

Tyroon Tea Company Limited

ANNUAL GENERAL MEETING

Date : 26th September, 2013
Day : Thursday
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 : 033-2419-2641 / 42
E-mail : rd.infotech@vsnl.net, investors@rdinfotech.in

Bankers :

ALLAHABAD BANK

Garden :

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

Registered Office :

3, NETAJI SUBHAS ROAD
KOLKATA - 700 001

CONTENTS

1. Notice	2
2. Directors Report	5
3. Corporate governance report	10
4. Auditors Report	16
5. Balance Sheet	20
6. Profit and Loss Account	21
7. Cash Flow Statement	22
8. Significant Accounting Policies	23
9. Notes to Financial Statement	25

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 2013.

Day : Thursday

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 2013.
2. To declare Dividend for the Financial year ending March 2013.
3. To appoint a Director in place of Mr. Arun Kumar Jalan, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Jugal Kishore Bhagat who retires by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

Registered Office :
"McLeod House"
3, Netaji Subhas Road,
Kolkata 700 001
The 14th day of May, 2013

By Order of the Board
For Tyroon Tea Company Limited
K. C. Mishra
Company Secretary
cum Cost Controller

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 2013 to 26th September 2013 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, 2013 will be in time for payment of Dividend subject to provisions 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. PAN DETAILS

The Securities and Exchange Board of India (SEBI) vide Circular Ref.No. MRD/DoP/Cir-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transaction. Thereafter, vide Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009 it was clarified that for securities market transaction and off market/private transactions involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTA for registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases :

Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholder(s).

Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.

Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

6. LODGEMENT 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.

7. 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.

8. 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.

9. 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.

10. 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.

Details of Directors seeking Appointment at the Annual General Meeting

Particulars	Mr. A. K. Jalan	Mr. J. K. Bhagat
DIN	00196846	00055972
Date of Birth	18/10/1938	22/11/1943
Date of Appointment	28/07/1994	28/07/1994
Qualification	Graduate	Graduate
Nature of Experience Functional Area	Mr. Jalan having 51years of experience in Tea and Jute Industry	Mr. Bhagat, Industrialist having rich business experience
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.
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 14th of May, 2013.

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, 2013.

FINANCIAL RESULTS :

	Rs.	Rs.
Profit before Interest, Depreciation and Taxation		3,38,13,910
Less : Interest	23,77,529	
Depreciation	31,67,640	55,45,167
Profit / (loss) before Tax		2,82,68,743
Less : Provision for Taxation		21,62,887
		2,61,05,856
Add : Excess Provision of Income tax relating to earlier year written back		NIL
Profit / (Loss) after Tax		2,61,05,856
Less : Proposed Dividend	34,02,100	
Tax on Proposed Dividend	5,51,906	(39,54,006)
Transferred to General Reserve		2,21,51,850

DIVIDEND :

The Board of Directors of your Company are pleased to recommend a dividend of Re. 1/- per equity shares of Rs. 10/- each (10%) (Previous year 10%), which will absorb a sum of Rs. 39.54 lacs including tax on dividend on paid up Capital of the Company, if approved in the Annual General Meeting.

DIRECTORS :

Mr. Arun Kumar Jalan and Mr. Jugal Kishore Bhagat retire by rotation and being eligible offer themselves for re-appointment. The required information about Mr. Arun Kumar Jalan and Mr. Jugal Kishore Bhagat as stipulated in clause 49 of the listing agreement, have been given separately.

Cost Audit :

The Ministry of Corporate Affairs ,Government of India by an Order directed Audit of the Cost Accounts maintained by the Company under Section 209(1)(d) of the Companies Act,1956 in respect of the Plantation Product on an yearly basis. In terms of the said Order Cost Audit is conducted by M/s. DGM & Associates, Cost Accountants, appointed with the approval of Ministry of Corporate Affairs (MCA) in term of the General Circular no. 15/2011 dated 11th April, 2011 issued by MCA.

DIRECTORS' RESPONSIBILITY STATEMENT :

Your Directors confirm :

- I. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- II. that the directors have 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 have 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 have 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 1112 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 2012 the Tea production in India was 1112 million kgs. against 988 million kgs. in the previous year. Increase in production compared to previous year is due to ideal weather condition upto October, 2012. Strong consumption growth, low inventory and normal production has helped in maintaining the price in domestic market.

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.

Outlook.

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 realization. Normal weather condition across all tea producing countries have increased the production during the 1st quarter of 2013-14. The average sale price is lower by Rs. 5 - 10 per Kg. as compared to last year price. Barring unforeseen circumstances the Company expects satisfactory working results.

Internal Control system and its adequacy.

The Company has an adequate internal control system to ensure proper and efficient use of the Company's resources, its protection against any unauthorised 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 shortcomings are identified. The Audit Committee similarly reviews the internal control system and provides guidance for improvement.

