



Terai Tea Company Limited

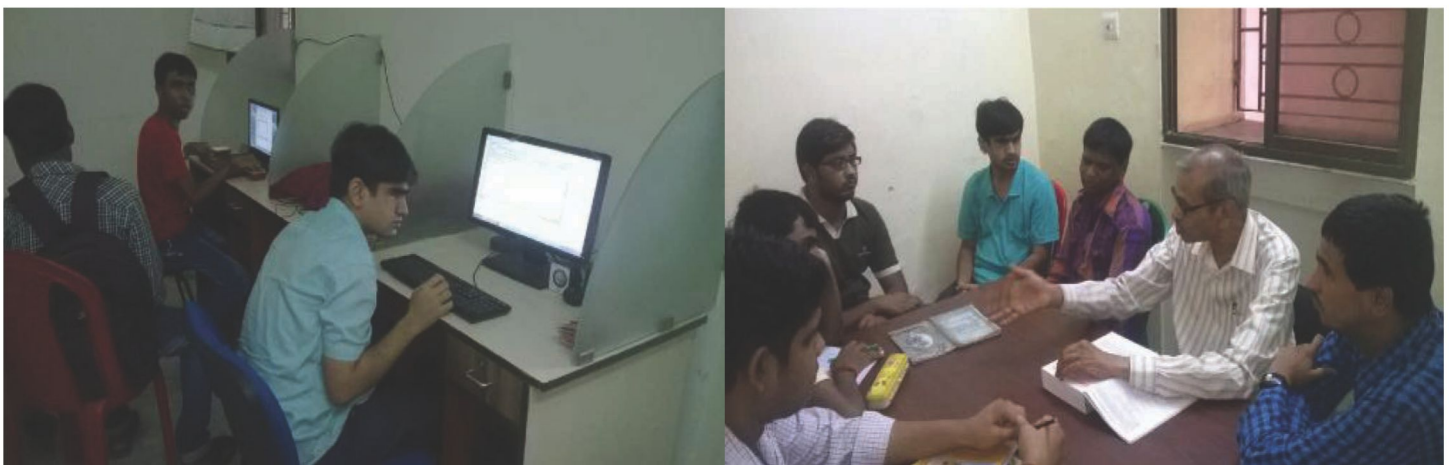
Annual Report 2015-16



Corporate Social Responsibility



Saree/ Pant Length Distribution to all Tea Garden Workers of "Terai Group" held in May, 2016.



Free Education/ Musical Training / Computer Education is given to visually impaired Children at "Amit Agarwala School for Blind" at Kolkata.



TERAI TEA COMPANY LIMITED
43rd Annual Report For The Year Ended 31st March, 2016.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ajit Kumar Agarwala, *Managing Director*
DIN No. : 00265775
Mrs. Shashikala Agarwala, *Non-Independent Director*
DIN No. : 00260171
Mr. Milan Krisna Sarkar, *Independent Director*
DIN No. : 05272885
Dr. Jayantakumar Natwarlal Raja, *Independent Director*
DIN No. : 06884343
Mr. Rajendra Kanodia, *Non-Independent Director & CFO*
DIN No. : 00175574
Mr. Hemant Kumar Agarwal, *Independent Director*
DIN No. : 02308200

KEY MANAGERIAL PERSONNEL

Mr. Ajit Kumar Agarwala
Managing Director
Mr. Rajendra Kanodia
CFO
Mr. Roshan Dave
Company Secretary

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Roshan Dave

BOARD COMMITTEE :-

a) AUDIT COMMITTEE

Mr. Hemant Kumar Agarwal (*Chairman*)
Dr. Jayantakumar Natwarlal Raja
Mr. Milan Krisna Sarkar

b) NOMINATION & REMUNERATION COMMITTEE

Mr. Milan Krisna Sarkar (*Chairman*)
Dr. Jayantakumar Natwarlal Raja
Mr. Hemant Kumar Agarwal

c) STAKEHOLDERS RELATIONSHIP COMMITTEE

Dr. Jayantakumar Natwarlal Raja (*Chairman*)
Mr. Milan Krisna Sarkar
Mr. Hemant Kumar Agarwal

