



**B. K. BIRLA GROUP OF COMPANIES**

## Our Chairman Syt. B. K. Birla

### The Group Logo

As represented by the 21st Century Atlas

### Atlas, the Titan

Collective Strength

Atlas, bearer of the heavens is synonymous with vast, all encompassing strength and is used to symbolise the Group's own collective strength. It reflects the combined qualities of astute and dynamic management while emphasising the Group's tenacity, consistency, reliability and overall leadership.

### The Sun

Enlightenment and Growth

The Sun, as a source of infinite energy and inspiration, is used here in conjunction with the Atlas head to represent the vitality and powerful presence of the Group - both in its industrial prowess and its financial, technological and intellectual skills.

### The Earth Segments

Diversified Activities

Each of the latitudes around the Titan represent various sections - industrial, agricultural, financial and other activities of the Group. As with the infinite variety of the world, so is the strength of the Group, made up of its diverse activities.

### The Globe

Global Vision

The Group's global presence and vision is reflected in the entirety of the Earth's sphere.

### The Base

Solid Foundations

The strength of the entire edifice depends upon the strength of the foundation embedded in the bedrock, represented here by the Group Name.

### The Symmetry

The Resilience, Versatility and Stability

Seen in its entirety, each of the elements - Atlas, the Sun, the Earth divisions, the Globe and the Base, together sum up a well conceptualised and balanced conglomerate.

### TEA ESTATES

Towkok Tea Estate  
Manjushree Tea Estate  
Mangalam Tea Estate  
Nahorhabi Tea Estate  
Sibsagar, Assam

Meleng Tea Estate  
Jorhat, Assam

Dewan Tea Estate  
Burtoll Tea Estate  
Labac Tea Estate  
Kalline Tea Estate  
Jellalpure Tea Estate  
Cachar, Assam

Risheehat Tea Estate  
Tukver Tea Estate  
Darjeeling, West Bengal

Aryaman Tea Estate  
Jalpaiguri, West Bengal

Ananyashree Tea Estate  
North Dinajpur, West Bengal

Sholayar Estate  
Kallyar Estate  
Coimbatore, Tamil Nadu

### TEA FACTORY

Vinayak Tea Factory  
Ledo, Margherita, Assam

### CHEMICALS & FERTILISERS UNITS

The Jay Shree Chemicals & Fertilisers (Unit I & II)  
Khardah, 24 Parganas (North)  
West Bengal

The Jay Shree Chemicals & Fertilisers  
(Unit III)  
Pataudi, Gurgaon, Haryana

### OTHERS

Jay Shree Infotech Consultants  
Salt Lake, Sector V  
Kolkata, West Bengal

Warehousing & Tea Export Deptt.  
Kolkata, West Bengal

Tea Warehouse & Sales Deptt.  
Kochi, Kerala





## JAY SHREE TEA & INDUSTRIES LIMITED

### 61st ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH, 2007

#### **DIRECTORS**

Shri B. K. Birla, *Chairman*  
 Shri B. M. Khaitan  
 Shri G. P. Goenka  
 Shri S. S. Kothari  
 Shri S. K. Tapuriah  
 Smt. Jayashree Mohta  
 Shri D. K. Pant  
 (Nominee of GIC)  
 Shri D. M. Jain  
 (Managing Director)

#### **EXECUTIVES**

Shri D. P. Maheshwari  
*Senior President*  
 Shri R. K. Ganeriwala  
*President & Secretary*  
 Shri S. Basu  
*President (Tea Marketing & Exports)*  
 Shri P. K. Agrawal  
*President (Darjeeling & Dooars Tea Estates)*  
 Shri V. N. Jha  
*Senior Vice President (Tea Warehouse & Exports)*  
 Smt. Sangeeta Kichlu  
*Vice President (Tea Exports)*  
 Shri H.G. Singh  
*Vice President (Upper Assam Gardens)*  
 Shri B.K. Chaturvedi  
*Vice President (Taxation)*

#### **SOLICITORS**

Messrs Khaitan & Co.,  
 9, Old Post Office Street,  
 Kolkata - 700 001

#### **AUDITORS**

Messrs Singhi & Co.,  
 1-B, Old Post Office Street,  
 Kolkata - 700 001

#### **BANKERS**

State Bank of India  
 UCO Bank  
 HDFC Bank Ltd.  
 Indian Overseas Bank Ltd.  
 ICICI Bank Ltd.  
 IndusInd Bank Ltd.  
 UTI Bank Ltd.  
 Union Bank of India  
 Kotak Mahindra Bank Ltd.

