

Sri S. K. Birla
Chairman Emeritus

Board of Directors

Sri Sidharth Birla
Chairman

Sri Bharat Anand
Smt. Meenakshi Bangur
Sri G. Momen
Sri A. C. Mukherji
Sri S. Ragothaman
Sri C. L. Rathi
Sri C. Bhaskar

Managing Director & Chief Executive Officer

Company Secretary

Sri G. K. Sureka
Company Secretary & Executive Vice President (Legal)

Senior Executives

Sri R. K. Kedia
President & Chief Operating Officer

Sri P. K. Das
Vice President (Exports)

Sri Ravinder Sharma
Vice President (Sales & Marketing)

Sri Satish Shah
Asst. Vice President & Chief Financial Officer

Registered Office & Mills

Aerodrome Road,
Jamnagar 361 006, Gujarat

Tel.: +91-288-2712972
Fax: +91-288-2712991
e-mail: cosec@digjam.co.in
website: www.digjam.co.in

Corporate Identity Number

L17110GJ1948PLC000753

Registrars & Share Transfer Agents

MCS Share Transfer Agent Ltd.
12/1/5, Manoharpukur Road,
Kolkata 700 026

Auditors

M/s Deloitte Haskins & Sells
'Heritage', 3rd Floor,
Near Gujarat Vidhyapith,
Off Ashram Road,
Ahmedabad 380 014

NOTICE TO THE MEMBERS

NOTICE is hereby given that the Sixty-fourth Annual General Meeting of the Members of the Company will be held on Friday, September 5, 2014 at 10.00 a.m. at the Registered Office of the Company at Aerodrome Road, Jamnagar 361 006 (Gujarat), to transact the following business:

1. To consider and adopt the Directors' Report and the audited Financial Statements of the Company for the financial year ended March 31, 2014 and the Auditors Report thereon.
2. To appoint a Director in place of Smt. Meenakshi Bangur (DIN: 00019582), who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint Auditors of the Company for a term of three years and to fix their remuneration and in this connection, to consider and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:

"RESOLVED that M/s Deloitte Haskins & Sells, Chartered Accountants, (Registration No. 117365W), Ahmedabad be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this meeting, until the conclusion of the Sixty-seventh Annual General Meeting of the Company (i.e. for a term of three years) at a remuneration to be decided by the Board of Directors in consultation with M/s Deloitte Haskins & Sells."

Special Business

To consider and if thought fit to pass with or without modification the following Resolutions:

4. AS AN ORDINARY RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri A.C. Mukherji (DIN: 00063975), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office until the conclusion of the third consecutive Annual General Meeting of the Company hereafter."

5. AS AN ORDINARY RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri G. Momen (DIN: 00402662), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and

is hereby appointed as an Independent Director of the Company to hold office until the conclusion of the third consecutive Annual General Meeting of the Company hereafter."

6. AS AN ORDINARY RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri S. Ragothaman (DIN: 00042395), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office until the conclusion of the fifth consecutive Annual General Meeting of the Company hereafter."

7. AS AN ORDINARY RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri Bharat Anand (DIN: 02806475), Director of the Company whose present period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office until the conclusion of the fifth consecutive Annual General Meeting of the Company hereafter."

8. AS A SPECIAL RESOLUTION

"RESOLVED that in supersession of the Resolution adopted by the Company at the Extra-Ordinary General Meeting held on April 25, 1994 with respect to the borrowing powers of the Board of Directors, consent of the Company be and is hereby accorded to the Board of Directors of the Company pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification or re-enactment thereof and the rules made thereunder, to borrow any sum(s) of money or moneys from time to time notwithstanding that the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up Share Capital of the Company and its free reserves, as the Board may, from time to time, deem

IMPORTANT : VOTING THROUGH ELECTRONIC MEANS

In accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as well as Clause 35B of the Listing Agreement, the Company has made arrangements with Central Depository Services (India) Limited (CDSL) for Members to vote on the Resolutions in this Notice through electronic means. Kindly refer note no. 10 on page no. 3 for detailed instructions in this regard. E-voting facility will be available from August 30, 2014 (9.00 a.m.) to September 1, 2014 (6.00 p.m.).

necessary for the purpose of the Company, provided however the total amount so borrowed and outstanding at any one time shall not exceed Rs. 750 Crores (Rupees Seven Hundred Fifty Crores only)."

