



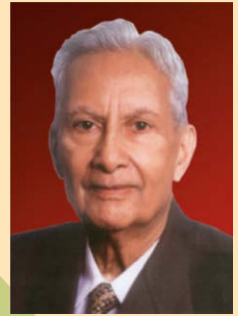
JAY SHREE TEA & INDUSTRIES LIMITED

68TH ANNUAL REPORT 2013 - 2014

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B K BIRLA GROUP OF COMPANIES



Our Chairman Syt. B. K. Birla

*STRONG FOUNDATION, SUSTAINED GROWTH,
PROVEN LEADERSHIP*

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.



JAY SHREE TEA & INDUSTRIES LIMITED

68TH ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2014

Corporate Information

BOARD OF DIRECTORS

Mr. B. K. Birla (*Chairman*)
Mrs. Jayashree Mohta
(*Vice-Chairperson*)
Mr. B. M. Khaitan
Mr. G. P. Goenka
Mr. S. S. Kothari
Mr. S. K. Tapuriah
Mr. Vikash Kandoi
(*Executive Director*)
Mr. D. P. Maheshwari
(*Managing Director*)

EXECUTIVES

Mr. R. K. Ganeriwala
(*President, CFO & Secretary*)
Mr. S. Basu
President (Tea Marketing & Exports)
Mr. P. K. Agrawal
President (Darjeeling & Dooars Tea Estates)
Mr. H. G. Singh
Vice President (Upper Assam Gardens)
Mr. B. K. Chaturvedi
Vice President (Taxation)
Mr. Rajan Goyal
Vice President (Tea Exports)

SOLICITORS

Khaitan & Co., L.L.P.,
1-B, Old Post Office Street,
Kolkata - 700 001

AUDITORS

M/s Singhi & Co.,
1-B, Old Post Office Street,
Kolkata - 700 001

REGISTRARS

Maheshwari Datamatics Pvt.Ltd.
6, Mangoe Lane,
Kolkata - 700 001
Ph : (033) 22435029/5809
Fax : (033) 22484787
E-mail : mdpl@cal.vsnl.net.in

BANKERS

Axis Bank Ltd.
DBS Bank Ltd.
Development Credit Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
IndusInd Bank Ltd.
ING Vysya Bank Ltd.
Kotak Mahindra Bank Ltd.
Punjab National Bank
Rabobank International
State Bank of India
UCO Bank
Yes Bank Ltd.

SHARE DEPTT.

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

STOCK EXCHANGES WHERE SHARES ARE LISTED

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

AUDIT COMMITTEE

Mr. S. K. Tapuriah (*Chairman*)
Mr. S. S. Kothari
Mr. D. P. Maheshwari

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. S. K. Tapuriah (*Chairman*)
Mr. S. S. Kothari
Mr. D. P. Maheshwari

NOMINATION AND REMUNERATION COMMITTEE

Mr. B. M. Khaitan (*Chairman*)
Mr. S. S. Kothari
Mr. S. K. Tapuriah

REGISTERED & HEAD OFFICE

"Industry House" (15th Floor)
10, Camac Street, Kolkata 700 017
Ph : (033) 22827531-34, Fax : (033) 22827535
E-mail : webmaster@jayshreetea.com
Website : www.jayshreetea.com
CIN : L15491WB1945PLC012771

MUMBAI OFFICE

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

AHMEDABAD OFFICE

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

NEW DELHI OFFICE

620-A, Faiz Road, 2nd Floor
Karol Bagh, New Delhi 110 055
Phone : (011) 23633717/23522149
Fax : (011) 236337/47