Financial & operational performance

During the year 2012-2013 the company reported a net sale of Rs. 22.50 Crores and net profit for the year ended 31st March 2013 after tax of Rs. 2.61 Crores. This is higher than the previous year mainly due to increase in average sale price. In spite of the increase in wages and other inputs cost the Management is able to increase the profitability by taking necessary steps to reduce debts and save interest cost. Steps are also being taken to improve quality and increase production.

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.

ACKNOWLEDGEMENT:

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.
The 14th day of May, 2013

For and on behalf of the Board
S. ISSAR
A. K. JALAN | 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 proposals if any, being implemented for reduction of consumption of energy : Installation of Automatic Voltage Regulator
3. Impact of the measures at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production. : The cost of production has been reduced after installation of the energy saving equipments barring increase in rates of inputs.

4. Power and Fuel Consumption

	Current Year	Previous Year
1. Electricity		
a) Purchased Unit	7,20,765	5,49,323
Total Amount (Rs.)	54,20,139	66,73,593
Rate / Unit	7.52	12.15
b) Own generation		
i) Through diesel Generator		
Unit	4,21,527	3,70,145
ii) Units per Litre of diesel Oil		
Cost/Unit (Rs.)	10.09	9.85
2. (a) Natural Gas		
Quantity (Scum)	6,78,783	7,78,369
Total Amount	82,24,692	81,31,450
Average Rate	12.12	10.45
(b) Consumption per Unit of Production		
Black Tea (in Kgs.)	14,15,470	14,28,745
Electricity (In Unit)	0.51	0.38
Furnace Oil (in Litres)	—	—
Coal (in Kgs.)	—	—
Natural Gas (in Scum)	6,78,783	7,78,369
Natural Gas (per unit)	0.48	0.54

(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
 - (c) Total R & D expenditure as percentage of total turnover

Rs. 1,70,788.00

(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 5 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. 7,29,987/- (Previous year Rs. 5,66,363/-)

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

The 14th day of May, 2013 .

For and on behalf of the Board
S. ISSAR
A. K. JALAN | Directors

ANNEXURE TO THE DIRECTOR'S REPORT.

CORPORATE GOVERNANCE REPORT 2013.

1. A brief statement on Company's philosophy on code of governance.

The Company's philosophy on corporate governance adopted by your Board is to ensure transparency consistent with the business environment in which the Company operates, in its dealings and operations as well as the functioning of the Management and the Board.

It seeks to enhance overall shareholder value over a sustained period of time.

2. Board of Directors.

The Company's Board of Directors comprises of five directors. There are no Executive Directors on the Board.

The Board met five times on the following dates during the financial year 2012-2013 as against the minimum requirement of four meetings and the maximum time gap between two meetings did not exceed three months.

30th April, 2012, 31st July, 2012, 26th September, 2012, 31st October, 2012 and 31st January, 2013

The names and categories of the Directors on the Board, their attendance at the Board Meeting held during the financial year 2012-2013 and at the last Annual General Meeting, and also the Directorship and Committee position held by them in other Public Limited Companies as on 31st March, 2013 are given below: -

The Information under Annexure I to Clause 49 of the Listing Agreement is made available to the Board.

The Company did not have any pecuniary relationship or transaction with the non executive Directors during 2012-2013.

Name	Category	Number of Board Meetings attended during the year 2012-2013	Whether attended AGM held on 26/09/2012	No. of Directorship held in other Public Limited Companies		No. of Committee position held in other Public Limited Companies	
				Chairman	Members	Chairman	Members
Mr. A. K. Jalan Director	Promoter Non Executive	5	NO	NIL	NIL	NIL	NIL
Mr. S. Issar Director	Independent Non Executive	5	YES	NIL	1	NIL	NIL
Mr. J. K. Bhagat Director	Non Independent Non Executive	3	NO	2	6	1	3
Mr. B. K. Singh Director	Independent Non Executive	5	NO	NIL	NIL	NIL	NIL
Mr. N. N. Nagpaul Director	Independent Non Executive	5	NO	NIL	3	NIL	NIL

3. Audit Committee

Mr. S. Issar	Chairman	Independent, Non-executive.
Mr. J. K. Bhagat	Member	Non-Independent, Non-executive.
Mr. B. K. Singh	Member	Independent, Non-executive
Mr. N. N. Nagpaul	Member	Independent, Non-executive

Mr. K. C. Mishra, Company Secretary cum Cost Controller acts as a Secretary to the Committee.

The Statutory Auditors, Internal Auditors and heads of the Finance are invitees to the Meetings.

The Audit Committee met four times during the year ended 31st March, 2013.

The Audit Committee met on the following dates during the financial year 2012-2013

30th April 2012, 31st July 2012, 31st October 2012, 31st January 2013.