

TYROON TEA COMPANY LIMITED

ANNUAL GENERAL MEETING

Date: 26th September 2011
Day: Monday
Time: 10.30 A. M.
Venue: Bharatiya Bhasha Parishad
36A, Shakespeare Sarani,
Kolkata – 700 017

Directors

A. K. JALAN
J. K. BHAGAT
B. K. SINGH
S. ISSAR
N. N. NAGPAUL

Company Secretary cum Cost Controller

K. C. MISHRA

Auditors:

MESSRS. LODHA & CO.
CHARTERED ACCOUNTANTS
14, GOVERNMENT PLACE EAST
KOLKATA - 700 069

Registrars & Transfer Agents:

R & D INFOTECH PRIVATE LTD.
CORPORATE OFFICE:
1st Floor, 7A, BELTALA ROAD,
Kolkata – 700 026
Phone Nos.: 033-24192641/42
Email: rd.infotech@vsnl.net,
investors@rdinfotech.in

CONTENTS:

1. Notice
2. Directors' Report
3. Corporate Governance Report
4. Auditors' Report
5. Balance Sheet
6. Profit & Loss Account
7. Cash Flow Statement
8. Schedules to Accounts.
9. Notes on accounts.

Bankers:

ALLAHABAD BANK

Garden:

TYROON TEA ESTATE
P. O. KHARIKATIA
DIST. JORHAT
ASSAM

Registered Office:

3, NETAJI SUBHAS ROAD
KOLKATA – 700 001

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are therefore requested to bring their copies of the Annual Report at the meeting.

TYROON TEA COMPANY LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of TYROON TEA COMPANY LIMITED will be held as scheduled below:

Date : 26th September 2011.

Day : Monday

Place : Bharatiya Bhasha Parishad
36A, Shakespeare Sarani,
Kolkata – 700 017.

Time: 10.30 A.M.

ORDINARY BUSINESS:

1. To receive, consider and adopt Reports of the Auditors and Directors and the Audited Accounts of the Company for the year ended 31st March 2011.
2. To Declare Dividend for the Financial year ending March, 2011.
3. To appoint a Director in place of Mr. A. K. Jalan, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. J. K. Bhagat, who retires by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

6. ORDINARY RESOLUTION

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

RESOLVED THAT as per Article 115 of the Articles of Association of the company and in terms of section 260 and other applicable provisions of the Companies Act, 1956 Mr. Narendra Nath Nagpaul who was appointed as an additional director at a meeting of the Board of Directors of the company with effect from 31st January, 2011 and a notice under section 257 of the Companies Act 1956 has been received from a member proposing his candidature for the office of directorship be and is hereby appointed as a director of the company whose period of office shall be liable to determination by retirement of directors by rotation.

7. SPECIAL RESOLUTION

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

RESOLVED THAT pursuant to section 314 and other applicable provisions of the Companies Act, 1956 hereinafter referred to as 'the Act' and any amendments thereto Mr. Anirudha Jalan a relative as defined in section 2 (41) and section 6 read with schedule IA to the Act of Mr. Arun Kumar Jalan a director of the Company be and is hereby appointed as Junior Executive of the Company with effect from 01-02-2011.

Registered Office:
"McLeod House"
3, Netaji Subhas Road,
Kolkata – 700 001

By Order of the Board
For Tyroon Tea Company Limited

K. C. Mishra
Company Secretary cum Cost Controller

The 30th day of July, 2011.

Notes:

1. PROXY

A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxy in order to be effective must be deposited with the Company at its Registered Office at least forty-eight hours before the commencement of the meeting.

2. CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will remain closed from 19th September 2011 to 26th September 2011 both days inclusive. Shares transfer requisition received at Messrs. R & D Infotech Private Ltd., or at the Registered Office of the Company by 5.00 P.M. on 19th September, 2011 will be in time for payment of Dividend subject to provision of Section 206A of the Companies Act, 1956.

3. DIVIDEND

PAYMENT OF DIVIDEND

Dividend if declared at the Annual General Meeting, will be paid to the Members whose names appear on the Register of members as on the book closure date in respect of Shares held in physical form and in respect of shares held in electronic form (Demat), dividend will be paid to the beneficial owners as per the list to be provided by the depositories, as on the Book Closure Date.

UNPAID OR UNCLAIMED DIVIDEND

Pursuant to section 205A of the Companies Act, 1956 all unclaimed / unpaid dividends upto the year ended 31st March, 1995 have been transferred to General Revenue Account of Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, West Bengal at Kolkata.

4. DEPOSITORY SYSTEM

The Company, consequent to introduction of the Depository System entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members, therefore now have the option of holding and dealing in the shares of the Company in the electronic form through NSDL or CDSL.

Effective from 28th May 2001, trading in the shares of the Company on any stock exchanges is permitted only in the dematerialised form.

