

June 17, 2019

General Manager,  
Department of Corporate Services,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001

Security Code : 502865  
Security ID : FORBESCO


Dear Sir,

Sub: Postal Ballot Notice- Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We enclose a copy of the Postal Ballot Notice dated May 30, 2019 in compliance with the requirements under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly acknowledge receipt.

Yours faithfully,  
For Forbes & Company Limited

  
(Pankaj Khattar)  
Head Legal & Company Secretary

Encl:

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**FORBES & COMPANY LIMITED**

CIN: L17110MH1919PLC000628

Registered Office: Forbes' Building, Charanjit Rai Marg, Fort, Mumbai 400 001

Tel No: +91 22 61358900 • Fax No: +91 22 61358901, Website: www.forbes.co.in Email: investor.relations@forbes.co.in

**NOTICE OF POSTAL BALLOT**

Dear Member(s),

**Ordinary Resolution**

Notice is hereby given pursuant to the provision of Section 110 and other applicable provisions of the Companies Act, 2013, ("the Act") if any, read together with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) that the Company is seeking the approval of Members for the matters as set out in the resolutions appended below, through Postal Ballot including voting by electronic means.

An explanatory statement pertaining to the resolutions setting out the material facts concerning the same and the reasons thereof, as required in terms of Section 102 of the Act, is annexed hereto along with a postal ballot form for your consideration.

The Board of Directors at its meeting held on May 30, 2019 has appointed Mr. Makarand M. Joshi, Partner, M/s. Makarand M. Joshi & Co., Practicing Company Secretaries, as the Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.

The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/Statements of beneficial ownership maintained by the Depositories, i.e., National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on the close of business hours on June 7, 2019 (cut-off date).

Members are requested to read the instructions printed in the Notice and on the Ballot Form for voting via physical ballot/ electronic mode. The Members who opt for voting via physical ballot are requested to return the Ballot Form in original duly completed and signed in the attached self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Company not later than the close of working hours i.e. 5.00 P.M. (IST), July 17, 2019.

The result of the voting along with the Scrutinizer's report, shall be intimated to BSE Limited, within the permitted time and shall be displayed at the Registered Office of the Company and on the Company's website viz., www.forbes.co.in and the website of NSDL viz., www.evoting.nsdl.com

In the event the Resolutions are approved by requisite majority of Members, the date of passing of the said resolutions shall be deemed to be July 17, 2019 i.e. the last date stipulated to receive duly completed Postal Ballot/ E- voting.

**1. Appointment of Mr. Nikhil Bhatia (DIN: 00414281) as an Independent Director**

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 Sections 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules framed thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), (including any statutory modification or re-enactment thereof for the time being in force), Mr. Nikhil Bhatia (DIN: 00414281), who has been appointed as an Additional and Independent Director of the Company and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five years from May 16, 2019 and whose office shall not be liable to retire by rotation.

**Resolved further that** any one Director or the Company Secretary be and is hereby authorized to do all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Special Resolutions**

**2. Re-appointment of Mr. D. Sivanandhan (DIN: 03607203) as an Independent Director**

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 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules framed thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") (including any statutory modification or re-enactment thereof for the time being in force), Mr. D. Sivanandhan (DIN: 03607203) who has been appointed an Independent Director for a term upto August 5, 2019, and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR and who has submitted a declaration to that effect, and who is eligible for re-appointment as an Independent Director of the Company, be and is hereby re-appointed as an Independent Director of the Company to hold office for second

term of five years commencing from August 6, 2019 and whose office shall not be liable to retire by rotation.

**Resolved further that** any one Director or the Company Secretary be and is hereby authorized to do all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**3. Remuneration of Mr. M. C. Tahilyani (DIN: 01423084) as Managing Director**

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

“**Resolved that** pursuant to the provisions of Section 196,197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V to the said Act (including any statutory modification from time to time or any re-enactment thereof for the time being in force) and of such other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded for payment of remuneration for a period of two years commencing from April 28, 2019 and other amounts/benefits as detailed in the explanatory statement annexed to Item No. 3 of this Notice to Mr. M. C. Tahilyani (DIN: 01423084).

**Resolved further that** in the event if in any financial year, the Company does not earn any profits or earns inadequate profits, the Company shall pay to Mr. M. C. Tahilyani, the remuneration as detailed in the explanatory statement to Item No. 3 of this Notice as minimum remuneration.