AUDITORS

P.K.Shah & Co.
Chartered Accountants.
Hill Cart Road,
Siliguri - 734001

BANKERS

Central Bank of India
Bank of India
Corporation Bank
Yes Bank
IndusInd Bank

SOLICITORS & LEGAL ADVISORS

Jhunjhunwala & Co.
Solicitors & Advocates
7C, K.S.Roy Road,
Kolkata - 700001

SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, Kolkata - 700001
Ph.: (033) 2243-5029/5809
Fax: (033) 2248-4787
Email - mdpl@vsnl.net.in

REGISTERED OFFICE

10, Government Place (East),
1st Floor, Kolkata - 700069
Phone : (033) 40214411-44 (34 Lines)
Fax : (033) 2248-9182
Email : teraitea@gmail.com
Website : www.terai-group.com

CORPORATE OFFICE

"Agarwala House"
Sevoke Road, 2nd Mile
Siliguri - 734 001
Phone : (0353) 2543-857/8
Fax : (0353) 2542-656
Email : slg_teraitea@sancharnet.in

CIN :

L51226WB1973PLC029009

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TERAI TEA COMPANY LIMITED

REGD. OFFICE : EZRA MANSION, 10, GOVERNMENT PLACE (EAST), 1ST FLOOR, KOLKATA- 700069

Phone : (033) 40214444 • E-mail : teraitea@gmail.com • Website : www.terraigroup.com

CIN : L51226WB1973PLC029009

Notice

NOTICE is hereby given that the 43rd Annual General Meeting of the members of “**TERAI TEA COMPANY LIMITED**” will be held on **Friday, the 30th September, 2016 at 10.30 A.M.** at its Registered Office - 10 Government Place (East), 1st Floor, Kolkata – 700069 to transact the following business:

ORDINARY BUSINESS:

- 1) To consider and adopt the audited financial statement of the Company for the financial year ended 31st March 2016, the reports of the Board of Directors and Auditors thereon;
- 2) To appoint a Director in place of Mrs. Shashikala Agarwala (DIN: 00260171), who retires by rotation and being eligible, offers herself for re-appointment.
- 3) To ratify the appointment of Auditors of the Company, and to fix their remuneration and to pass, with or without modifications, the following resolution as an **Ordinary Resolution** :

“**RESLOVED THAT**, pursuant to the provisions of Section 139, 142 and other applicable, if any, of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors and pursuant to the resolution passed by the members at the Annual General Meeting held on 29th September 2015, the appointment of M/S. P.K. Shah & Co., Chartered Accountants, (Firm Registration no. 308150E) as Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2017, as may be determined by the Audit committee in consultation with the Statutory Auditors.”

SPECIAL BUSINESS:

4) Approval of the remuneration of the Cost Auditors of the Company for the year 2016-17:

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

“**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 the cost records of the Company for the financial year 2016-17 be paid the remuneration as set out in the statement annexed hereto.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps to give effect to the above resolution.”

5) Re-appointment of Mr. Ajit Kumar Agarwala as the Managing Director of the Company:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolutions** :

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, and the Rules made thereunder of Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), subject to approval of the members of the company be and is hereby accorded to the re-appointment of Mr. Ajit Kumar Agarwala (DIN. 00265775) as the Managing Director of the Company for a period of three years from 13th August, 2016 to 12th August, 2019 and will be liable to retire by rotation and concurrent termination of the earlier appointment for residual tenure due to expire on 31st March, 2017, upon terms and conditions including remunerations as set out in the draft agreement to be entered into by the Company with Mr. Ajit Kumar Agarwala before the meeting duly initiated by the chairman for the purpose of identification and which draft is hereby specifically approved.”

By order of the Board
For Terai Tea Company Limited

Registered Office:

10, Government Place (East)

Kolkata – 700 069

Dated, 13th August, 2016

Sd/-

Roshan Dave

Company Secretary

ACS - 27185



Notice (Contd.)

