



NOTICE

NOTICE is hereby given that the **FIFTY- SIXTH ANNUAL GENERAL MEETING** of the Members of GOLDEN TOBACCO LIMITED will be held on Thursday, the 27th September, 2012 at 3.30 P.M. at Darjipura, Post-Amaliyara, Vadodara - 390022, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date together with Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri J.P. Khetan, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Vijay Kumar Bhandari, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s. Lodha & Co. Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS:

5. **APPOINTMENT OF AND REMUNERATION PAYABLE TO SHRI A. K. JOSHI AS ACTING MANAGING DIRECTOR OF THE COMPANY :**

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 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 and subject to requisite approvals including Central Government, if any, **approval**, be and is, hereby accorded to the appointment of Shri A. K. Joshi as Acting Managing Director of the Company w.e.f. 17th December, 2011 to ensuing Annual General Meeting i.e. 27th Sep. 2012 on the terms and conditions of appointment including remuneration payable as set out in the draft agreement to be entered into by the Company with him, with liberty to the Board of Directors to alter and/ or to vary the terms and conditions of the said Agreement, including the terms of remuneration, as may be agreed to between the Board of Directors and Shri A. K. Joshi.

“**RESOLVED FURTHER THAT** Shri A. K. Joshi shall not be paid any sitting fees for attending meetings of the Board of Directors or its Committees from the date of his appointment and neither be liable to retire by rotation nor be reckoned with for determining the number of Directors liable to retire by rotation, till the time he holds the Office as Acting Managing Director of the Company.”

6. **APPOINTMENT OF AND REMUNERATION PAYABLE TO SHRI A. K. JOSHI AS MANAGING DIRECTOR OF THE COMPANY:**

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 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 and subject to requisite approvals including Central Government, if any, **approval**, be and is, hereby accorded to the appointment of Shri A. K. Joshi as Managing Director of the Company for a period of three years w.e.f. 28th September, 2012 to 27th September, 2015 on the terms and conditions of appointment including remuneration payable as set out in the draft agreement to be entered into by the Company with him, with liberty to the Board of Directors to alter and/ or to vary the terms and conditions of the said agreement including the terms of remuneration as may be agreed to between the Board of Directors and Shri A. K. Joshi.

“**RESOLVED FURTHER THAT** Shri A. K. Joshi shall not be paid any sitting fees for attending meetings of the Board of Directors or its Committees from the date of his appointment and neither be liable to retire by rotation nor be reckoned with for determining the number of Directors liable to retire by rotation, till the time he holds the Office as Managing Director of the Company.”

7. **ALTERATION OF ARTICLES OF ASSOCIATION :**

TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

“**RESOLVED THAT** the approval, be and is, hereby accorded pursuant to Section 31 of the Companies Act, 1956 to the alteration in the Articles of Association as detailed below :

i) SUBSTITUTION OF EXISTING CLAUSE 4 BY FOLLOWING NEW CLAUSE

CAPITAL

4 The Authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company

ii) INSERTION OF FOLLOWING NEW CLAUSE 11B

BUY-BACK OF SECURITIES

11B Notwithstanding anything contained in these Articles, but subject to the provisions of Section 77A and 77B and any other section(s) applicable, if any, of the Act, the Company may purchase its own shares or other specified securities (hereinafter referred to as 'Buy-Back') out of its

(a) free reserves: or

(b) The Securities Premium Account: or

(c) The proceeds of any shares or other specified securities, in accordance with the provisions of Sections 77A & 77B of the Act and the Rules/Circulars/Guidelines etc. prescribed by the Central Government and / or by Securities and Exchange Board of India (SEBI) in this behalf.

iii) INSERTION OF FOLLOWING NEW CLAUSE 137A

POSTAL BALLOT

137A Notwithstanding anything contained in these Articles but subject to provisions of Section 192A and any other Section(s) applicable, if any, of the Act and the Rules / Circulars / Guidelines etc. prescribed by the Central Government and / or by Securities and Exchange Board of India (SEBI) in this behalf, the Company may, and in case of the resolutions relating to such business as the Central Government may declare to be conducted, only by postal ballot (by electronic or any other mode), get any resolution passed by means of a postal ballot, instead of, transacting the business in General Meeting of the Company.'

iv) INSERTION OF FOLLOWING NEW CLAUSE 99(4)

NOTICE BY ELECTRONIC MODE

99(4) Notwithstanding anything contained in these Articles, the Company may send any communication including Notice of General Meeting, Balance Sheet and Auditors' Report etc. to any persons by electronic mode in accordance with the provisions of the Act and Rules / Circulars / Guidelines etc. prescribed by the Central Government and / or by Securities and Exchange Board of India (SEBI) in this behalf.