5. LODGMENT OF TRANSFER DOCUMENTS

The instruments of share transfer complete in all respects should reach the Company prior to closure of the Register of Members as stated above.

6. CONSOLIDATION OF MULTIPLE FOLIOS

Shareholders who are holding shares in identical order of names in more than one folio, are requested to write to the Company enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio.

7. CHANGE OF ADDRESS

Members are requested to quote their Registered Folio Number in all correspondence with the Company and notify the Company immediately of change, if any, in their registered address and / or their mandates.

8. ATTENDANCE SLIP

Members are requested to handover the enclosed "Attendance Slip" duly signed in accordance with the specimen signatures registered with Company for admission to the Meeting Hall.

9. MEMBERS' QUERIES

Members desiring any information regarding Accounts are requested to write seven days in advance to the Company before the date of Meeting to enable the Management to keep full information ready.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE SPECIAL BUSINESS AS PER NOTICE OF ANNUAL GENERAL MEETING ON 26TH SEPTEMBER 2011

ITEM NO. 6

APPOINTMENT OF MR. NARENDRA NATH NAGPAUL AS A DIRECTOR OF THE COMPANY

As per Article 115 of the Articles of Association of the company and in terms of section 260 of the Companies Act, 1956 Mr. Narendra Nath Nagpaul who was appointed at a meeting of the Board of Directors of the company as an additional director with effect from 31st January, 2011.

Section 260 of the Companies Act, 1956 requires that an additional director will hold office as a director only upto the ensuing Annual General Meeting. Hence appointment of Mr. Nagpaul is to be done by passing an ordinary resolution at the Annual General Meeting.

In terms of Section 257 of the Company Act, 1956, the Company has received a notice in writing from a member proposing the candidature of Mr. Narendra Nath Nagpaul as a Director of the company whose period of office shall be liable to determination by retirement of directors by rotation.

Mr. Nagpaul has filed his consent to act as a director of the company, if appointed, under section 264 of the Companies Act, 1956 as well as Form 'DD-A' under Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003 in respect of Intimation by Director pursuant to Section 274(1)(g)

Mr. Narendra Nath Nagpaul's expertise and directorship details are provided in the Corporate Governance Report which forms part of the Annual Report 2010-11.

He has more than 45 years experience in the tea industry. His experience would be beneficial to the company.

Your directors recommend the resolution for approval by the members.

None of the directors of the company except Mr. Narendra Nath Nagpaul is concerned or interested in the said resolution.

ITEM NO. 7

APPOINTMENT OF MR. ANIRUDHA JALAN AS JUNIOR EXECUTIVE OF THE COMPANY

Pursuant to section 314 and other applicable provisions of the Companies Act, 1956 hereinafter referred to as 'the Act' and any amendments thereto Mr. Anirudha Jalan a relative (as defined in section 2 (41) and section 6 read with schedule IA to the Act) of Mr. Arun Kumar Jalan a director of the Company was appointed as Junior Executive of the Company with effect from 01-02-2011 at a meeting of the Board of Directors of the Company held on 31-01-2011.

Section 314 of the Act requires that appointment of a relative of a director is to be secured by a special resolution passed at a general meeting held before or after the appointment if the monthly salary is Rs. 10,000 or more. Since monthly salary of Mr. Anirudha Jalan is more than Rs.10,000 hence the special resolution is required.

Your Director feel that the remuneration paid to Mr. Anirudha Jalan is reasonable and in-line with the salary offered to other Junior Executive and will be in the interest of the Company.

A copy of the appointment letter of Mr. Anirudha Jalan is kept open for inspection by any member of the company at the Registered Office of the company at 3, Netaji Subhas Road, Kolkata-700 001 during office hours between 11.00 a.m. to 4.00 p.m. prior to the date of the Annual General Meeting and also at the Annual General Meeting.

Your directors recommend the resolution at item no. 7 of the notice for your approval.

None of the directors except Mr. Arun Kumar Jalan is concerned or interest in the said resolution.

