



## JAGRAN PRAKASHAN LIMITED

Registered Office: Jagran Building, 2, Sarvodaya Nagar, Kanpur-208 005

### NOTICE OF POSTAL BALLOT

(Notice pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011)

Dear Shareholder(s)

This Notice is given pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, as amended from time to time, (the 'Postal Ballot Rules'), the approval of Equity shareholders of the Company through postal ballot and e-voting is sought for the amendment of the Jagran Prakashan Limited Employee Stock Option Plan ("ESOP Plan") and appointment of Mr. Satish Chandra Mishra as Whole Time Director (Production).

Accordingly, the Company has made necessary arrangements for conducting postal ballot and e-voting.

The Company has, in compliance with Rule 6 of the Postal Ballot Rules, appointed Mr. PMV Subba Rao, Practising Company Secretary, Hyderabad as Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

Further, the Company has engaged Karvy Computershare Pvt. Ltd. ('Karvy') to provide e-voting facility to the Equity shareholders of the Company. If an Equity shareholder has voted through e-voting facility, he is not required to send the Postal Ballot Form. If an Equity shareholder votes through e-voting facility and also sends his vote through the Postal Ballot Form, the votes cast through postal ballot shall only be considered by the Scrutinizer.

You are requested to read carefully the instructions printed overleaf of the Postal Ballot Form and return the Postal Ballot Form duly completed in the enclosed self addressed postage pre-paid envelope so as to reach the Scrutinizer on or before 5.00 p.m. on Friday, December 27, 2013. Postal Ballot Forms or electronic votes received after this date will be considered invalid. The Scrutinizer will submit his report to the Company on the completion of the scrutiny. The results shall be announced by a Director/Authorised Representative of the Company on Monday, December 30<sup>th</sup>, 2013 and display on the Notice Board at the Company's registered office situated at Jagran Building, 2, Sarvodaya Nagar, Kanpur – 208 005 at 5.00 p.m. on that day, besides being communicated to the BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE). The said results will be published, as per statutory requirements in this regard, in one English Newspaper and one Hindi Newspaper circulating in Kanpur. The same will be made available on the website of the Company [www.jplcorp.in](http://www.jplcorp.in)

The date of declaration of the result of the Postal Ballot and e-voting process as mentioned above shall be the date on which the proposed resolutions would be deemed to have been passed, if approved by requisite majority.

Pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the following special business shall be transacted by the Equity shareholders of the Company by passing the proposed resolutions through postal ballot process and e-voting:

#### Special Business:

##### Item No. 1:

#### To amend the Employees Stock Options Scheme

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

**"RESOLVED THAT** in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any amendment to or re-enactment thereof), (hereinafter referred to as "the Act") the provisions of Memorandum and Articles of Association of the Company, SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines") and, any other provisions of SEBI as may be applicable, and subject also to the consents, permissions and sanctions of such appropriate authorities, as may be necessary and subject to such terms & conditions as may be decided and imposed from time to time by the Board of Directors (hereinafter called "the Board" which term shall be deemed to include Compensation/Remuneration Committee or any other Committee(s) thereof for the time being exercising the powers conferred on the Board), at its sole discretion, consent, authority and approval of the Company be and is hereby accorded to the Board to amend the provisions of the Jagran Prakashan Limited Employee Stock Option Plan ("ESOP Plan") as set out below, *inter alia*, to align the ESOP Plan with the SEBI Guidelines as required by the SEBI circular no. CIR/CFD/DIL/7/2013 dated May 13, 2013.

1. Clause 10.1 of the ESOP Plan be amended to read as follows: "*The Exercise Price for a Grant shall be decided by the Committee at its own discretion at the time of the Grant keeping in view the Market Price of the Share as on the date of the Grant and the impact of the Exercise Price on financial statements of the Company.*"
2. Clause 12.2 of the ESOP Plan be amended to read as follows: "*In case allotment/transfer of Shares to the Participant through the Trust is envisaged, the Trust shall acquire Shares through subscription from the Company and/or through such other means permissible under applicable laws, regulations and guidelines to provide the Shares to the Participants upon Exercise of the Options under the Plan. For the purpose of acquisition of Shares by the said Trust, the Trust shall be funded by the Company, as the case may be, either through a loan or any other form of financial assistance permissible under Applicable Laws. It is clarified that the Trust shall not acquire Shares from the secondary market, unless acquisition of Shares from the secondary market is permissible under applicable laws, regulations and guidelines.*"

*Provided that if the Trust has acquired shares otherwise than through subscription from the Company prior to January 17, 2013, the Trust may continue to hold such shares and deal with them in accordance with applicable laws, regulations and guidelines."*

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized to exercise such powers, and to do all such acts, deeds, things and matters as required or considered necessary or incidental thereto and to settle any question or difficulty or doubts that may arise in connection therewith in the manner it may deem fit and appropriate."