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Notice

To the Shareholders

NOTICE is hereby given that the Sixty Eighth Annual General Meeting of the Company will be held on Friday, the 1st August, 2014 at 10.30 A.M. at "Kala Kunj" 48, Shakespeare Sarani, Kolkata 700 017 to transact the following businesses :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, Statement of Profit and Loss for the Financial Year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To consider declaration of dividend by the Company, as recommended by the Board of Directors for the Financial Year ended March 31, 2014.
3. To appoint a Director in place of Mrs. Jayashree Mohta, who retires by rotation and is eligible for re-appointment.
4. To appoint M/s. Singhi & Co., Chartered Accountants, Statutory Auditors of the Company who shall hold office from the conclusion of this Annual General Meeting until the conclusion of 71st Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS :

5. Appointment of Mr B. M. Khaitan as an Independent Director for a term of five years

To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read together with relevant rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, Mr. B.M.Khaitan, (holding DIN-00023771) be appointed and designated as Independent Director of the Company 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 Non-Executive Independent Director of the Company to hold office for five consecutive years for a term upto March 31, 2019."

"RESOLVED FURTHER THAT Mr. B.M.Khaitan is not liable to retire by rotation upto March 31, 2019"

6. Appointment of Mr. G. P. Goenka as an Independent Director for a term of five years

To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read together with relevant rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, Mr. G. P. Goenka (holding DIN-00030302), be appointed and designated as Independent Director of the Company 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 Non-Executive Independent Director of the Company to hold office for five consecutive years for a term upto March 31, 2019."

"RESOLVED FURTHER THAT Mr. G. P. Goenka is not liable to retire by rotation upto March 31, 2019"

7. Appointment of Mr. S. S. Kothari as an Independent Director for a term of five years

To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read together with relevant rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, Mr. S.S.Kothari, (holding DIN-00084920) be appointed and designated as Independent Director of the Company 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 Non-Executive Independent Director of the Company to hold office for five consecutive years for a term upto March 31, 2019."

"RESOLVED FURTHER THAT Mr. S. S. Kothari is not liable to retire by rotation upto March 31, 2019"

Notice *(Contd.)*

8. Appointment of Mr. S. K. Tapuriah as an Independent Director for a term of five years

To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read together with relevant rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, Mr. S. K. Tapuriah (holding DIN-01065278), be appointed and designated as Independent Director of the Company 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 Non-Executive Independent Director of the Company to hold office for five consecutive years for a term upto March 31, 2019."

"RESOLVED FURTHER THAT Mr. S.K.Tapuriah is not liable to retire by rotation upto March 31, 2019"

9. Appointment of Mr.Subodh Kumar Agrawal as an Independent Director for an initial period of five years

To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read together with relevant rules made thereunder, including any statutory modification(s), re-enactment thereof for the time being in force, Mr. Subodh Kumar Agrawal, (holding DIN - 00553916) be appointed and designated as Independent Director of the Company 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 for five consecutive years for a term upto March 31, 2019."

"RESOLVED FURTHER THAT Mr. Subodh Kumar Agrawal is not liable to retire by rotation upto March 31, 2019"

10. Payment of overall and minimum remuneration to Mrs. Jayashree Mohta, Vice Chairperson in case of absence or inadequacy of profits in any financial year for the remaining tenure from 1.4.2014 to 31.3.2016

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, including any modification(s) or re-enactment thereof, if any of the Companies Act, 2013 (the Act) and subject to the approval of the Central Government (if required) and such consent(s), approval(s) and permission(s) as may be necessary in this regard the consent of the company be and is hereby accorded for payment of remuneration, as stated in the statement annexed hereto as overall and minimum remuneration to Mrs Jayashree Mohta, (holding DIN - 01034912), a Whole-time Director, designated as Vice-Chairperson of the Company for her remaining tenure of two years w.e.f. 01.04.2014 to 31.03.2016."

"RESOLVED FURTHER THAT the Board and/or its committee be and is hereby authorized in its absolute discretion to decide/determine, fix and/or vary/alter /modify within the limit stated above, the components of Remuneration (including Minimum Remuneration in the event of absence or inadequacy of profits in any financial year) payable to Mrs Jayashree Mohta from time to time and to comply with legal provisions and to do all such acts, deeds, things and matters and ancillary and consequential things as may be considered necessary and to settle all questions or difficulties whatsoever that may arise to give effect to the above resolution."