Details of Directors Seeking Appointment at the Annual General Meeting

Particulars	Mr. A. K. Jalan	Mr. J. K. Bhagat	Mr. N. N. Nagpaul
DIN	00196846	00055972	00632063
Date of Birth	18/10/1938	22/11/1943	13/04/1943
Date of Appointment	28/07/1994	28/07/1994	31/01/2011
Qualification	Graduate	Graduate	B.Sc (Agri)
Nature of Experience Functional Area	Mr. Jalan, having 49 years of experience in Tea and Jute Industry	Mr. Bhagat, Industrialist, having rich business experience .	Mr. Nagpaul, having 45 years of experience in Tea Industry. He has worked in Jorhaut Tea Co. Ltd
Name of Directorship in other Companies	1. Rajgir Properties (P) Ltd.	1. Ludlow Jute & Specialist Ltd. 2. Ginni Filaments Ltd. 3. The Naihati Jute Mills Co. Ltd. 4. Ludlow Exports Ltd. 5. Ginni Flour & Foods Ltd. 6. Shiva Mercantile & Trading Co. (P) Ltd. 7. Bhagat Refineries & Chemicals (P) Ltd. 8. Dhan Lakshmi Trading Corporation (P) Ltd. 9. Reform Flour Mills (P) Ltd. 10. Vedant Credit Finance (P) Ltd. 11. Lotus Enclave (P) Ltd.	1. Rydak Enterprise & Investment Ltd. 2. Bhatkawa Tea Industries Ltd. 3. Jubilee Shipping & Logistics Ltd. 4. ABJ Industries (P) Ltd.
Membership/ Chairmanship of committee in public Company	NIL	1. Ludlow Jute & Specialist Ltd – Chairman Investor/ Shareholder Grievance Committee . 2. Ginni Filaments Ltd. – Member of Remuneration Committee / Investor / Shareholder grievance committee and Audit Committee.	

The above report was placed and approved by the Board at its Meeting held on 30th of July, 2011.

TYROON TEA COMPANY LIMITED

REPORT OF THE DIRECTORS

The Directors of the Company have pleasure in presenting the Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

FINANCIAL RESULTS :	Rs.	Rs.
Profit before Interest, Depreciation and Taxation		3,04,12,029
Less: Interest	27,17,203	
Depreciation	24,56,963	51,74,166
Profit / (loss) before tax		2,52,37,863
Less : Provision for Taxation		45,23,000
		2,07,14,863
ADD: EXCESS PROVISION OF INCOME TAX RELATING TO EARLIER YEAR WRITTEN BACK		14,42,999
Profit / (Loss) after tax		2,21,57,862
Less: Proposed dividend	34,02,100	
Tax on Proposed Dividend	5,65,046	(39,67,146)
Transferred to General Reserve		1,81,90,716

DIVIDEND:

The Board of Directors of your Company are pleased to recommend a final dividend of Re.1/- per equity share of Rs.10/- each (10%). (Previous year Nil), which will absorb a sum of Rs.39.67 Lacs including tax on dividend on paid up Capital of the Company, if approved in the Annual General Meeting.

DIRECTORS:

Mr. A. K. Jalan and Mr. J. K. Bhagat retire by rotation and being eligible offer themselves for re-appointment. Mr. N. N. Nagpaul appointed as an additional Director of the Company w.e.f. 31-01-2011. The required information about Mr. A. K. Jalan, Mr. J. K. Bhagat and Mr. N. N. Nagpaul as stipulated in clause 49 of the listing agreement, have been given separately. Mr. C. N. Tripathi, a director of the Company left for heavenly abode on 6th January, 11. The Board of Directors pray to the almighty may his soul rest in peace.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors confirm:

- I. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. that the directors had selected such accounting policies and applied them consistently and made judgements 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 that period;
- III. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- IV. that the directors had prepared the annual accounts on a going concern basis.

AUDITORS:

Messrs. Lodha & Co., Chartered Accountants will cease to hold office as Auditors of the Company at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. Necessary certificate has been obtained from the Auditors as per section 224 (1) of the Companies Act, 1956.

The other observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments under Section 217 of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES:

No employee of the Company was in receipt of such remuneration as to disclose particulars U/S. 217(2A) of the Companies Act, 1956 and rules framed thereunder.

ENERGY, TECHNOLOGY, FOREIGN EXCHANGE:

The information in accordance with the provisions of Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure 'A' which forms part of this Report.

REPORT ON CORPORATE GOVERNANCE

A separate report on Corporate Governance alongwith the Auditor's Certificate on its compliance is annexed to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industrial Structure and Development.

India is the largest producer of Tea in the world, producing about 980 million Kgs annually representing 40% of World Black Tea Production. The Tea Industry plays a vital role in the Indian Economy by way of contributing valuable foreign exchange and providing employment to a vast work force in remote areas.

During 2010 the Tea production in India was 967 million kgs against 980 million kgs in the previous year. The decline in the production was due to adverse weather condition and pest attack in some gardens in upper Assam. This is second consecutive year of shortfall in the all India Tea crop. Low inventory, lower production and continuous strong consumption growth has helped in maintaining price during the year. Global Tea Production increased during the year 2010 mainly due to substantial increase in Kenya and Sri Lanka

Opportunities, threats, risks and concern

The company has one tea estate together with own processing unit. Your company is committed to improve quality. Tea continues to enjoy the status of a popular beverage in the world. The huge domestic market offers a significant opportunity for the Tea industry in India. Tea is now also being promoted as a health drink and offers significant opportunities for increase in consumption world wide. Increase in demand of orthodox Tea in Foreign countries should have a positive impact on export.