9. AS A SPECIAL RESOLUTION

"RESOLVED that in supersession of the Resolution adopted by the Company at the 48th Annual General Meeting held on September 27, 1997 with respect to creation of securities in favour of Banks/Financial Institutions and others by the Board of Directors for the borrowings of the Company, consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification or re-enactment thereof and the rules made thereunder, to the Board of Directors to mortgage and/or charge (by way of first, second or other subservient charge as may be agreed to between the Company and the lenders and/or Debenture Trustees), all the immovable and movable properties, present and future, pertaining to the undertaking of the Company and the whole or substantially the whole of the said undertaking of the Company, with the right to take over the management and concern of the undertaking whose properties are agreed to be mortgaged and/or charged in certain events, to or in favour of any Financial Institutions, Banks and other lending Institutions or Funds, Debenture Trustees, to secure their respective Rupee and/or Foreign Currency Loans or other financial assistance lent, granted and advanced or agreed/hereafter agreed to be lent, granted and advanced to the Company or the Debentures, Bonds or other financial instruments as may be issued and allotted by the Company and/or agreed to be subscribed to by such Institutions/Banks/Funds, or any other person, for such amount(s) not exceeding Rs. 500 Crores in the aggregate on account of principal together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Trustees, costs, charges and other moneys payable by the Company to the respective Financial Institutions, Banks and other lending institutions and Debenture holders and/or Trustees under the Loan/Subscription Agreement(s) entered into/to be entered into by the Company in respect of the said Loans, Debentures or other financial instruments or assistance.

RESOLVED FURTHER that the Board of Directors of the Company including a Committee thereof, be and is hereby authorized to finalize with the Financial Institutions, Banks and other lending Institutions or Debenture Trustees the documents for creating mortgage(s) and/or charge(s) as aforesaid and to do all acts, deeds and things in connection therewith and incidental thereto."

The Register of Members of the Company will remain closed from August 29, 2014 to September 5, 2014 (both days inclusive).

New Delhi
May 8, 2014

BY ORDER OF THE BOARD

G. K. Sureka

Company Secretary

Registered Office:

Aerodrome Road,
Jamnagar 361 006,
(Gujarat)

CIN: L17110GJ1948PLC000753

e-mail: cosec@digjam.co.in

Tel.: +91-288-2712972

Fax: +91-288-2712991

website: www.digjam.co.in

NOTES:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member.
2. The instrument appointing a proxy has to be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
3. For any further information regarding the above Accounts, advance intimation be given and the Members should ensure that it reaches the Company's Registered Office at Aerodrome Road, Jamnagar 361 006 (Gujarat) at least 10 days before the date of the ensuing meeting.
4. Under the Companies Act, 2013 ('the Act') and the rules thereunder, the Company is permitted to serve on the Members documents including Annual Report and notices through, inter alia, the electronic mode. The Company may send to the Members the Annual Report and other documents/communications either physically to their registered address or by e-mail at the e-mail addresses registered with the Company/received through the respective Depository.
5. **Members are requested to register their e-mail addresses and changes therein: those holding shares in physical form are requested to register/update their e-mail addresses with the Company's Registrars and Transfer Agents, M/s MCS Share Transfer Agent Ltd., 12/1/5, Manoharpukur Road, Kolkata 700 026. Shareholders holding shares in dematerialised form are requested to register their e-mail addresses and changes therein with the concerned Depository through their Depository Participant. In absence of e-mail address, the documents will be sent in physical mode.**
6. Members may also note that the Notice of the 64th Annual General Meeting and the Annual Report for year 2013-14 will also be available on the Company's website www.digjam.co.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days upto and including the date of the Annual General Meeting. 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.
7. Members who continue to hold Shares in physical form are requested to intimate the changes, if any, in their registered address including the PIN CODE to the Company's Registrars and Transfer Agents. Members holding Shares in dematerialized form are required to get all changes in respect of their holding recorded with their Depository Participant (DP).
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrars and Share Transfer Agents.