**Item No. 2:**

**To appoint Mr. Satish Chandra Mishra as Whole Time Director (Production)**

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

**"RESOLVED THAT** pursuant to the provisions of Section 269, 198, 309 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof), the consent of the members be and is hereby accorded to the appointment of Mr. Satish Chandra Mishra as Whole Time Director (Production) of the Company for a period of five years with effect from January 01, 2014 on the following terms and conditions as recommended by the Remuneration/ Compensation Committee:-

**I. Salary**

Within a salary scale of Rs. 1,00,000 to Rs 2,00,000 per month to be reviewed every year by the Board/ Remuneration Committee.

**II. Perquisites**

1. The Whole Time Director shall be entitled to perquisites like furnished accommodation or house rent allowance in lieu thereof, together with reimbursement of expenses for utilisation of gas, electricity, water, re-imbusement of ordinary medical expenses and leave travel concession for self and his family including dependents, club fees, premium towards personal accident insurance and mediclaim and all other payments in the nature of perquisites and allowances as agreed by the Board of Directors, from time to time, subject however, that the aggregate monetary value of the perquisites per year not exceeding Rs 6,00,000 per annum .

**Explanation**

"Family" here means the spouse, dependent children and dependent parents of the Whole time Director.

For the purpose of calculating the above ceiling, perquisites shall be evaluated at actual cost. If the actual cost is not determinate, these shall be evaluated as per Income Tax Rules, wherever applicable.

Use of Company Car for official purposes and Telephone at residence (including payment for local calls and long distance official calls), shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

2. Gratuity payable as per the Rules of the Company and encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites to the extent the same are not taxable under the Income Tax Act.

**III. Overall remuneration**

The aggregate of the remuneration as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Whole Time Director from time to time, shall not exceed the limits prescribed from time to time under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may from time to time, be in force.

**IV. Minimum Remuneration**

Notwithstanding the foregoing, where in any financial year during the currency of the tenure of the Whole time Director, the Company has no profits or its profits are inadequate, the remuneration and other terms will be subject to Schedule XIII of the Companies Act, 1956.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

By the Order of the Board  
For Jagran Prakashan Limited

(Amit Jaiswal)  
Company Secretary

Date: November 25<sup>th</sup>, 2013  
Place: Kanpur

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

ITEM No. 1

The Company has formulated the Jagran Prakashan Limited Employee Stock Option Plan ("ESOP Plan") for which shareholder approval was granted by the special resolution passed on December 23, 2010. It is now proposed that certain amendments as detailed below be made to the ESOP Plan:-

- (i) ESOP Plan be amended to align it with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines") as amended by SEBI circular no. CIR/CFD/DIL/3/2013 dated January 17, 2013 ("SEBI Circular"). The Circular has amended the SEBI Guidelines to insert a new clause which prohibits the acquisition of shares from the secondary market for any employee stock option scheme. Accordingly, the ESOP Plan is proposed to be amended to remove the ability of the employee welfare trust, set up, inter alia, to administer the ESOP Plan, to acquire shares of the Company from the secondary market for the purposes of implementing the ESOP Plan, unless such acquisition of shares from the secondary market is permitted in the future. The last date for aligning the ESOP Plan with the SEBI Guidelines is December 31, 2013 as per SEBI circular no. CIR/CFD/DIL/7/2013 dated May 13, 2013.
- (ii) ESOP Plan be amended to revise the exercise price for the first grant to be made under the ESOP Plan from Rs. 165 to a price which shall be decided by the Compensation/ Remuneration Committee at the time when the grant is made, keeping in view the market price of the share and the impact of the exercise price on the financial statements of the Company. The exercise price of the options for the first grant is sought to be revised as the options with the exercise price of Rs.165 have been rendered unattractive due to fall in the price of the Company's shares in the market.