NOTES:

- 1) ***A member entitled to attend and vote at the Annual General 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.***
In terms of Rules 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint single person as proxy and such persons cannot act a proxy for any other person or shareholder.
- 2) A Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- 3) The Equity Share transfer Registers of the Company will remain closed from September 23rd, 2016 to September 30th, 2016 (both days inclusive) for the purpose of Annual General Meeting.
- 4) Information about the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed separately.
- 5) Members are requested to update their e-mail address to teraitea@gmail.com or mdpl@cal.vsnl.net.in to support the "Green Initiative" in the Corporate Governance.
- 6) Members desiring any information as regard accounts are requested to intimate the company at least ten days before the meeting to enable the management to keep the information required readily available at the meeting.
- 7) 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 ISIN INE 390D1011.
- 8) Members are requested to notify immediately any change of their address, if any, to the Company in case shares are held in physical form or to the DP's, where the account is maintained, if held in demat form.
- 9) To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules 2014, the Company shall be required to update its database by incorporating members' designated e-mail ID in its records.
- 10) Members are requested to quote folio numbers in all their correspondence. Equity Share of the Company are under compulsory Demat trading by all investors. Considering the advantage of scripts trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.
- 11) Members/Proxies should bring the attendance slip duly filled in for attending the Meeting.
- 12) Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 13) Electronic copies of the Annual Report are being sent to all the members whose e-mail id are registered with Company/ Depository Participant(s) for communication purpose unless any members has requested for a hard copy of the same, for members who have not registered their email address, physical copies of Annual Report is being sent in the permitted mode.
- 14) Electronic copy of the Notice of this Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purpose unless any members has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notices of the 43rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of this meeting and the Annual Report will also be available on Company's website www.teraigroup.com for their download.
- 15) Proxy holders are requested to carry valid ID proof such as PAN Card, Voter Card, Passport, Driving Licence, Aadhar Card etc. along with the printed attendance slip.
- 16) **Voting through electronic means :**
e- voting to enable the shareholders to cast their vote electronically.

Notice (Contd.)

- I. Pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 43rd Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). The Company has signed an agreement with CDSL for e-voting facility -

The instructions for e- voting are as under:

The voting period begins on 26th September, 2016 at 10.00 A.M and end on 29th September, 2016 at 5.00 P.M. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date 26th August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members as on the "cut off date" i.e. 26th August, 2016, attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.

In Case of members receiving e-mails:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "Terai Tea Co 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 and 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)- 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 Attendance Slip/ Covering Letter.
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. • 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 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.

Notice (Contd.)

- (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 "Terai Tea Co. 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 "RESOLUTIONS 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.
- (xviii) Note for Institutional Shareholders
 - 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 compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which the 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 his mail ID : goenka.mohan@gmail.com

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 Monday, the 26th September, 2016 from 10.00A.M (IST) and ends on Thursday, 29th September, 2015 at 5.00 P.M (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 26th August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

- 17. The shareholders shall have one vote per equity share held by them as on the cut-off date, i.e., 26th August, 2016. The facility of e-voting would be provided once for every folio/client id, irrespective of the number of joint holders.
- 18. Shri Mohan Ram Goenka, Practicing Company Secretary, (FCS-4515) of MR Associates, Company Secretaries, Kolkata has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner. The scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two(2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- 19. The results shall be declared on or after the AGM, but not later than three days from the conclusion of the date of the AGM. The results declared alongwith the Scrutinizer's Report shall be placed on the website of CDSL within and will be communicated to the Stock Exchange where the Company's Shares are listed.

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

Item No. 4

In pursuance of section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a Cost

Notice (Contd.)

Accountant in practice on the recommendations of the Audit Committee, which shall also recommended remuneration for such Cost Auditors. The Remunerations recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee and its meeting held on 30th day of May, 2016, the Board has considered and approved appointment of Mr. Debabroto Banerjee, Cost Accountant, for conducting the Cost Audit of the Company at a remuneration of ₹ 10,000/- plus service taxes applicable and reimbursement of actual travel and out of pocket expenses for the financial year ended March 31, 2017.