9. Under Section 205C of the Companies Act, 1956, the amount of share application money refund unclaimed for seven years from the due date amounting to Rs.1,13,519 had been transferred to the Investor Education and Protection Fund (IEPF) of the Central Government on February 17, 2014. Further, in view of the provisions of Section 125 of the Companies Act, 2013 the sale proceeds of fractional shares arising out of the Scheme of Arrangement in 2006 lying unpaid Rs. 9,840 with the Company will be transferred to the IEPF once the aforesaid provisions come into force.

10. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the 64th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The instructions for e-voting are as under:
- Log on to the e-voting website: www.evotingindia.com during the voting period.
 - Click on "Shareholders" tab
 - Now, select "DIGJAM LIMITED" from the drop down menu and click on "SUBMIT".
 - Now Enter your User ID:
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (ii) Next enter the Image Verification as displayed and Click on Login.
 - If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - However, if you are a first time user, please follow the steps given below. Now, fill up the following details in the appropriate boxes:

For Members holding shares in Demat / Physical Form

PAN*	Enter your 10 digit alpha-numeric PAN* issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

*Members who have not updated their PAN with the Company/Depository Participant are requested to enter in the PAN field the Sequence Number (SQ) consisting of the first two letters of their first name and the 8 digits (including

zeros) printed on the address label. For example, if your name is Ramesh Kumar and the Sequence Number (SQ) printed on your address label is say RA00073142, then enter RA00073142 (total 10 characters). In case you have received this communication through email, the Sequence Number (SQ) is furnished therein next to your DP ID/Client ID/Folio no.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company, please re-enter the User ID as mentioned in d(i) above in the Dividend Bank Details field.

- g. After entering these details appropriately, click on "SUBMIT" tab.

- h. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN against the Company's name for which you choose to vote i.e. DIGJAM LIMITED.
- On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Authorised Person/Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com. You can also contact the helpdesk on the toll free number: 1800-200-5533.
- III. **The e-voting period commences on August 30, 2014 (9.00 am) and ends on September 1, 2014 (6.00 pm), both days inclusive. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of July 18, 2014, may cast their vote electronically.**
- The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.
- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off/entitlement date of July 18, 2014.
- V. Sri Viral Sanghavi, Company Secretary (Membership No. 24951 & CP No.9035) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- The Results shall be declared at the AGM of the Company or thereafter. This Notice as well as the Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the NSE and BSE.
11. **EXPLANATORY STATEMENT pursuant to Section 102 of the Companies Act, 2013 ('the Act')/SEBI Code for Corporate Governance:**

Item No. 2: A brief resume of the Director offering herself for re-election is given below:

In terms of Sections 149, 152 and any other applicable provisions of the Act, effective from April 1, 2014, Independent Directors shall

not be counted for the purpose of determining the directors liable to retire by rotation. Smt. Meenakshi Bangur, accordingly retires at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

Smt. Meenakshi Bangur, aged 29 years, is a graduate in Business Administration and a post graduate in marketing from City University, London. She is a Director on the Board of Pioneer Clothing & Agents Ltd. and a member of Committee of Directors and Corporate Social Responsibility Committee of the Company.

Smt. Bangur holds 324 Equity Shares of Rs. 10/- each in the Company (neg.%).

Except for the appointee, Smt. Meenakshi Bangur and her father, Sri Sidharth Birla and their other relatives to the extent of their shareholding interest in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the aforesaid Resolution.