11. Re-appointment of Mr.Vikash Kandoi, Whole-time Director under the designation "Executive Director" for a term of three years w.e.f. 1.4.2015

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 196, 197, 203 read with Schedule V and other applicable provisions, including any modification(s) or re-enactment thereof, if any of the Companies Act, 2013 (the Act) or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard, the consent of the company be and is hereby accorded for the re-appointment of Mr. Vikash Kandoi, (holding DIN - 00589438), as a Whole-time Director under the designation "Executive Director" of the Company for a period of three years w.e.f. 01.04.2015, liable to retire by

Notice *(Contd.)*

rotation, on the remuneration and terms and conditions enumerated in the Statement attached hereto as recommended by the Nomination and Remuneration Committee and/or approved by Board from time to time and as may be acceptable to Mr. Vikash Kandoi."

"RESOLVED FURTHER THAT, notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2014 during the tenure of Mr. Vikash Kandoi as Whole- time Director of the Company, the Company incurs loss or its profits are inadequate, the company shall pay Mr. Vikash Kandoi the remuneration by way of salary, perquisites and allowances as a minimum remuneration but not exceeding the limits specified under Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

"RESOLVED FURTHER THAT the Board and/or its committee be and is hereby authorized in its absolute discretion to decide/determine, fix and/or vary/alter /modify within the limit stated above, the components of Remuneration (including Minimum Remuneration in the event of absence or inadequacy of profits in any financial year) payable to Mr. Vikash Kandoi from time to time and to comply with legal provisions and to do all such acts, deeds, things and matters and ancillary and consequential things as may be considered necessary and to settle all questions or difficulties whatsoever that may arise to give effect to the above resolution."

12. Re-appointment of Cost Auditor of the Company for the year 2014-15

To consider and if thought fit, to pass with or without modifications, the following Resolution as a Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, the Cost Auditor appointed by the Board of Directors of the company to conduct the audit of cost records for the year 2014-15 be paid the remuneration as set out in the statement annexed hereto."

"RESOLVED FURTHER THAT, the Board is hereby authorized to do all acts and take all steps to give effect to the above resolution."

Registered & Head Office :

"Industry House"
10, Camac Street, Kolkata 700 017

Dated, the 26th May, 2014

By Order of the Board
For **Jay Shree Tea & Industries Limited**

R. K. Ganeriwala
(President, CFO & Secretary)

Notice *(Contd.)*

NOTES :

- a) EVERY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORMS SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
- b) The Equity Share Transfer Registers will remain closed from 24.07.2014 to 01.08.2014 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.
- c) The dividend on Equity Shares as recommended by the Board, if declared, will be payable on or after 1st August, 2014 to those members whose names appear on the Register of Members of the Company as on 1st August, 2014 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.
- d) 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.
- e) 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 :

Dividends for the year	Date of declaration of dividend	Due date of transfer to the Fund
2006-2007	28.06.2007	2nd August, 2014
2007-2008	27.06.2008	2nd August, 2015
2008-2009	29.06.2009	2nd August, 2016
2009-2010	25.06.2010	2nd August, 2017
2010-2011	22.09.2011	26th October, 2018
2011-2012	25.07.2012	28th August, 2019
2012-2013	29.07.2013	2nd September, 2020

- f) 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 364A01020.
- g) 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.
- h) The members who have not yet registered their e-mail address are requested to do so to support the green initiative in the Corporate Governance.
- i) Information about the Directors retiring by rotation as required under clause 49 of the Listing Agreement with the Stock Exchanges.

Mrs. Jayashree Mohta

Mrs. Jayashree Mohta, aged about 63 years, holding 967770 shares is the Whole time Director designated as "Vice

Notice (Contd.)