**Resolved further that** the Board of Directors (which term shall include any duly constituted Committee thereof) be and is hereby authorized to execute all such documents, instruments and writings as may be required and to resolve any questions, difficulties or doubts that may arise and to do all such acts, deeds and things and to take all steps as may be necessary, proper or expedient to give effect to this resolution.”

Place: Mumbai  
Date: May 30, 2019

By Order of the Board of Directors  
For **Forbes & Company Limited**

**Registered Office:**

Forbes' Building,  
Charanjit Rai Marg, Fort,  
Mumbai – 400 001  
CIN: L17110MH1919PLC000628  
Tel: + 91 22 6135 8900  
Fax: + 91 22 6135 8901  
e-mail: investor.relations@forbes.co.in  
Website: www.forbes.co.in

**Pankaj Khattar**  
Head Legal & Company Secretary

**NOTES AND INSTRUCTIONS:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out the material facts concerning the Resolutions and the reasons thereof is annexed.
2. The Postal Ballot Notice is being sent by e-mail to those Members who have registered their e-mail address with the Company or with their Depository Participants (“DP”) unless

any Member has requested for a physical copy of the same. Members who have not registered their e-mail address will receive this Postal Ballot Notice along with the Postal Ballot Form (“Ballot Form”) through permitted mode.

3. The Postal Ballot Notice is uploaded on the website of the Company, i.e., www.forbes.co.in and on the website of NSDL, i.e., www.evoting.nsdl.com
4. **Voting Period commences on Tuesday, June 18, 2019 at 09.00 A.M.(IST), and ends on Wednesday, July 17, 2019 at 05.00 P.M (IST) (both days inclusive).**
5. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering e-voting facility to all its Members to exercise their right to vote. For this purpose, the Company has entered into an agreement with NSDL for facilitating e-voting to enable the Members to cast their votes electronically.
6. Member(s) can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. However, in case Members cast their vote by Ballot Form and e-voting, then voting done through e-voting shall prevail and voting done by Ballot Form will be treated as invalid.
7. In case a Member has not received the Postal Ballot Form and is desirous of obtaining duplicate Ballot Form or who has been sent Postal Ballot Form electronically does not want to avail e-voting facility provided by NSDL and in case of any queries/grievances connected with the Postal Ballot may be addressed to the undersigned at investor.relations@forbes.co.in or contact at +91 6135 8900 or may write to the Company at the registered office of the Company or Registrar & Share Transfer Agents, TSR Darashaw Consultants Private Limited, (Unit : Forbes & Company Limited), 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011 mentioning their folio/DP ID and Client ID No.
8. Duly filled in and signed duplicate Ballot Form should reach the Company not later than the close of working hours i.e 5.00 P.M (IST) July 17, 2019. No other Form or photocopy of the Postal Ballot Form is permitted.
9. The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
10. **Instructions for voting:**
  - A. Voting through physical Ballot Form
    - (i) A member desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form with assent (For) or dissent (Against) and send it to the Scrutinizer in the closed self-addressed prepaid postage Business Reply Envelope. Postage charges will be borne and paid by the Company. However, in case a Member sends the Postal Ballot by courier or registered post or delivers it in person at his expense, such Postal Ballots will also be accepted.

- (ii) Unsigned, incomplete, tick marked at both "FOR" and "AGAINST", improperly or incorrectly tick marked Ballot Forms will be rejected. A Ballot Form will also be rejected if it is received in torn, defaced or mutilated condition.

**B. Voting through electronic means:**

- A. In case a Member receives an email from NSDL [for Members whose email IDs are registered with the Company/Depository Participants(s)]. The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 :** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

**Step 2 :** Cast your vote electronically on NSDL e-Voting system.

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- (i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- (ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- (iii) How to retrieve your 'initial password'?

- a) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- b) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your Demat account number/folio number, your PAN, your name and your registered address.

- d) Member can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting, then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority

letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [scrutinisers@mmjc.in](mailto:scrutinisers@mmjc.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**C. Other Instructions:**

- (i) The e-voting period commences on Tuesday, June 18, 2019 at 09.00 A.M. (IST) and ends on Wednesday, July 17, 2019 at 05.00 P.M. (IST) (both days inclusive). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently. (Note: e-Voting shall not be allowed beyond the said time.)
- (ii) The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on Friday, June 7, 2019 as per the Register of Members/Statements of beneficial ownership maintained by the Depositories, i.e., NSDL and CDSL.

## ANNEXURE TO THE NOTICE OF POSTAL BALLOT

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out material facts relating to the special business mentioned in the Notice of Postal Ballot ("Notice").