Item No. 3: Members will please note that appointment of Auditors M/s Deloitte Haskins & Sells, Chartered Accountants (Registration No. 117365W), Ahmedabad is being proposed to be made for a term of three consecutive years in terms of Section 139 of the Act and the rules made thereunder subject to ratification by Members at every Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution.

Item No. 4: Sri A. C. Mukherji, aged 88 years, is the past chairman of New India Assurance Co. Ltd. having vast knowledge and experience. Sri Mukherji is a Director on the Boards of Kirloskar Pneumatic Co. Ltd., Ludlow Jute and Specialties Ltd. and NPR Finance Ltd.

He is the Chairman of Remuneration & Nominations Committee and a member of the Audit Committee, Stakeholders Relationship Committee and Committee of Directors of the Company. He is Chairman of Audit Committees of Kirloskar Pneumatic Co. Ltd. and Ludlow Jute and Specialties Ltd. and a member of Audit Committee of NPR Finance Ltd.

Sri A. C. Mukherji jointly with his wife holds 116 Equity Shares of Rs. 10/- each in the Company (neg.%).

Sri A.C. Mukherji retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Act, Sri Mukherji being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director to hold office for a term of three consecutive years until the conclusion of the third consecutive Annual General Meeting hereafter i.e. the Sixty-seventh Annual General Meeting of the Company.

In the opinion of the Board, Sri Mukherji fulfils the conditions specified in the Act and the rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Considering his vast knowledge and experience and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Sri Mukherji as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri Mukherji as an Independent Director, for the approval by the Members of the Company.

Copy of the draft letter for appointment of Sri Mukherji as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Except for Sri A. C. Mukherji, being the appointee and his relatives to the extent of their shareholding, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

Item No. 5: Sri G. Momen, aged 81 years, is a businessman of repute and is well known in Tea trade Industry. He holds expertise in marketing of teas for over two decades and holds general expertise in marketing of products, besides expertise in packaging of teas for purposes of marketing. He is Chairman of Dover Tea Pvt. Ltd., White Cliff Construction Co. Pvt. Ltd., White Cliff Infrastructure Pvt. Ltd., White Cliff Holdings Pvt. Ltd., White Cliff Tea Pvt. Ltd., White Cliff Properties Pvt. Ltd. He is Director on the Boards of Apeejay Tea Ltd. (formerly: Apeejay Surendra Corporate Services Ltd.), Baghmari Tea Co. Ltd., Bengal Tea & Fabrics Ltd., Harrisons Malayalam Ltd., Kanco Tea & Industries Ltd., The Scottish Assam (India) Ltd. and Williamson Magor & Co. Ltd.

Sri G. Momen is the Chairman of the CSR Committee of the Company and the member of its Audit and Remuneration & Nominations Committees. He is Chairman of Shareholders/ Investors Grievance & Remuneration Committees and member of Audit and Share Transfer Committees of Bengal Tea & Fabrics Ltd. He is Chairman of the Remuneration Committee of Harrisons Malayalam Ltd. He is also member of the Audit Committee of The Scottish Assam (India) Ltd. He is also member of Remuneration Committee of Apeejay Tea Ltd. and Kanco Tea & Industries Ltd. Besides, he is also Chairman of CSR Committee and member of Investors Grievance Committee of Williamson Magor & Co. Ltd.

Sri G. Momen does not hold any Equity Share in the Company.

Sri Momen is a director whose period of office is liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Act, Sri Momen being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of the Company to hold office for a term of three consecutive years until the conclusion of the third consecutive Annual General Meeting hereafter i.e. the Sixty-seventh Annual General Meeting of the Company. A notice under Section 160 of the Act has been received from a member proposing Sri Momen as a candidate for the office of Director of the Company.

