowdhary	Shri Umesh Chowdhary	Shri Sudipta Mukherjee
Date of Birth	23.09.1940	24.04.1974	01.01.1975
Date of Appointment as director	24.09.2009	01.07.2002	15.05.2014
Qualifications	B. Com.	B. Com. (Hons.)	Post Graduate from Calcutta University in Industrial Law
Expertise in Specific Functional Areas	Management leadership with experience of about 55 years in railways sector/heavy engineering industry	Management leadership with about 25 years of experience in the manufacturing sector	Wagons Operations with about 18 years' experience.
Directorship held in other companies (excluding foreign companies)	1. Cimmco Limited 2. Titagarh Capital Management Services Private Limited	1. Cimmco Limited 2. Titagarh Capital Management Services Private Limited	Nil
Memberships/ Chairmanships of Committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil	Stakeholders' Relationship Committee • Cimmco Limited	Nil
No. of shares held in the Company	1,56,540 equity shares	77,530 equity shares	12,500 equity shares

## Route Map to the Venue: Manovikas Kendra