#### **REGISTRARS**

M/s. Maheshwari Datamatics  
 Pvt. Ltd., 6, Mangoe Lane,  
 Kolkata - 700 001  
 Ph.: 91(033)2243-5029/5809  
 Fax: (033)22484787  
 E-mail : mdpl@cal.vsnl.net.in

#### **SHARE DEPTT.**

"Industry House" (15th Floor)  
 10, Camac Street,  
 Kolkata - 700 017  
 Ph.: (033)22827531/4  
 Fax: (033)22827535  
 E-mail : rkg@jayshreetea.com

#### **STOCK EXCHANGES WHERE SHARES ARE LISTED**

The National Stock Exchange  
 of India Ltd.  
 Bombay Stock Exchange Ltd.  
 The Calcutta Stock Exchange  
 Association Ltd.

#### **AUDIT COMMITTEE**

Shri S.S. Kothari (Chairman)  
 Shri S.K. Tapuriah  
 Shri D.K. Pant

#### **SHAREHOLDERS'/ INVESTORS GRIEVANCES COMMITTEE**

Shri S.K. Tapuriah (Chairman)  
 Shri S.S. Kothari  
 Shri D.K. Pant

#### **REMUNERATION COMMITTEE**

Shri B.M. Khaitan (Chairman)  
 Shri S.S. Kothari  
 Shri S.K. Tapuriah

#### **REGISTERED & HEAD OFFICE**

"Industry House", (15th Floor),  
 10, Camac Street,  
 Kolkata - 700 017  
 Phone : (033) 22827531-34 Fax : 22827535  
 Website : www.jayshreetea.com  
 E-mail : birlatea@iascl01.vsnl.net.in

#### **MUMBAI OFFICE**

Embassy Centre, Nariman Point,  
 Mumbai - 400 021  
 Phone : (022) 22830915/22823474 Fax : 22873045

#### **AHMEDABAD OFFICE**

101, Sheel Building, 4 Mayur Colony, Navrangpura,  
 Ahmedabad - 380 009  
 Phone : (079) 26565371 / 26430511

#### **NEW DELHI OFFICE**

B-205/7, 2nd Floor, DDA Community Centre,  
 R.G. Complex, Motia Khan, Pahargunj  
 New Delhi - 110 055  
 Phone : (011) 23522149 Fax : 23633747

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## NOTICE

### To the Shareholders

NOTICE is hereby given that the Sixty first Annual General Meeting of the shareholders of the Company will be held on Thursday, the 28th June, 2007 at 10.30 A.M. at 'Kala Kunj' 48, Shakespeare Sarani, Kolkata 700 017 to transact the following business :

1. To receive and consider the Report of the Directors to the Shareholders and adopt the audited accounts for the year 2006-07.
2. To declare dividend for the year 2006-07.
3. To appoint a Director in place of Shri B.M.Khaitan who retires by rotation but being eligible offers himself for re-election.
4. To appoint a Director in place of Shri S.S.Kothari who retires by rotation but being eligible offers himself for re-election.
5. 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 224A and other applicable provisions, if any, of the Companies Act, 1956, M/s.Singhi & Co., Chartered Accountants, Kolkata, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this meeting up to the conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration for the said period."