In the opinion of the Board, Sri Momen fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Considering his knowledge and experience in the field of marketing and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Sri Momen as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri Momen as an Independent Director, for the approval by the Members of the Company.

Copy of the draft letter for appointment of Sri Momen as an Independent Director setting out the terms and conditions would

be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Except for Sri G. Momen, being the appointee and his relatives to the extent of their shareholding, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

Item No. 6: Sri S. Ragothaman, aged about 68 years, is a Commerce Graduate and Chartered Accountant. He is presently self-employed professional and was formerly a senior official of ICICI Limited. He has to his credit vast experience of over 38 years in the field of finance.

Sri S. Ragothaman is a Director on the Boards of Bombay Dyeing and Manufacturing Co. Ltd., Hinduja Foundries Ltd., National Peroxide Ltd., Sakthi Finance Ltd., Shreyas Relay Systems Ltd., Shreyas Shipping & Logistics Ltd., Xpro India Ltd. and Xpro Global Ltd.

Sri Ragothaman is Chairman of the Audit Committee of our Company as well as of the Audit Committees of Shreyas Relay Systems Ltd. and Xpro India Ltd. and a member of the Audit Committees of Bombay Dyeing and Manufacturing Co. Ltd., Hinduja Foundries Ltd. and Shreyas Shipping & Logistics Ltd. He is also member of the Remuneration Committee of Bombay Dyeing and Manufacturing Co. Ltd. as well as Chairman of Remuneration Committee and member of Investor Grievance Committee of Hinduja Foundries Ltd. Besides, he is also a member of the Remuneration Committee of Shreyas Shipping & Logistics Ltd., Shreyas Relay Systems Ltd. and Sakthi Finance Ltd.

Sri S. Ragothaman and his spouse inter se hold 25,723 (.03%) and 40,148 (.05%) Equity Shares in the Company respectively.

Sri Ragothaman is a director whose period of office is liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Act, Sri Ragothaman being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of the Company to hold office for a term of five consecutive years until the conclusion of the fifth consecutive Annual General Meeting hereafter i.e. the Sixty-ninth Annual General Meeting of the Company. A notice under Section 160 of the Act has been received from a member proposing Sri Ragothaman as a candidate for the office of Director of the Company.

In the opinion of the Board, Sri Ragothaman fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Considering his knowledge and experience in the field of corporate finance and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Sri Ragothaman as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri Ragothaman as an Independent Director, for the approval by the Members of the Company.

Copy of the draft letter for appointment of Sri Ragothaman as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Except for Sri S. Ragothaman, being the appointee and his relatives to the extent of their shareholding, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

Item No. 7: Sri Bharat Anand, aged about 38 years, is an Economics and Law Graduate and Member of the Bar Council of Delhi and Solicitor, England and Wales. After working for eight years in the London office of Freshfields Bruckhaus Deringer, he joined Khaitan & Co. LLP and is Partner in their Corporate Department. His area of expertise is mergers and acquisitions, corporate and commercial joint ventures and collaborations and he has advised several major transactions in these areas. Sri Anand has been ranked amongst India's leading Second Generation Lawyers.

Sri Bharat Anand is a Director on the Board of H D Motor Company India Pvt. Ltd. He is member of Audit Committee, Remuneration & Nominations Committee and Committee of Directors of our Company.

Sri Bharat Anand does not hold any Equity Share in the Company.

Sri Bharat Anand is a director whose period of office is liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Act, Sri Anand being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of the Company to hold office for a term of five consecutive years until the conclusion of the fifth consecutive Annual General Meeting hereafter i.e. the Sixty-ninth Annual General Meeting of the Company. A notice under Section 160 of the Act has been received from a member proposing Sri Anand as a candidate for the office of Director of the Company.

In the opinion of the Board, Sri Bharat Anand fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Considering his knowledge and experience in the corporate legal field and that his continued association would be of immense benefit to the Company, it is desirable to continue to avail services of Sri Anand as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Sri Anand as an Independent Director, for the approval by the Members of the Company.