#### Item No. 1

The Board of Directors on the recommendations of Nomination and Remuneration Committee of the Company have appointed Mr. Nikhil Bhatia, as an Additional and Independent Director of the Company with effect from May 16, 2019.

Mr. Nikhil Bhatia (DIN: 00414281) is a Chartered Accountant with over 35 years of experience inter-alia in the areas of Corporate Tax, Transfer Pricing, Business Restructuring, Expatriate Taxation, Company Law and Foreign Exchange Regulations and Foreign Direct Investments. Mr. Nikhil Bhatia is presently the Partner of CNK & Associates LLP, Chartered Accountants. Prior to joining CNK & Associates LLP, Mr. Bhatia has been with KPMG for 13+ years and with PwC for 10+ years.

Mr. Nikhil Bhatia is a regular speaker on Direct Tax topics at seminars and has co-authored a book for BCAS titled FEMA and Taxation for Non-Residents.

The Company has received a declaration from Mr. Nikhil Bhatia confirming that he meets the criteria of independence as prescribed under the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). He has also confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

In the opinion of the Board, Mr. Nikhil Bhatia fulfills the conditions specified in the Companies Act, 2013, Rules made thereunder and SEBI LODR for his appointment as an Independent Director of the Company and he is independent of the management of the Company.

The details as required under Regulation 36(3) of SEBI LODR and Secretarial Standard on General Meetings (SS-2) are appended below.

The Board recommends the appointment of Mr. Nikhil Bhatia as an Independent Director, for a period of 5 years having regard to his knowledge and experience.

Except Mr. Nikhil Bhatia and his relatives none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the Resolution at Item No. 1 of the Notice.

#### Item No. 2

Mr. D. Sivanandhan (DIN:03607203) was appointed as an Independent Director of the Company at the Annual General Meeting held on August 6, 2014 for a period of five years commencing from August 6, 2014.

Pursuant to provision of Section 149(10) of the Companies Act, 2013 ("Act"), an Independent Director is eligible for re-appointment on passing of a special resolution by the Company.

Mr. D. Sivanandhan, being eligible for re-appointment as an Independent Director offers himself for re-appointment.

The Company has received a declaration from Mr. D. Sivanandhan confirming that he meets the criteria of independence as prescribed under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). He has also confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

In the opinion of the Board, Mr. D. Sivanandhan fulfills the conditions specified in the Companies Act 2013, Rules made thereunder and the SEBI LODR for his appointment as an Independent Director of the Company and he is independent of the management of the Company.

The details as required under Regulation 36(3) of SEBI LODR and Secretarial Standard on General Meetings (SS-2) are appended below.

The Board has evaluated the performance of Mr. D. Sivanandhan as an Independent Director and is of the opinion that his continued association would be immensely beneficial to the Company and it is therefore desirable to continue Mr. D. Sivanandhan as an Independent Director. The Board based on recommendations of Nomination and Remuneration Committee and the evaluation of performance of Mr. D. Sivanandhan recommends re-appointment of Mr. D. Sivanandhan as an Independent Director for second term of five years.

Except Mr. D. Sivanandhan and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the Special Resolution at Item No. 2 of the Notice.

#### Details of Directors whose appointment/re-appointment is proposed pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2).

	Mr. D. Sivanandhan	Mr. Nikhil Bhatia
Director Identification Number (DIN)	03607203	00414281
Date of Birth	February 3, 1951	April 7, 1958
Date of first Appointment	March 14, 2012	May 16, 2019
Qualification	Post Graduate in Economics, IPS (Retired)	Chartered Accountant
Relationships between directors inter-se	Not related to any Director of the Company	Not related to any Director of the Company

Expertise in specific functional areas	Wide experience in Administration and Strategy.	Wide experience in Corporate Tax, Transfer Pricing, Business Restructuring, Expatriate Taxation, Company Law and Foreign Exchange Regulations and Foreign Direct Investments.				
List of other Public Companies in which Directorship	<ul style="list-style-type: none"> <li>• AGS Transact Technologies Limited</li> <li>• Eureka Forbes Limited</li> <li>• Kirloskar Industries Limited</li> <li>• RBL Bank Limited</li> <li>• S. D. Fine Chem Limited</li> <li>• United Spirits Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Gokak Power &amp; Energy Limited</li> <li>• Gokak Textiles Limited</li> </ul>				
Chairmanship*/ Membership of the Committees of Board (includes only Audit Committee and Stakeholders Relationship Committee) of other Indian Public Companies	<b>Audit Committee:</b> <ul style="list-style-type: none"> <li>• Eureka Forbes Limited</li> <li>• RBL Bank Limited</li> <li>• AGS Transact Technologies Limited</li> </ul>	<b>Audit Committee</b> <ul style="list-style-type: none"> <li>• Gokak Power &amp; Energy Limited*</li> </ul>				
No. of shares held in the Company	Nil	Nil				
Attendance at the Board Meeting in the Financial Year 2018-19	<table border="1"> <tr> <td>No. of Meetings</td> <td>Attended</td> </tr> <tr> <td>8</td> <td>7</td> </tr> </table>	No. of Meetings	Attended	8	7	Not Applicable
No. of Meetings	Attended					
8	7					