#### Registered & Head Office :

"INDUSTRY HOUSE"

10, Camac Street,

Kolkata 700 017

Dated, the 27th April, 2007

By Order of the Board

For Jay Shree Tea & Industries Limited

**R.K.GANERIWALA**

**President & Secretary**

#### Notes :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. The Equity Share Transfer Registers will remain closed from 21st June 2007 to 28th June, 2007 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.
3. The dividend on Equity Shares as recommended by the Board, if declared, will be payable on or after 28th June, 2007 to those members whose names appear on the Register of Members of the Company as on 28th June, 2007 or to their mandatees. In respect of dematerialised shares, the dividend will be payable on the basis of beneficial ownership details to be furnished by NSDL and CDSL for the purpose.
4. Members are requested to intimate before hand to the Company query/ies, if any, regarding these accounts/notice at least ten days before the meeting to enable the management to keep the required information readily available at the meeting.
5. Pursuant to Section 205A (5) of the Companies Act, 1956 (as amended) any money transferred to the unpaid dividend account of a Company remaining unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred to Investor Education and Protection Fund and thereafter no claims shall lie against the fund or the Company. So, you are advised to claim the same from the Company immediately. The due dates of transfer of the following dividend to the Fund are as under :

## Jay Shree Tea & Industries Limited



<u>Dividends for the year</u>	<u>Date of declaration of dividend</u>	<u>Due date of transfer to the Fund</u>
1999-2000	10.03.2000	15th June, 2007
2000-2001	23.06.2001	26th July, 2008
2001-2002	29.06.2002	2nd August, 2009
2002-2003	27.06.2003	2nd August, 2010
2003-2004	28.06.2004	2nd August, 2011
2004-2005	29.06.2005	2nd August, 2012
2005-2006	27.06.2006	2nd August, 2013

6. The Company's shares are enlisted with NSDL and CDSL for participation into Electronic Depository System operated by them. Its shares are compulsorily to be traded in Electronic Form and the security bears Code No.INE 364A01012.
7. Members are requested to notify immediately change of address, if any, to the Company in case shares are held in physical form or to the DPs, where the account is maintained, if held in demat form.
8. Information about the Directors retiring by rotation as required under Clause 49 of the Listing Agreement with the Stock Exchanges :

a) **Shri B.M. Khaitan**

Among the leading industrialists in India, Shri B.M.Khaitan is a name to be reckoned with. Shri Khaitan has contributed a lot for the development of tea industry. He has been associated with tea for over four decades. Apart from McLeod Russel India Ltd. he is Chairman of Williamson Magor & Co.Ltd. and Eveready Industries India Ltd. He is on the board of Directors of various companies of repute both within and outside Williamson Magor group. The Chambers of Commerce have always found a strong supporter in him. He is past President of the Indian Chamber of Commerce ( 1973) and he is the past President of International Chamber of Commerce (Indian National Committee (1986-87).

Directorships held in other Companies :

Williamson Magor & Co.Ltd., McLeod Russel India Ltd., Eveready Industries India Ltd., Doom Dooma Tea Co.Ltd., Babcock Borsig Ltd., The Moran Tea Co.(India) Ltd., CESC Ltd., & Phillips Carbon Black Ltd.

He also holds the Chairmanship of the Remuneration Committee of your Company.

b) **Shri S.S.Kothari**

Shri S.S.Kothari, aged about 76 years, is an eminent Chartered Accountant and Former-Member of Parliament. He was Director of Bank of India (1989-95). He is presently Managing Committee Member ASSOCHAM.

Directorships held in other Companies :

Kriti Industries (India) Ltd., Maharaja Shree Umaid Mills Ltd., Uniworth Biotech Ltd., Bajaj Hindustan Sugar & Industries Ltd., & Kothari Management & Industrial Consultants Pvt. Ltd.

He also holds the Chairmanship of the Audit Committees of your Company and Maharaja Shree Umaid Mills Ltd. and membership in the Audit Committees of Bajaj Hindustan Sugar & Industries Ltd. and Kriti Industries (India) Ltd. He also holds membership in the Investor/Shareholder's Grievances Committees of your company and Maharaja Shree Umaid Mills Ltd. Also he holds membership in the Remuneration Committee of your company.

**Registered & Head Office :**

"INDUSTRY HOUSE"

10, Camac Street,  
Kolkata 700 017

Dated, the 27th April, 2007

By Order of the Board

**For Jay Shree Tea & Industries Limited**

**R.K. GANERIWALA**

**President & Secretary**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### OVERVIEW

Indian Tea production in 2006 was higher at 955 m.kgs. compared to 928 m.kgs. in 2005 i.e. an increase of around 3%. The world crop was lower by around 17 m.kgs. mainly due to lower crop in Kenya. Your Company produced 190.86 lac kgs. tea against 201.86 lac kgs. last year. The crop was lower because of unfavourable weather conditions in Cachar, Darjeeling and severe drought in South India. The company produced lower quantity of tea from bought leaf as the prices of bought leaf was unremunerative. Your Company's initiatives helped in increasing the export by around 64% in value terms and 111% in quantity terms.