Copy of the draft letter for appointment of Sri Bharat Anand as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Except for Sri Bharat Anand, being the appointee and his relatives to the extent of their shareholding, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution.

Item No. 8: The Company at its Extra-Ordinary General Meeting held on April 25, 1994, authorized the Board of Directors of the Company by way of Ordinary Resolution under Section 293(1)(d)

of the Companies Act, 1956 to borrow for the purpose of the Company moneys in excess of the paid-up capital of the Company and its free reserves provided the sum or sums so borrowed and remaining outstanding at any point of time shall not exceed Rs. 750 Crores.

However, pursuant to the provisions of Section 180(1)(c) of the Act, the Board can exercise such borrowing powers only with the approval of Members of the Company by way of Special Resolution. It may be mentioned that there is no change in the borrowing limit of Rs. 750 Crores as earlier approved by the Members at the aforesaid Extra-Ordinary General Meeting. The resolution is accordingly recommended for approval as a Special Resolution under the Act.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution.

Item No. 9: The Company at its 48th Annual General Meeting held on September 27, 1997, authorized the Board of Directors of the Company by way of Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956, to create mortgage and/or charge on the immovable and movable properties of the Company in favour of the lenders to secure their financial assistance as mentioned in the said Resolution.

However, pursuant to the provisions of Section 180(1)(a) of the Act, the Board can exercise such power to create mortgage and/or charge on the immovable and movable properties i.e. the whole or substantially the whole of the undertaking of the Company, only with the approval of Members of the Company by way of Special Resolution. The resolution is accordingly recommended for approval as a Special Resolution under the Act.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution.

Inspection of Documents

All the documents referred to in the notice and explanatory statement including the Memorandum and Articles of Association of the Company are open for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on any working day prior to the date of the Annual General Meeting.

New Delhi
May 8, 2014

BY ORDER OF THE BOARD

Registered Office:
Aerodrome Road,
Jamnagar 361 006,
(Gujarat)
CIN: L17110GJ1948PLC000753

G. K. Sureka
Company Secretary
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REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

We present herewith our Annual Report along with the Audited Accounts of the Company for the year ended March 31, 2014.

FINANCIAL RESULTS

(Rs. Lacs)

	March 31, 2014	March 31, 2013
Operations for the year resulted in an operating Profit before Interest and Depreciation of	14,68.89	5,11.95
add: Other Income	2,28.03	18,53.37
less: Finance Costs	12,79.78	14,57.97
less : Depreciation	3,88.35	4,62.84
Profit Before Tax	28.79	4,44.51
less: Taxation	—	—
Profit After Tax	28.79	4,44.51
add: Balance brought forward	(83,37.74)	(87,82.25)
leaving a Balance of which is carried forward	(83,08.95)	(83,37.74)

(Note: Other income in previous year includes gain of Rs.16,37.59 lacs from sale of certain surplus properties)

The Directors do not recommend any dividend.

REVIEW OF KEY BUSINESS MATTERS

The business environment remained very challenging as the Indian economy continued to underperform and GDP growth rate weakened to an estimated 4.8%, with yet greater weakness in the industrial sector, consumer durables and capital goods. Inflation remained on the higher side affecting interest rate policies. India remained somewhat vulnerable on the macroeconomic front, with significant current account and fiscal deficits depreciating the rupee. While steps taken by the Government narrowed CAD down to 2.2% of GDP, the economy remains constrained by slow growth, contracting manufacturing, weak investment and reduced private consumption. The deceleration of economic growth can be argued to have bottomed out, but return to growth of 8-9% could take longer depending on the speed and effectiveness of implementation of economic policies and measures. Global growth in 2014-15 is however expected to see a recovery from the period of recessions and weaknesses, with GDP growth going up to 3.3% from the 2.4% seen last year, with the advanced economies, particularly the US, leading the recovery. Growth in the Euro area has been hesitant. Although growth in developing countries was relatively weak, at an estimated 4.8 percent, it has been firming in recent months, partly reflecting the growth in high-income countries.