**Notes:**

1. In F.Y. 2019-2020, 1 (One) Board Meeting has been held till date which was attended by Mr. D. Sivanandhan and Mr. Nikhil Bhatia.
2. The terms and conditions for appointment of an Independent Director shall be open for inspection at the Registered Office of the Company during normal business hours on any working week day (Monday to Friday) and are also available on the website of the Company viz. [www.forbes.co.in](http://www.forbes.co.in)
3. Except for payment of sitting fees for attending the meeting of the Board and Committee(s) no other remuneration is paid/ payable to Mr. D. Sivanandhan and Mr. Nikhil Bhatia.

**Item No. 3**

Mr. M. C. Tahilyani (DIN: 01423084) was appointed as the Managing Director of the Company by the Shareholders of the Company at the Annual General Meeting held on August 24, 2016 for a period of 5 years commencing from April 28, 2016.

In compliance with Schedule V Part II (iii) of the Companies Act, 2013 the remuneration was approved by the Members in the Annual General Meeting held on August 24, 2016 for a period of three years commencing from April 28, 2016.

The Board of Directors (hereinafter referred to as "the Board" which term shall include any duly constituted Committee thereof) of the Company on the recommendations of Nomination and Remuneration Committee at their meeting held on May 30, 2019 has approved the remuneration of Mr. M.C. Tahilyani for a period of two years with effect from April 28, 2019 as follows:

Scale of Basic Salary per month	Rs. 300,000 to 600,000 per month
Perquisites and Allowances*	Upto 250% of Basic Salary per month
Annual Performance Incentive	Upto 36 Months Basic Salary

\*Perquisites and allowances are interchangeable.

In addition, Mr. M.C. Tahilyani would be entitled to Company's contribution to Provident Fund, Superannuation Fund, and other Facilities/Benefits (including Company's car with driver, Gratuity, Medical Insurance, Personal Accident Insurance, Telephone/Mobile Allowance, Leave encashment and other benefits), as per the Company Policies applicable from time to time.

The Board may revise the terms and conditions of appointment and/or remuneration of Mr. M.C. Tahilyani as may be deemed fit by it.

The agreement entered by the Company with Mr. M. C. Tahilyani containing the other terms and conditions of his appointment as Managing Director shall be open for inspection at the Registered Office of the Company during normal business hours on any working day (Monday to Friday).

Mr. M.C. Tahilyani is functioning in a professional capacity possessing expertise and specialized knowledge beyond the graduate level qualification and is not having any interest in the capital of the Company or any of its subsidiary companies. Mr. M.C. Tahilyani does not have any direct or indirect personal interest nor he is related to the directors or promoters of the Company or its holding or subsidiary companies.

Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Mr. M. C. Tahilyani as Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay aforesaid remuneration as minimum remuneration.

Disclosure as required under Schedule V to the Companies Act, 2013 are annexed hereunder.

Except Mr. M.C. Tahilyani and his relatives, none of the Directors or Key Managerial Personnel and their relatives are concerned or interested financially or otherwise, in passing of the Special Resolution at Item No. 3 of the Notice.

Disclosures as required under Schedule V to the Companies Act, 2013 are as follows:

**I. General Information**

1.	Nature of Industry	Manufacturing of light engineering goods viz. threading tools, high speed steel taps, dies and die nuts, Industrial Automation Projects and Services and Realty. Through subsidiaries clean water, air, and hygiene products and transaction solutions systems, operating chemical tankers.		
2.	Date or expected date of commencement of commercial production.	The Company is in commercial production since the year 1919.		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable.		
<b>Rs. in Lakhs</b>				
<b>Standalone Financial Performance</b>				
		<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>
	Total Income from operations	28,346.97	29,781.14	22,727.58
	Total expenses	26,374.37	25,890.92	22,529.08
	Other Income	1,370.87	716.75	1,811.23
	Profit /loss before tax (continuing operations)	4,463.89	4,606.97	1,038.81
	Profit/loss after tax (continuing operations)	4,965.84	4,090.01	1,027.19
<b>Consolidated Financial Performance</b>				
		<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>
	Total Income from operations	3,02,345.79	2,82,808.17	2,85,341.89
	Total expenses	3,06,206.74	2,87,127.67	2,87,708.52
	Other Income	5,154.58	2,967.01	3,766.03
	Profit /loss before tax	11,379.27	(411.83)	1,149.78
	Profit/loss after tax	8,934.47	(3,220.88)	(298.48)
4.	Foreign Investment or Collaborators, if any.	There is no direct foreign investment in the Company except to the extent shares held by Foreign Institutional Investors (FII) acquired through secondary market. There is no foreign collaboration in the Company.		