### SEGMENT ANALYSIS AND REVIEW

The Company is engaged in the manufacture of tea, chemicals & fertilisers, besides tea warehousing and investment activities. The core business of the Company is TEA. This accounts for 77.89% of gross turnover during 2006-07. The other segments i.e. chemicals & fertilisers account for 20.89% and others 1.13% of the gross turnover.

### TEA

Your Company's districtwise production compared to All India production is enumerated below :

(Quantity in million kgs.)

District	Tea Manufactured by the Company (April to March)			All India Production* (Jan. to December)		
	2006-2007 ^	2005-06 ^	Increase/ Decrease %	2006	2005	Increase/ Decrease %
Cachar	6.72	7.13	(-) 5.75	45.47	49.53	(-) 8.20
Assam Valley	7.71	7.71	- -	438.18	424.61	(+) 3.20
<b>Total Assam</b>	<b>14.43</b>	<b>14.84</b>	<b>(-) 2.76</b>	<b>483.65</b>	<b>474.14</b>	<b>(+) 2.00</b>
Darjeeling	0.85	0.90	(-) 5.56	11.73	11.37	(+) 3.17
Dooars	0.67	0.92	(-) 27.17	144.54	133.05	(+) 8.64
Terai	1.12	1.23	(-) 8.94	77.01	70.24	(+) 9.64
<b>Total West Bengal</b>	<b>2.64</b>	<b>3.05</b>	<b>(-) 13.44</b>	<b>233.28</b>	<b>214.66</b>	<b>(+) 8.67</b>
Others	-	-	- -	12.68	12.18	(+) 4.10
<b>Total North India</b>	<b>17.07</b>	<b>17.89</b>	<b>(-) 4.58</b>	<b>729.61</b>	<b>700.98</b>	<b>(+) 4.08</b>
Tamilnadu	2.02	2.30	(-) 12.17	152.27	154.60	(-) 1.51
Kerala	-	-	- -	68.76	67.03	(+) 2.58
Karnataka	-	-	- -	5.26	5.38	(-) 2.23
<b>Total South India</b>	<b>2.02</b>	<b>2.30</b>	<b>(-) 12.17</b>	<b>226.29</b>	<b>227.01</b>	<b>(-) 0.32</b>
<b>Total Production</b>	<b>19.09</b>	<b>20.19</b>	<b>(-) 5.45</b>	<b>955.90</b>	<b>927.99</b>	<b>(+) 3.00</b>

\* All India figures on calendar year basis and estimated for 2006.

^ The above production includes tea manufactured from bought leaf.

Districtwise price realised by the Company for own produce compared to previous year is as under :

(Quantity in million kgs.)

Tea Areas	This year		Dist. Average Rs.P.	Previous year		Dist. Average Rs. P.
	Qty.	Rate Rs.P.		Qty.	Rate Rs.P.	
Cachar	6.85	64.36	57.69	7.50	56.51	47.49
Assam	7.69	79.61	73.67	7.47	77.77	65.26
Darjeeling	0.80	222.83	155.28	0.87	213.80	148.77
Dooars / Terai	1.75	67.21	65.56	2.12	55.30	59.12
South India	2.22	61.31	52.55	2.45	60.29	42.55
	<u>19.31</u>	<u>76.91</u>		<u>20.41</u>	<u>71.32</u>	

## Jay Shree Tea & Industries Limited



### OUTLOOK

The sustainable growth options for tea plantation activities in India do not seem to be encouraging in view of continuous rise in wages, power & fuel and other costs and poor price realizations. Though the domestic consumption is growing at around 3% per annum, the price levels are not remunerative. The crop of Kenya is very high in the current year, however the crop of Sri Lanka is lower in the current year. So the price trend for common varieties of tea remains uncertain. It is likely that the prospectus for Indian orthodox variety shall improve in view of lower crop of Sri Lanka. Your Company's emphasis shall be on quality parameters to safeguard the company against depression in the market.