The global woollen textiles markets, particularly in Europe, remained depressed despite a mild improvement in global growth. The demand for woollen fabrics was also affected by competition from non-woollen materials and weather conditions in several markets in the latter part of the year. Mergers and corporate restructuring at major customers in the US also led to rescheduling of shipments and deferring of substantial orders. Improvement in the economy in general, particularly in the US, UK and Europe would augur well for exports of woollen fabrics.

Despite these overall depressed conditions, the Company's achieved 11% higher sales at Rs.146 crores against Rs.132 crores last year, while volumes were 7.7% higher, reflecting higher

realisation. Domestic volumes were 20% higher than last year but exports dropped by about 10%. Costs increased due to persistent inflation, increases in energy and fuel costs, and volatility in wool prices. The Company continues to take steps to broaden its markets and the year witnessed material progress in strengthening quality and development of new fabric structures and finishes, which have all been well received by the market. The Company continuously takes measures to improve operations, trim overheads and discretionary spend, and strengthen liquidity. The proceeds from disposal of a portion of property not affecting operations, which netted a gain of Rs. 16,38 lacs in the previous year was used to trim debts, thus lowering finance costs.

DIRECTORS

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, effective from 1st April, 2014, Independent Directors are not to be included in the total number of directors of the Company for the purpose of determining the directors liable to retire by rotation. Accordingly, Smt. Meenakshi Bangur retires at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

Sri A C Mukherjee retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for appointment as Independent Director of the Company in terms of Section 149 and other applicable provisions of the Companies Act, 2013.

Sri G. Momen, Sri S. Ragothaman and Sri Bharat Anand, Directors, whose present term of office is liable to determination by retirement of Directors by rotation under the applicable provisions of the Companies Act, 1956, being eligible, offer themselves for appointment, in terms of Section 149 and other applicable provisions of the Companies Act, 2013, as Independent Directors of the Company. Necessary notices have been received from members proposing them as candidates for the office of Directors of the Company.

STATUTORY INFORMATION AND OTHER MATTERS

Our report on Corporate Governance along with Auditors' certificate on compliance, and the Managements' Discussion & Analysis Report, as required under Clause 49 of the Listing Agreement, and information required under Section 217(1)(e) of the Companies Act, 1956 ("Act") read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, all form part of this report and are annexed hereto. Section 217(2A) of the Act is not applicable as there were no relevant employees during the year. The Company has not invited/accepted any Fixed Deposits and there are none outstanding on March 31, 2014. Relations with employees were cordial and we record our appreciation of the contribution made by employees during the year.

The Managing Director & Chief Executive Officer and the Chief Financial Officer have certified as per the requirements of Clause 49(V) of the Listing Agreement, which has been reviewed by the Audit Committee and taken on record by the Board. Having taken reasonable and bonafide care, pursuant to Section 217(2AA) of the Act, the Directors indicate that (i) in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanations relating to material departures; (ii) the directors had selected such accounting policies

and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year; (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and (iv) the directors had prepared the annual accounts on a going concern basis.

Pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 notified on December 9, 2013, the Company has set up a Committee to look into complaints under the said Act. The Company has not received any complaints relating to sexual harassment at work place from any woman employee during the year.

The Company, having regard to its size and scope, is generally compliant with relevant guidelines on Corporate Social Responsibility (CSR), even though not presently applicable to the Company. The Board has also constituted a committee to mentor and monitor CSR activities. Small steps have been always taken by the Company for social and inclusive development in its local area; however given the relatively small size and geographical spread it has not been practical to undertake directly any significant projects outside these. The Company has accordingly adopted a policy to support external bodies including relevant bodies, NGOs or Government Relief Funds selected by the Board, including through financial contribution to them, with greater participation in the areas of health and social welfare, efforts toward reducing child mortality, promotion of education & socially responsible behaviour, and employment enhancing vocational skills.