(v) INSERTION OF FOLLOWING NEW CLAUSE 181(3)

COMMUNICATION WITH DIRECTOR BY ELECTRONIC MODE

181(3) Notwithstanding anything contained in these Articles, the Company may send any communication to any Director including Notice of Board Meeting etc. by electronic mode in accordance with the provisions of the Act and Rules / Circulars / Guidelines etc. prescribed by the Central Government and / or by Securities and Exchange Board of India (SEBI) in this behalf.

(vi) INSERTION OF FOLLOWING NEW CLAUSE 137B

MEETING BY ELECTRONIC MODE

137B Notwithstanding anything contained in these Articles, the Company may hold General Meeting(s) / Board Meeting(s) / Committee Meeting(s) etc. with participation of entitled persons by electronic mode (video conferencing) including voting and any other incidental thing(s) by electronic mode in accordance with the provisions of the Act and Rules / Circulars / Guidelines etc. prescribed by the Central Government and / or by Securities and Exchange Board of India.



(vii) **INSERTION OF FOLLOWING NEW CLAUSE 192A**

GENERAL AUTHORITY

192A Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company can carry out any transaction only if so authorized by its Articles, then and in that case and even otherwise also these regulations hereby authorize and empower the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act.

**By Order of the Board,
For GOLDEN TOBACCO LIMITED**

**Place: Mumbai
Date :6th August, 2012**

**Manoj Kumar Srivastava
Company Secretary**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE PROXY FORM SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 24th Sep.2012 to 27th Sep.2012 (both days inclusive).
4. All the documents referred in this Notice and explanatory statement are open for inspection of the Members at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm up to the date of Annual General Meeting.
5. Members may note that all unpaid/unclaimed dividend up to 1993-94 declared by the Company has been transferred by it to the General Revenue Account of the Central Government. Unpaid dividend pertaining to the year 1994-95 is being paid as per schedule fixed by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 16.12.2002. The balance amount would be paid as per the Modified Draft Rehabilitation Scheme (MDRS), which is under consideration with Hon'ble BIFR.
6. M/s Link Intime India Pvt. Ltd, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai-400078, is the Registrar for dematerialization of shares as well as Shares and Transfers Agent. Members holding shares in the physical form are requested to notify/ send to the following to them to facilitate better service:
 - a. Any change in their address, particulars mentioning the pin code number, folio no., no. of shares held etc.
 - b. Share Certificates, if any in multiple folios in identical names or joint accounts in the same order of names, for consolidations of such shareholding into one folio.
 - c. Any query relating to the Annual Accounts or otherwise must be sent to the Registered Office of the Company at least 10 days before the Annual General Meeting.
7. Members /Proxies attending this meeting are requested to bring with them the following:
 1. The Copy of Annual Report as no separate copy will be given at the time of AGM.
 2. The Attendance Slip sent herewith duly filled in is to be lodged with the Company at the venue. The holders of shares in demat form are requested to fill in their DP ID and Client ID in the Attendance Slip/ Proxy Form for easy identification. In case of joint holder(s), if more than one holder intends to attend the meeting, they may obtain the additional admission slip on request from the Registered Office of the Company on or before 20th September, 2012 to avoid inconvenience.
8. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of item No. 5 to 7 is annexed to the Notice.
9. Information of the Directors seeking appointment /reappointment as required by Clause 49(IV)(G)(i) of the Listing Agreement is given under para I of the report of Corporate Governance for the year 2011-12 which forms part of Annual Report for the year ended 31st March, 2012.