### CHEMICALS & FERTILISERS

#### REVIEW OF OPERATIONS

At Khardah plant the cost of raw materials and other costs for manufacturing Single Superphosphate are increasing every year, and the sale price and subsidy are stagnant. The future of the industry depends upon the policies of the Central Government for upward revision in subsidy and unless corrective and effective measures are taken, it will be difficult for superphosphate industry to survive. During the year, the realization from sale of sulphuric acid was better in your Khardah plant and with effective cost control, the profitability was sustained to some extent. In Haryana plant, the prices of sulphuric acid has gone down tremendously due to strong presence of by-product acid from the smelters.

### OUTLOOK

The concerned authorities of the Govt. of India are aware of the situation of SSP industry and further upward revision in subsidy rate is under consideration of the Government. The sooner it is done, it will be better as it will help the industry as well as poor farmers who are dependent on SSP to maintain production and quality of soil.

### RISKS AND CONCERNS

- (a) Vagaries of nature on which production depends.
- (b) Emergence of local brand operation.
- (c) Uncertainty of green leaf prices for manufacturing bought leaf.
- (d) Currency movements and foreign exchange risk in relation to export revenue.
- (e) Stiff competition in export with countries having lower cost of production.

The Government and the industry are aware of the risks & concerns but till now the measures are not effective enough to bring the tea industry out of trouble.

### FINANCIAL REVIEW AND ANALYSIS

The guiding principles of our investment strategies are of prudence. The company continued to manage its treasury to minimise operating working capital and invested accretion of surpluses in mutual funds under debt and equity schemes. As the market was fluctuating and high at the start of the year, the returns were not as expected, but were marginal. The investment profile is well balanced and market value of the portfolio is higher than the cost. So the investment should give reasonable return in the current year.

### INTERNAL CONTROL

The company has laid down policies, guidelines and procedures which form part of its internal control system. The company's internal control systems are periodically tested and supplemented by an extensive programme of internal audit by independent firms of Chartered Accountants. Audits are finalised and conducted based on internal risk assessment. Significant findings are brought to the notice of the Audit Committee of the Board and corrective measures recommended for implementation.

### MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The industrial relation in all tea estates and other units continued to be cordial. The Company carries out various programmes for development of its executives at all levels. During the year the company carried out restructuring exercise at key level for improvement in plantation activities and overall corporate performance.

### CAUTIONARY STATEMENT

The statements in the report of the Board of Directors and the Management's Discussion and Analysis report describing the company's projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since the company's operations are influenced by many external and internal factors beyond the control of the company. Further tea industry depends upon the vagaries of nature and any adverse / favourable situation can reverse the whole situation.

## CORPORATE GOVERNANCE REPORT

Our pursuit towards achieving good governance is an ongoing process, thereby ensuring transparency, accountability and responsibility in our dealings with people working with it at all levels.

As per the Clause 49 of the Listing Agreement with the Stock Exchanges, the details of Corporate Governance compliance by the Company are as under :

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy of Corporate Governance is to ensure transparency in all dealings and the functioning of the Board and people working with it at all levels. The Company has worked with a philosophy and mission of good governance in every field. The Company believes that Corporate Governance code will enhance the growth of benefits to all its stakeholders. The Company being a labour intensive industry gives due emphasis to its human assets and excellent relations are being maintained at all levels to secure optimum results.

### 2. BOARD OF DIRECTORS

#### Composition:

Your Company is having a Non-Executive Chairman. Thus atleast one third of the Board should comprise of Independent Directors. Five out of total eight Directors Shri B.M. Khaitan, Shri G.P. Goenka, Shri S.S. Kothari, Shri S.K. Tapuriah and Shri D.K. Pant (Nominee of GIC) are Independent-Non-Executive Directors. Shri B.K. Birla, Chairman is a Promoter-Non-Executive Director and Smt. Jayashree Mohla is a Non-Executive Director. Shri D.M. Jain, the Managing Director is an Executive Director of the Company.