Information as required under Clause 6.2 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is mentioned below:

Sr. No.	Particulars	Disclosures
1.	Total number of options to be granted under the Plan	The total number of shares that can be issued under the Plan pursuant to exercise of options shall not exceed 50,00,000 Shares of Rs. 2/- each of the Company to eligible employees. The Compensation/Remuneration Committee constituted by the Board reserves the right to increase or reduce the numbers of shares as it deems fit.
2.	Identification of classes of employees entitled to participate in the Plan	All employees and directors (including whole-time directors) of the Company subject to such criteria as may be decided by the Compensation/remuneration Committee constituted for the purpose shall be entitled to participate in the Plan.
3.	Requirement of vesting and period of vesting	Options shall vest over a period of 3 years from the date of grant of options as under 33% on first anniversary of Grant Date 33% on second anniversary of Grant Date 34% on the third anniversary of Grant Date Except in case of death of the employee, for a valid vesting an employee is required to be in service with the Company on the Vesting Date and must neither be serving his notice for termination of service nor be subject to any disciplinary proceedings pending against him on the Vesting Date.
4.	Maximum period within which the options shall be vested	The maximum period within which the options shall be vested shall be 3 years from the Grant Date.
5.	Exercise Price or Pricing formula	The Exercise Price for an option shall be decided by the Committee at its own discretion at the time of the grant of option keeping in view the market price of the share as on the date of the grant and the impact of the exercise price on financial statements of the Company.
6.	Exercise Period and the process of exercise	Subject to the conditions laid down for terminal events (death, permanent incapacitation of the employee etc.) the vested options shall be exercisable within a period of 3 years from the Vesting Date. Exercise of the options shall take place at the time and place designated by the Compensation/ Remuneration Committee and by executing such documents as may be required employee or beneficiary, free and clear of any liens, encumbrances and transfer restrictions. An option shall be deemed to be exercised only when the Compensation/Remuneration Committee receives written and signed notice of exercise and the Exercise Price (in accordance with the Plan) from the employee/beneficiary.
7.	Appraisal process for determining the eligibility of the employees for options	The appraisal process for determining the eligibility of the employees will be in accordance with the Plan or as may be determined by the Compensation/Remuneration Committee at its sole discretion.

8.	Maximum number of options/ shares to be issued per employee and in the aggregate	The maximum aggregate number of Shares that may be allotted under the Plan shall not exceed 50,00,000 Shares of Rs. 2/- each of the Company. However, the Compensation/ Remuneration Committee reserves the right to shares to be allotted individually to each employee shall be decided by the Compensation/ Remuneration Committee at its own discretion.  During any one year, no employee shall be granted options equal to or exceeding 1% of the issued share capital (excluding outstanding warrants and conversions) of the Company at the time of grant of options.
9.	Method of Accounting	The Company shall use intrinsic value to value its options.
10.	Disclosure and Accounting policies	The Company will comply with the disclosure and accounting policies, as specified in clause 13.1 of the SEBI Guidelines. In case the Company calculates the employees compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used Fair Value of the options shall be disclosed in the Directors' Report and also the impact of this difference on profits and Earning Per Share ('EPS' of the Company shall also be disclosed in the Directors' Report).

The above has been approved by the Board of Directors of the Company and is subject to the approval of Shareholders in General Meeting.

In terms of Section 81(1A) of the Companies Act, 1956, it is required to obtain the approval of the shareholders, by way of passing of a Special Resolution in a General Meeting, for making any issue and allotment of shares upon exercise of the options to any person/s other than existing Equity Shareholders of the Company. Clause 7.2 of the SEBI Guidelines and Clause 20 of the ESOP Plan, requires a special resolution to be passed at a general meeting of the Company to amend or vary any of the terms and conditions of the ESOP Plan.

The Directors recommend the resolution for your approval. None of the Directors is interested in the resolution, except to the extent of options that may be granted to him/them under the ESOP Plan subject to the SEBI Guidelines.

ITEM No. 2

Mr. Satish Chandra Mishra (50 years) is bachelor of Engineering and holds post graduate diploma in management. He has experience of 30 years in the print media industry in production and general administration.

Mr. Satish Chandra Mishra is proposed to be appointed as Whole time Director (Production) for the period of 5 years with effect from January 01, 2014.

The Board is of the view that due to vast experience and knowledge of Mr. Satish Chandra Mishra, his appointment as the Whole Time Director (Production) on terms & conditions including remuneration, as enumerated in resolution no.2 will be in the interest of the Company.

The proposed resolution should also be construed as an abstract of terms and conditions of appointment of Mr. Satish Chandra Mishra Gupta, which is required to be sent to every member pursuant to Section 302 of the Companies Act, 1956.

Mr. Satish Chandra Mishra, himself is deemed to be concerned or interested in the resolution being director of the Company. He holds no other directorship in any public or private limited company.

The Board of Directors recommends the resolution for the approval of the members

By the Order of the Board  
For Jagran Prakashan Limited

(Amit Jaiswal)  
Company Secretary

Date: November 25<sup>th</sup>, 2013

Place: Kanpur