The Resolution at Items No. 4 of the notice is set out as an Ordinary Resolution for approval and ratification by the members in term of section 148 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested in the Resolution mentioned at item No. 4 in the notice.

Item No. 5.

In the shareholders meeting held on 27th September 2014, the shareholders had re-appointed Mr. Ajit Kumar Agarwala as the Managing Director for a period of 3 years effective from 1st April, 2014 to 31st March, 2017. The tenure of his appointment expires on 31st March, 2017.

Keeping in view the vast experience of Mr. Ajit Kumar Agarwala, the Board in its meeting held on 13th day of August, 2016, subject to the approval of the members of the company in the Annual General Meeting has decided to re-appoint him as Managing Director of the company for a further period of three year w.e.f 13.08.2016 to 12.08.2019 on the remuneration and terms and conditions as set out herein. Accordingly this resolution is being proposed for the approval of the members.

TERMS & CONDITION

- A. **Salary** : Not exceeding ₹ 300,000/- per month with the authority granted to the Board of Directors (hereinafter referred to as "the Board" which terms shall include a Committee of Directors) to determine the salary and grant increases from time to time within the aforesaid limit.
- B. **Commission**: Not exceeding 0.50% of net profit in an accounting year as may be decided by the Board from time to time.
- C. **Allowance & Perquisites**: In addition to salary and commission, he will be entitled to allowance, perquisites, benefits, facilities and amenities (collectively "allowances and perquisites") such as Furnished residential accommodation or House Rent

Allowance in lieu thereof, maintenance of such accommodation, Gas, Electricity & Power, Water, Furnishings, Utility Allowance, Medical Reimbursement, Foreign Travel, Leave Travel Assistance / Allowances, Membership fees for Clubs, Hospitalization and Accident Insurance, Security at residence and any other "Allowance and Perquisites" as per the policy / rules of the company in force and / or as may be approved by the Board from time to time provided that aggregate value of such allowances & perquisites shall not exceed ₹ 12 lakhs per annum. "Allowances & Perquisites" to be valued as per the income Tax Rules, wherever applicable and at actual cost of the company in other cases.

In addition to the above, he will also be entitled to the following benefits as per policy/rules of the company in force or as may be approved by the Board from time to time.

- (i) Company maintained car(s) with drivers(s); (ii) Telephone(s) and fax at residence; (iii) company's contribution to Provident Fund and Super – Annuation Fund; (iv) Payment of Gratuity and other retail benefit; (v) Encashment of Leave and (vi) Long Service Award; (vii) Key Man Insurance Premium. The Board is authorized to fix actual remuneration and revise it from time to time within the aforesaid ceilings.

- D. The total remuneration including allowances and perquisites shall not exceed the limits specified in Schedule V to the companies Act, 2013.
- E. **Minimum Remuneration**: Notwithstanding anything to the contrary herein where in any financial year, during the currency of the tenure of the appointees, the company has no profits or its profits are inadequate, the company will pay remuneration as above shall be paid to him as minimum remuneration subject to the limit as set out in section 196 and 197 and any other applicable provisions of companies Act, 2013 read with schedule V of the Companies Act, 2013, to the appointees by way of salary, perquisites, allowances and incentives remuneration as specified above.

OTHER TERMS :

Apart from the above term & conditions governing remuneration, the terms of appointment provide for the term of office, the reimbursement of expenses incurred for the business of the company, provisions of earlier determination of the appointment by either party by giving not less than three months notice in writing. The agreement also provides for variations in the terms of appointment/ agreement in accordance with the Companies Act, 2013, in force from time to time.

Notice (Contd.)

The directors recommend the resolution set out in item No. 5 in the notice.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Dr. Ajit Kumar Agarwala and Mrs. Shashikala Agarwala wife of Mr. Ajit Kumar Agarwala are concerned or interested in the said Resolution mentioned at item No. 5 in the notice.