#### Membership of other Boards of Directors / Committee of Directors and Attendance record for the Company:

Five Board Meetings were held in 2006-2007 on 28th April, 2006; 27th June, 2006; 26th July, 2006; 24th October, 2006 and 24th January, 2007.

Directors	Categories of Directors	No. of Board Mtgs. Attended	Attendance of the last AGM	No. of outside Directorship held *	No. of outside Committee Membership held	No. of outside Committee Chairmanship held	No. of Shares held in the company
Shri B.K. Birla (Chairman)	Promoter - Non-Executive	5	Yes	4	–	–	13500
Shri B.M. Khaitan	Independent - Non-Executive	2	No	8	–	–	100
Shri G.P. Goenka	Independent - Non-Executive	1	No	9	–	–	300
Shri S.S. Kothari	Independent - Non-Executive	5	Yes	5	3	1	2300
Shri S.K. Tapuriah	Independent - Non-Executive	4	Yes	3	–	–	284
Smt. Jayashree Mohla	Non-Executive	5	Yes	8	–	–	3972
Shri D.K. Pant (Nominee of GIC)	Independent - Non-Executive	5	Yes	–	–	–	–
Shri D.M. Jain	Executive - Managing Director	5	Yes	4	–	–	100

\* other than foreign companies

## Jay Shree Tea & Industries Limited



All the Directors affirmed that apart from receiving sitting fees and / or commission in case of profit / or remuneration by the Managing Director, they do not have any pecuniary relationships or transactions with the Company, its promoters, its Directors, its Senior management or its subsidiary i.e. Birla Tea Ltd. (erstwhile North Tukvar Tea Co. Ltd.), and associates (as defined in AS 23) which might affect independence of directorship in the Company.

### 3. AUDIT COMMITTEE

The constitution of Audit Committee is as per requirement of Clause 49 of the Listing Agreement.

The Audit Committee comprises of Shri S.S. Kothari, Chairman of the Committee, Shri S.K. Tapuriah, Independent Director, Shri D.K. Pant, Nominee Director and Shri D.M. Jain, Managing Director of the Company. Shri R.K. Ganeriwala, President & Secretary, the Internal Auditors and Statutory Auditors are permanent invitees to the meeting.

A brief description of the terms of reference of the Audit Committee, which covers the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act 1956, is as follows:

- \* To review with the management the nature and scope of Internal Audits and approve the Internal Audit plan for the year.
- \* To review Internal Audit Reports, to discuss with the Internal Auditors and Management about their findings and to suggest corrective actions to be taken wherever necessary.
- \* To review with the Management, Statutory Auditors and Internal Auditors the adequacy of Internal Control Systems.
- \* To review the Quarterly and Annual Accounts before submission to the Board.
- \* To recommend the appointment, remuneration and removal of Statutory Auditors.
- \* To review the Company's financial and risk management policies.
- \* To review the financial statement and investment made by the unlisted subsidiary company.
- \* To review statement of significant related party transaction.

Four Meetings of the Audit Committee were held in 2006-2007 on 28th April, 2006, 27th July, 2006, 24th October, 2006 and 24th January, 2007.

#### Attendance record of the Audit Committee Meetings.

Name of Directors	No. of Meetings Attended
Shri S.S. Kothari	4
Shri S.K. Tapuriah	3
Shri D.K. Pant	4
Shri D.M. Jain	4

### 4. DIRECTORS' REMUNERATION COMMITTEE

The Board constituted the Directors' Remuneration Committee on 29th April, 2002.

The Remuneration Committee consists of Shri B.M. Khaitan, Chairman of the Committee, Shri S.S. Kothari and Shri S.K. Tapuriah being Independent Directors. Shri R.K. Ganeriwala, President & Secretary acts as Secretary to this Committee. Terms of reference of this committee include determination of the Company's policy regarding remuneration packages, commission payable to Directors / Managing Director of the Company and sitting fees and other expenses payable to the Directors for attending meeting of the Board / or Committee thereof within the limits approved by the shareholders from time to time. The committee had no meeting in the year 2006-2007.