BREIF RESUME OF DIRECTORS SEEKING RE-ELECTION AT THIS ANNUAL GENERAL MEETING:

Name	Shri J. P. Khetan	Shri Vijay Kumar Bhandari	Shri A. K. Joshi
Date of Birth & Age	27th April, 1943 (69 Years)	14th October, 1943 (69 Years)	1st January, 1958 (54 Years)
Date of Appointment	25th August 1989	31st July, 2009	21st Oct, 2003
Qualifications	Inter(Arts)	F.C.A.	B.Com., F.C.A.
No. of Shares held	1950	80	NIL
Experience	Shri J. P. Khetan is having 48 years of rich experience in the fields of commercial and corporate. He has been associated with the Company for more than 33 years in various managerial positions	He has more than 42 years of rich experience in the fields of Banking & Finance, Audit and accounts. He worked in the Central Bank of India from 1971 to 2003. He retired as General Manager on October 31st, 2003. Since then he is Practising Chartered Accountant.	Shri A.K. Joshi was appointed in the Board on 21st Oct, 2003 as Executive Director and promoted as Acting Managing Director in the year 2011. He is having 29 years rich experience in the field of Finance and Accounts.
\$Directorship in other public companies	Golden Realty & Infrastructure Limited	<ul style="list-style-type: none"> • Jayant Agro-organics Ltd. • Hindustan Sanitaryware & Industries Ltd. • Supreme Smelters Ltd. • Capital Local Area Bank Ltd. • Gurunanak Auto Enterprises Ltd. 	<ul style="list-style-type: none"> • Western Express Industries Ltd. • Golden Realty & Infrastructure Ltd.
@ Chairmanship/ membership of committees	NIL	NIL	NIL

\$ Directorship in private companies, foreign companies and associates are excluded.

@ Represents Membership/Chairmanships of Audit Committee and Shareholders'/Investors Grievance Committee only.



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956, TO THE ACCOMPANYING NOTICE DATED 6TH AUGUST, 2012:

ITEM NOS. 5 & 6

Your Directors have appointed Shri A. K. Joshi as Acting Managing Director of the Company w.e.f. 17th December, 2011 up to next Annual General Meeting i.e. 27th September, 2012. Considering his valuable contribution and able guidance and on recommendation of Remuneration Committee, your Directors at their Meeting held on 6th August, 2012 have appointed him as Managing Director for the period of three years w.e.f. 28th September, 2012 to 27th September, 2015 without any change in remuneration on following major terms and conditions:

Other Conditions:

- I. Shri A. K. Joshi shall have the power of General Conduct and Management of the business and affairs of the Company subject to the superintendence, control and direction of the Board.
- II. Basic Salary (P.M.) Rs. 1,63,200/- as Acting Managing Director and Rs. 2,18,000/- w.e.f. 1st April, 2012.
- III. **Perquisites & Allowances (P.M.):** HRA @ 60% of Basic, Servant Allowance @ 15% of Basic, Gas & Electricity @ 8.33% of Basic, Home Maintenance Allowance @ 8.33% of Basic, Children Education Allowance: Rs.1500/-, Books & Periodicals: Rs. 3000/-, Business Promotion: Rs. 3000/-, Special Pay: Rs.150000/-, Car Scheme: Rs. 75000/-.

IV. Other Perquisites & Allowances:

- (I) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act 1961.
- (II) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and Encashment of Leave at the end of the tenure.
- (III) Provision of the Company's maintained Car and driver's salary for use of the Company's business and telephone at residence shall not be considered as perquisites.
- (IV) Reimbursement of entertainment, traveling and all other actual expenses properly incurred for the purpose of the Company's business shall not be considered as remuneration.
- (V) No sitting fees to be paid for attending Meetings of the Board of Directors or any of its Committees.
- (VI) Personal accident and Medical Insurance as per Company policy
- (VII) Use of car (if required) and telephone at residence,
- (VIII) Medical expenses incurred for self and all dependent family members subject to a ceiling of one month's basic salary per year.
- (IX) Leave Travel Concession once in a year from the place of residence to anywhere in the world by air (business class) or by train (AC first class) for self and all dependent family members, subject to a ceiling of one month's basic salary.
- (X) Hospitalization reimbursement in accordance with the Scheme and Rules of the Company.

V. MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, wherein in any financial year, during the currency of the tenure of Shri A.K. Joshi as the Acting Managing Director/Managing Director of the Company, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, within the limits as may be allowable in Schedule XIII of the Companies Act, 1956 from time to time.

VI. TERMINATION

The aforesaid appointment may be terminated by either party giving at least six months' notice in writing in that behalf or notice pay in lieu thereof at the end of which period, termination of the contract shall take effect.

ANNEXURE 'I'

ADDITIONAL INFORMATION REQUIRED AS PER AMENDED SCHEDULE XIII TO THE COMPANIES ACT, 1956 RELATING TO ITEM NOS. 5&6 OF THE NOTICE OF ANNUAL GENERAL MEETING :

I. GENERAL INFORMATION :

(1) **Nature of Industry :**

The Company's products are classified under tobacco industry.