Information in terms of Schedule V of the Companies Act, 2013 for seeking approval of the shareholders are given here below:

I GENERAL INFORMATION:

1. Nature of Industry	Cultivation of Tea and Manufacturing of Tea
2. Date of Commencement of Commercial production	The Company is in manufacturing operations since the year 1973
3. In case of new companies, expected Date of Commencement of activities As per project approval by financial Institutions appearing in prospectus	Not Applicable
4. Financial Performance based on	As per Audited Financial Results for the year ended

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	31.03.2016	31.03.2015	31.03.2014
Revenue from operations (Net)	89,54,82,339	1,19,56,84,114	84,23,33,844
Profit before Interest, Depreciation & Tax	6,72,17,273	7,41,97,087	6,22,96,514
Interest (NET)	3,98,39,773	4,84,24,750	3,47,69,873
Profit before Depreciation & Tax (PBDT)	2,73,77,500	2,57,72,337	2,75,26,641
Profit before Tax	88,93,323	81,24,227	81,41,057
Profit after Tax (PAT)	1,08,33,590	59,86,113	40,96,866

5. Export Performance and Net Foreign Exchange earning : Not Applicable

6. Foreign Investors or collaborators if any : Not Applicable

II. Information about the Appointee:

a) Mr. Ajit Kumar Agarwala:

1. Background details:

Mr. Ajit Kumar Agarwala is an Arts Graduate and has been honored with a honorary degree of Doctor of Philosophy in Business Management by the Burkes University, U.K. He is with the Company since 1987. He looks after the overall management of the Company and is the Managing Director since 15.11.1994. He is Managing Trustee of Amit Agarwala Foundation, a Public Charitable Trust having multifarious charitable activities. Mr. Ajit Kumar Agarwala is Treasurer of “West Bengal Pradesh Congress Committee”. He is an executive member of All India Marwari Federation and Executive Committee member of CII, North Bengal Chapter.

2. Past Remuneration: (` In Lacs)

	31.03.2016	31.03.2015	31.03.2014
Salary (Including Perquisites)	36.72	30.72	24.00
Total	36.72	30.72	24.00

3. Recognition or Awards:

Mr. Ajit Kumar Agarwala has been granted “International Business Excellence” Award by International Business Council. “National Trade Excellence Award” was given to him for outstanding service, achievements and contributions. He has also been conferred with given “Rajiv Gandhi Sadbhavana” Award.

4. Job Profile and suitability:

Mr. Ajit Kumar Agarwala, the managing Director is entrusted with the power and authority to manage the day to day affairs of the company on a day to day basis subject to superintendence, direction and control of the Board of Directors. He is an experienced planter and has extensive knowledge of tea industry. His experience at various levels has helped him to successfully manage the affairs of the Company for last several years.

5. Remuneration Proposed:

The proposed remuneration is within the limit set out in schedule V of the companies Act, 2013.

Notice (Contd.)

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

The remuneration to Mr. Ajit Kumar Agarwala is purely based on merit and experience.

7. Pecuniary relationship directly or indirectly with the company relationship with the managerial personnel:

Mr. Ajit Kumar Agarwala has no pecuniary relationship with the company other than his remuneration as a Managing Director. He is related to Mrs. Shashikala Agarwala within the meaning of section 2 Clause 77 of Companies Act, 2013.

III. DISCLOSURES

1. Information to shareholders on the remuneration package of managerial personnel:

The Notice of the Annual General Meeting contains details of the Remuneration Package/Revision in the Explanatory Statement.

2. Disclosure under Corporate Governance in the Board of Director's Report:

The remuneration package payable to Mr. Ajit Kumar Agarwala, along with relevant details has been mentioned in the reports of Corporate Governance attached to Director's Report. There is no sitting fee, stock option etc. The period of appointment and remuneration shall be as per approval of Annual General Meeting resolution. The appointment may be terminated by giving three months notice. Mr. Ajit Kumar Agarwala is holding 25,76,800 shares of the Company.

By order of the Board
For Terai Tea Company Limited

Registered Office:

10, Government Place (East)

Kolkata – 700 069

Dated, 13th August, 2016

Sd/-

Roshan Dave

Company Secretary

ACS - 27185