Out Look

The health of our industry depends to a large extent on the geographical conditions which are outside the realm of the control of the company. The tea industry is a highly labour intensive. The wages of workers are determined according to periodic wage settlement agreement which often increase the labour cost to a significant extent irrespective of any improvement in productivity and realisation. World tea production during the 1st half of 2011 is estimated to be behind last year's actual. However exports from India are below last year's figure till now and may put some pressure on prices prevailing in India.

Internal Control System and there adequacy

The Company has an adequate Internal Control system to ensure proper and efficient use of the company's resources, their protection against any unauthorized use, accuracy in financial reporting and due compliance of the company policy procedure as well as the statutes. Statutory and internal auditors also review its implementation and progress at periodic intervals and take corrective action where any short comings are identified. The audit committee similarly reviews the internal control system and provides guidance for improvement.

Financial and operational performance

During the year 2010-2011 the company reported a net sale of Rs. 21.67 Crores and net profit for the year ended 31st March 2011 after tax of Rs. 2.22 Crores. The management took necessary steps to reduce debts to save on interest cost. Steps are also being taken to improve quality and increase production. The company started producing Orthodox Tea, which is expected to earn better prices.

Human resources and development

The company has around 1500 permanent employees employed at the tea estate. The labour welfare officer employed specifically for the purpose monitors the welfare of the workers. Your company runs a hospital, ambulance and dispensaries at its out divisions providing medical care to the employees.

Personnel

The Industrial relation remains satisfactory for the year under review.

ACKNOWLEDGMENT:

The Directors wish to express their appreciation to all officers, members, staff and workmen of the Company for valuable services rendered and dedication exhibited by them. They also express their gratitude to Tea Board and Bankers for their co-operation and support extended to the Company and express their thanks to Shareholders for their confidence and understanding.

Registered Office:
McLeod House"
3, Netaji Subhas Road,
Kolkata - 700 001.

FOR AND ON BEHALF OF THE BOARD

Kolkata, The 30th day of July, 2011.

DIRECTORS

TYROON TEA COMPANY LIMITED

ANNEXURE "A"

ANNEXURE TO DIRECTORS' REPORT

Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988.

(A) CONSERVATION OF ENERGY

1. Energy Conservation Measure taken: ---
2. Additional investments and : Installation of Automatic Voltage Regulator
proposals if any, being
implemented for reduction
of consumption of energy
3. Impact of the measures at : The cost of production has been reduced
(1) and (2) above for after installation of the energy saving
reduction of energy equipments barring increase in rates
consumption and consequent of inputs.
impact on the cost of
production.

4. Power and Fuel Consumption	Current Year	Previous Year
1. Electricity		
a) Purchased Unit	6,34,992	2,82,551
Total Amount (Rs.)	68,81,172	28,42,140
Rate / Unit	10.84	10.06
b) Own Generation		
i) Through diesel Generator		
Unit	3,17,404	81,871
ii) Units per Litre of diesel		
oil		
Cost/Unit (Rs.)	9.67	8.62
2. (a) Natural Gas		
Quantity (Scum)	8,16,864	8,33,745
Total Amount	63,72,144	50,14,747
Average Rate	7.77	6.01
(b) Consumption Per Unit of Production		
Black Tea (in Kgs.)	15,62,375	14,49,170
Electricity (In Unit)	0.41	0.19
Furnace Oil (in Litres)	---	---
Coal (in Kgs.)	---	---
Natural Gas (in Scum)	8,16,864	8,33,745
Natural Gas (per unit)	0.52	0.58

(B) RESEARCH AND DEVELOPMENT

1. Specific area in which R & D carried out by the Company – Vermiculture farming.

2. Future plan of action

Works are in hand to improve all aspects of field management which will improve both quality and production.

3. Expenditure on R & D

(a) Capital	:	
	:	
(b) Recurring	:	
	:	Rs.2,13,480.00
(c) Total R & D expenditure	:	
as percentage of total	:	
turnover.	:	

(C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts are being made towards technology absorption, adaptation and innovation: -

2. In case of imported technology (imported during the last 6 years from the beginning of the financial year) following information may be furnished:

(a) Technology imported (b) year of import (c) has technology been fully absorbed (d) if not fully absorbed areas where they have not taken place, reason and future plan of actions.

No Technology was imported during last 5 years.

FOREIGN EXCHANGE EARNING - Rs. Nil (Previous year Rs. Nil)

FOREIGN EXCHANGE OUTGO - Rs. 80,330 (Previous year Rs. 74,511)

Registered Office :
"McLeod House"
3, Netaji Subhas Road,
Kolkata - 700 001.

FOR AND ON BEHALF OF THE BOARD

DIRECTORS

Kolkata, The 30th Day of July, 2011.