(2) **Commencement of Commercial Production :**

The Company's plant for manufacturing Tobacco Products (Licensed Capacity of 14500 Million and installed Capacity of 13532 Million) are already in operation.

(3) **Financial Performance :**

(Rs. In Lacs)

Particulars	Financial Year	
	2011-12	2010-11
Effective Capital	7,167.30	9,932.97
Total Income	7,189.99	11,435.20
Profit/Loss (Before Tax)	2,903.38	3,386.73

(4) **Export performance and Net Foreign Exchange Earning:**

(Rs. In Lacs)

Particulars	Financial Year	
	2011-12	2010-11
Export	2,881.14	3,304.43
Net Foreign Exchange Earned	2,815.44	3,255.14

(5) The Company has neither made any foreign investment nor has any foreign collaboration

II. INFORMATION ABOUT THE APPOINTEE :

(1) **Background Detail of the Managerial Personnel :**

Shri A. K. Joshi is a Commerce Graduate and Chartered Accountant. Right from the inception of his career spanning around more than 29 years, he has held various position at senior level at reputed business houses. He joined the Company in the year 1993 as DGM-Finance, was promoted as Director Finance in the year 2003 and was re-designated as Acting Managing Director in the year 2011.

(2) **Past Remuneration : Per Annum:**

(Rs. In Lacs)

Sr. No.	Particulars	As Acting M.D.
1	Basic Salary	40,70,160
2	Retiral Benefits *	5,28,768
3	Other Benefits & Allowances	12,07,456

* Besides Salary and Perks, Executive Directors are also entitled to the Company's contributions to Provident fund & Superannuation Fund, Gratuity and Encashment of Leave at the end of tenure.

(3) **Recognition or awards :**

The Company has no information to offer.



(4) Job Profile and suitability :

Shri A. K. Joshi as Acting Managing Director of the Company is vested with powers of General Conduct and Management of the business and affairs of the Company subject to the superintendence, control and direction of the Board.

(5) Remuneration Proposed:

Basic Salary (P.M.) Rs. 1,63,200/- as Acting Managing Director and Rs. 2,18,000/- w.e.f. 1st April, 2012 plus perquisites as aforesaid.

(6) Shri A. K. Joshi is not related to any managerial personnel of the Company.

III. OTHER INFORMATION :

(1) Reasons for losses:

- a) High borrowing cost.
- b) Steep increase in the excise duty and levy of VAT in some state upto 40 %.
- c) Sale of cigarette through grey market affected the organized sector particularly in our Company.

(2) Steps taken for improvement :

- a) Company has taken various measures to increase the domestic sale by introducing new brand.
- b) Exploring the new export market to increase sale.
- c) Cost cutting measures in operational areas.

IV. DISCLOSURE:

Remuneration package of Shri A. K. Joshi is set out in the Corporate Governance Report for the information of the Shareholders.

Additional information as set out above shall be treated as requisite statement in compliance with Item No. (iv) of sub paragraph 'c' of paragraph (1) of section II of Part II of Schedule XIII to the Companies Act, 1956

Your Directors seek your approval to the resolution as appearing in item no. 5 & 6 of the accompanying notice by way of Special Resolution. No Director shall be deemed to be interested or concerned in the resolution except Shri A.K.Joshi.

ITEM NO. 7

Ministry of Corporate Affairs in pursuit of 'Green Initiative' and other objectives have issued various Circulars in recent past permitting the Company to hold Board Meeting(s) / Committee Meeting(s) / General Meeting(s) of shareholders through video conferencing, communication to the shareholders including Notice for General Meeting, Balance Sheet and Auditors' Report as well as postal ballot and its voting through electronic mode as also communication to the Directors including Notice of Board /Committee Meeting. It is proposed to alter Articles of Association suitably to enable the Company to implement above. It is also proposed to alter Article of Association suitably in respect of buy back, general authority etc.

Your Directors seek your approval to the resolution as appearing in item no. 7 of the accompanying notice by way of Special Resolution. No Director shall be deemed to be interested or concerned in the resolution.

**By order of the Board,
For GOLDEN TOBACCO LIMITED**

**Place: Mumbai
Date :6th August,2012**

**Manoj Kumar Srivastava
Company Secretary**

**Registered Office:
Darjipura, Post-Amaliyara,
Vadodara, Gujarat- 390022**