## 5. REMUNERATION OF DIRECTORS

The details of sitting fees paid to the Directors and salary and perks paid to the Managing Director of the Company during the year 2006-2007 are given below :-

Name of Directors	Sitting Fees (Rs. in '000)		TOTAL (Rs. in '000)
	Board Meeting	Committee Meeting	
Shri B.K. Birla	25	–	25
Shri B.M. Khaitan	10	–	10
Shri G.P. Goenka	5	–	5
Shri S.S. Kothari	25	30	55
Shri S.K. Tapuriah	20	25	45
Smt. Jayashree Mohta	25	–	25
Shri D.K. Pant (Nominee of GIC)	25	30	55
	<b>135</b>	<b>85</b>	<b>220</b>
	<b>Salary</b>	<b>Value of perquisites</b>	<b>Retirement Benefits</b>
Shri D.M. Jain (Managing Director)	2219	182	243
Service Contract			3 years from 29th April, 2005
Notice Period			3 months
			<b>Total</b>

## 6. INVESTORS / SHAREHOLDERS GRIEVANCE COMMITTEE

The Investors / Shareholders Grievance Committee comprises of Shri S.K. Tapuriah, Chairman of the committee, Shri S.S. Kothari Independent Director and Shri D.K. Pant Nominee Director. Shri R.K. Ganeriwala, President & Secretary is the Compliance Officer of the Company. The Company had received 44 complaints from the shareholders and all of them have been resolved. The shares are traded on the Stock Exchanges in compulsory dematerialised form. There are no pending complaints as on 31st March, 2007.

### Position of the Shareholders' Complaints received and redressed during the financial year 2006-07.

Types of Grievances	Total Complaints received during the year 2006-07	Total redressed	No. of Complaints pending as on 31.03.2007
Non-receipt of Dividend Warrant	20	20	Nil
Non-receipt of ECS Intimation Letter	8	8	Nil
Non-receipt of Annual Report	16	16	Nil
<b>Total</b>	<b>44</b>	<b>44</b>	<b>Nil</b>

Two Meetings of the Investors / Shareholders Grievance Committee were held in 2006-2007 on 28th April, 2006 and 24th October, 2006.

## Jay Shree Tea & Industries Limited



### Attendance record of the Investors / Shareholders Grievance Committee Meetings.

Name of Directors	No. of Meetings Attended
Shri S.S. Kothari	2
Shri S.K. Tapuriah	2
Shri D.K. Pant	2

## 7. GENERAL BODY MEETINGS

Following particulars are of the General Meetings held in last three years.

### Annual General Meeting

AGM	Year	Venue	Date	Time
Fifty eighth	2003-2004	Kala Kunj 48, Shakespeare Sarani Kolkata-700017	28th June, 2004	10.30 A.M.
Fifty ninth	2004-2005	-do-	29th June, 2005	10.30 A.M.
Sixtieth	2005-2006	-do-	27th June, 2006	10.30 A.M.

- No special resolutions passed in the last three AGMs.
- All the resolutions set out in the respective notices were passed by the shareholders.
- No special resolution was put through postal ballot during the year 2006-07 and no special resolution is proposed to be conducted through postal ballot.

## 8. DISCLOSURES

- There were no materially significant transactions with related parties as defined in Accounting Standard 18, "Related party Transactions" entered into by the Company that may have potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is regularly placed at the Board meetings. Disclosures of transactions with related parties as required under the same Accounting Standard have been incorporated in the notes to the accounts.
- There were no strictures or penalties imposed on the Company by Stock Exchanges or SEBI, or any statutory authority for non-compliance of any matter related to capital markets, during the last three years.
- There is no Whistle Blower mechanism in the Company.
- The Company has complied with all the applicable mandatory requirements and adopted some Non-mandatory requirements stipulated under Clause 49, such as requirements with regard to Remuneration Committee.

## 9. MEANS OF COMMUNICATIONS

Half-yearly / Quarterly report sent to each household of shareholders	: No, as the results of the Company are published in Newspapers
Any website, where displayed	: Yes, at <b>www.jayshreetea.com</b>
Whether, it also displays official news releases; and	: Yes
The presentations made to institutional investors or the analysts	: No
Newspapers in which results are normally published in	: Business Standard / Financial Express (all India edition) Kalantar / Pratidin (Bengal – local edition)
Whether Management Discussion & Analysis Report is a part of Annual Report or not	: Yes