AUDITORS' OBSERVATIONS

The observations of the Auditors regarding advances towards building are explained in the Note No. 12 to the Accounts; necessary legal steps have been initiated by the Company to get possession of the said building/recovery of amounts paid along with interest, and the advances are considered good. After close of the year, NSE has advised the Company, based on recommendation of the Qualified Audit Review Committee of SEBI, to suitably rectify the qualification in this regard. Considering that the matter is sub-judice, the Company will take appropriate steps based on professional/legal advice.

AUDITORS

The Auditors, M/s Deloitte Haskins & Sells, Chartered Accountants, retire and, being eligible, offer themselves for re-election. They are proposed to be appointed to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the third consecutive Annual General Meeting of the Company thereafter (i.e. for a term of three consecutive years).

The Company had appointed M/s N. D. Birla & Co., Cost Accountants, Ahmedabad to audit the cost accounts of the Company pursuant to Section 233B of the Act. The Cost Audit Report for the year ended March 31, 2013 had been e-filed in the XBRL format by the Cost Auditor on September 8, 2013, which is well within the due date of September 27, 2013.

ACKNOWLEDGEMENTS

We place on record our sincere appreciation of the valuable cooperation and support received at all times by the Company from its bankers, other stakeholders, concerned Government Departments, other authorities, its channel partners, employees and shareholders.

For and on behalf of the Board

New Delhi
May 8, 2014

Sidharth Birla
Chairman

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Board has always followed the principles of good governance and emphasizes transparency, integrity and accountability. We believe that good governance is voluntary, self-disciplining with the strongest impetus coming from Directors and the management itself. The management and organization at DIGJAM Limited endeavors to be progressive, competent and trustworthy, for customers and stakeholders, while reflecting and respecting the best of Indian values in its conduct.

THE BOARD OF DIRECTORS

The Board presently consists of 8 Directors, of whom 4 are independent and 7 are non-executive. Current regulations require that the Company should have at least one Woman Director and that, if the non-executive chairman is from the promoter group at least 50% of the Directors should be independent; these criteria are met. As per SEBI Regulations an independent Director will be one who (a) does not have any material pecuniary relationships or transactions with the Company, its Promoters, Directors, Senior Management (this comprises all members of management one level below Executive Directors, including all functional heads) or its holding company, its subsidiaries and associates; (b) is not related to Promoters or persons occupying management positions at the Board level or at one level below the Board; (c) has not been an Executive of the Company in the immediately preceding 3 financial years; (d) is not a Partner or an Executive or was not a Partner or an Executive during the preceding 3 years of Statutory Audit or Internal Audit Firm associated with the Company and legal firm(s) and consulting firm(s) that have a material association with the company; (e) is not a material supplier, service provider or customer or a lessor or lessee of the Company; (f) is not a substantial shareholder of the Company i.e. owning 2% or more of the voting power; and (g) is not less than 21 years of age. Our Board has 4 independent Directors viz. Sri A. C. Mukherji (ex-CMD of New India Assurance Co.), Sri G. Momen (Businessman of repute), Sri S. Ragothaman (Company Director, formerly senior official at ICICI) and Sri Bharat Anand (Advocate & Solicitor and partner of Khaitan & Co. LLP).

Independent Directors play an important role in deliberations at the Board level, bring with them their extensive experience in various fields including banking, finance, law, administration and policy, and contribute significantly to Board committees. Their independent role vis-à-vis the Company implies that they have a distinct contribution to make by adding a broader perspective, by ensuring that the interests of all stakeholders are kept in acceptable balance and also in providing an objective view in any potential conflict of interest between stakeholders. The Chairman and non-executive directors review the functioning and effectiveness of the Board and the attendance record of directors every year. The position of the Chairman is non-executive, non-managerial in