Chairperson" of the Company w.e.f. 1st April 2011. Mrs. Mohta holds a Bachelors degree in Arts. She has more than 20 years of experience in the business management, tea, sugar, chemicals and fertilizers industries and in particular, having perfect palate for tea tasting which guides in proper valuation of high value teas. She is actively involved in various educational institutions on pan India basis and development of art and culture in India. She is the Honorary Consul of Belgium of Kolkata.

Directorships held in other companies :

North Tukvar Tea Co.Ltd., B.K.Birla Foundation, Avadh Mercantile Co.Ltd., Gagan Services Pvt.Ltd., Sanjay Estates Pvt.Ltd., Universal Plastocrafts Pvt.Ltd. and Jayashree Finvest Pvt.Ltd.

- (J) In compliance of provisions of Section 108 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide facility to members to exercise their right to vote at the 68th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by CDSL.

The Company has signed an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their vote electronically.

e-Voting Procedure

The instruction for members for voting electronically are as under :

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the JAY SHREE TEA & INDUSTRIES LTD. from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user, follow the steps given below :

For Members holding shares in Demat Form & in 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)
	<ul style="list-style-type: none"> ▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ▪ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1, then enter RA00000001 in the PAN field - Sequence number is communicated in the Covering Letter.

Notice *(Contd.)*

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.
	<ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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 can be 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant JAY SHREE TEA & INDUSTRIES LTD. on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password, then Enter the User ID and the image verification code and 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 upload a scanned (pdf) copy of the Registratation Form bearing the stamp and sign of 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) which they wish to vote on.
 - 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 Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy :

- (a) Please follow all steps from Sl.No.(i) to Sl.no.(xvii) above to cast vote.
- (b) The voting period begins on Wednesday, the 23rd July 2014 from 10.00 a.m.(IST) and ends on Friday, the 25th July 2014 at 6.00 p.m.(IST). During this period shareholders of the company, holding shares either in physical form or

Notice *(Contd.)*

in dematerialised form, as on the cut-off date (record date) of 20th June 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (c) 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
- (k) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company.
- (l) The Board of Directors of the Company at their meeting held on 26th May 2014 has appointed Mr. A. K. Labh, Practicing Company Secretary as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is: aklabhcs@gmail.com
- (m) The result of voting will be announced at the Annual General Meeting of the company to be held at 'Kala Kunj', 48, Shakespeare Sarani, Kolkata 700 017 on Friday, the 1st August 2014 at 10.30 A.M. The result of the voting will be communicated to the stock exchanges and will also be hosted on the website of the company www.jayshreetea.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 5

Mr. B. M. Khaitan, 86 years, is an Independent Non- Executive Director of our Company. Mr. Khaitan holds a Bachelors degree in Commerce from Calcutta University. He has been associated with our Company as a Director since 1970. He has more than 50 years of experience in tea industry, batteries and engineering. He is a renowned Industrialist having interest in tea, batteries and engineering.

Mr. Khaitan holds 200 Shares in the Company.

Mr. Khaitan holds directorship of the under stated other companies in India:

Williamson Magor & Co. Ltd., McLeod Russel India Ltd., Eveready Industries India Ltd., Babcock Borsig Ltd., CESC Ltd.

He also holds Chairmanship of the Remuneration Committee of the company and membership in Audit Committee of CESC Ltd.

Mr. Khaitan is a director whose period of office is liable to determination by retirement of directors by rotation under erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Khaitan being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto March 31, 2019. A notice has been received from a member proposing Mr. Khaitan as a candidate for the office of the director of the Company.

In opinion of the Board, Mr. Khaitan fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. Copy of draft letter of appointment of Mr. Khaitan as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered office of the Company during 10:00 A.M. to 3:00 P.M. on all working days.

The Board considered that his continued association would be of immense benefit to the Company and is desirable to continue to avail services of Mr. Khaitan as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Khaitan as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Khaitan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item no. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.