**II. Information about Mr. M. C. Tahilyani (Managing Director)**

1.	Background details.	Mr. M. C. Tahilyani aged 54 years has over 33 years of strong experience in variety of roles and assumed positions of increased responsibility. He is B.Com, ACA, ACS, CIMA(UK) & DISA (ICAI)						
2.	Past Remuneration	Remuneration comprises monthly salary, perquisites, contribution towards retrial benefits and commission on net profits, the details of which are as follows: Rs. In Lakhs <table border="1" style="margin-left: 20px;"> <tr> <td>FY 2016-17</td> <td style="text-align: right;">105.36*</td> </tr> <tr> <td>FY 2017-18</td> <td style="text-align: right;">189.87</td> </tr> <tr> <td>FY 2018-19</td> <td style="text-align: right;">217.45</td> </tr> </table> *Appointed Managing Director with effect from April 28, 2016. Annual Performance Incentive for the year is paid in next year.	FY 2016-17	105.36*	FY 2017-18	189.87	FY 2018-19	217.45
FY 2016-17	105.36*							
FY 2017-18	189.87							
FY 2018-19	217.45							
3.	Recognition or Awards	Under leadership and guidance of Mr. M.C. Tahilyani, Shapoorji Pallonji and Company Pvt. Ltd received SAP ACE award for large and Complex SAP Implementation. Mr. M. C. Tahilyani was also recognized and awarded for various initiatives in his earlier company, Philips Electronics Group.						
4.	Job profile and his suitability	Mr. M. C. Tahilyani has over 33 years of strong experience in India and abroad and has rich experience in the corporate world in various roles across is career.						
5.	Remuneration proposed	As per details in the explanatory statement						
6.	Comparative remuneration profile with respect of industry, size of Company, profile of the position and person (in case of expatriates the relevant details would be with reference to the country of his origin.)	Taking into account the size of the Company, industry benchmark in general, profile, position, responsibility, the proposed remuneration is in line with the current remuneration structure of the industry.						
7.	Pecuniary relationship directly or indirectly with the Company or the relationship with the Managerial Personnel, if any.	Mr. M. C. Tahilyani is not holding any shares of the Company. There is no other pecuniary relationship with the Company or the Managerial Personnel.						



### III. Other Information:

#### **Reasons of loss or inadequate profits, Steps taken or proposed to be taken for improvement, Expected increase in productivity and profits in measurable terms:**

The Company is a conglomerate comprising of various diversified businesses and has 27 subsidiaries and several joint ventures in India and abroad. The Company's Management and the Board periodically reviews its existing portfolio of businesses and endeavors to optimize value.

The Company is developing Project Vicinia at Chandivali (50% share) and has received bookings for 197 flats pertaining to its share. The first phase of the Project is expected to be executed by March 2020.

As per IND-AS 115, revenue cannot be recognized till completion of the Project. However, marketing and administration expenses are required to be charged to profit and loss account.

However, based on the audited notes to accounts, it is pertinent to note that the Company has recognized till March 31, 2019 for purposes of its tax return a net income of Rs. 11,457 lakhs before tax, which can be recorded as profits along with profits of the following 2 years only after the project is completed which is expected presently to be complete between March 2020 and March 2021.

The Company has been making necessary efforts to improve its performance and has been aggressively pursuing and implementing its strategies. The Company reported standalone profit in the last 3 financial years and the results of some of the initiatives by the Company are likely to yield positive results in the coming years.

### IV. Other Disclosures:

The necessary disclosures required under Part IV of Section II of Part II of Schedule V to the Companies Act, 2013 are being regularly disclosed in the Corporate Governance report.

Place: Mumbai  
Date: May 30, 2019

By Order of the Board of Directors  
**For Forbes & Company Limited**

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**Pankaj Khattar**  
Head Legal & Company Secretary