TATA COFFEE LIMITED

Annual Report 2018-19

TATA

About Tata Coffee

With business activities ranging from growing and curing of coffee and tea to the manufacture and marketing of value-added coffee products, Tata Coffee has a hand in every aspect of the coffee-making process. With utmost emphasis on sustainability and traceability, we are a leading player in the B2B instant coffee space. We also have a strong presence in the segments of Indian-origin green coffee beans, pepper and tea.

What's inside

Strategic report

Statutory reports

Financial statements

Forward-looking Statement

Good to grow

The romance associated with a perfectly brewed cup of coffee is brought to life by the untiring efforts of our people, who work hard to understand and satisfy evolving customer aspirations.

We look at growth not just in terms of numbers, but through the wide prism of superior experiences that we offer our customers globally and the opportunities that we create for our people and the wider stakeholder community. At Tata Coffee, our focus has been on growth that is holistic and binds all stakeholders together.

The coffee industry remains a dynamic environment and we are continuously seeking new growth opportunities. Over the years, we have charted a path of sustained growth driven by our strategic pillars of differentiation, premiumisation, capacity expansion and innovation.

We are well on our way to grow and achieve new milestones. If all this sounds good, read on for more.

Key highlights of 2018-19

₹98 CR
Profit before tax

₹703 CR
Revenue from operations

₹3.83
Earnings per share

CORPORATE IDENTITY

Nurturing the romance of coffee for decades

We trace our roots back to 1922 and are one of the world's largest integrated coffee cultivation and processing companies today. Part of the globally-respected Tata group, we produce some of the finest instant coffee, Indian-origin green coffee beans, pepper and tea. With sustainability and traceability at the heart of everything that we do, we also serve the Tata group's overarching objective of improving the quality of life of the communities we are present in.

Mission

Create distinctive long-term value for all stakeholders with coffee and allied plantation products embracing sustainable practices.

Values

- Customer focus
- Responsibility
- Innovation and Agility
- People-centric
- Transparency

Portfolio

Instant coffee
Our soluble coffee plants use modern technologies to give our customers the highest quality coffees.

» 08

Green bean
We grow our premium coffee beans in the hills of Coorg and Chikmagalur.

» 09

Pepper
Pepper is inter-cropped with tea and coffee across our estates.

» 10

Tea
We cultivate tea in the districts of Karnataka, and the Annamallais in Tamil Nadu.

» 11

Tata Coffee at a glance

19 coffee estates spanning
~8,000 HA*
in South India

Exclusive
supplier of roast and ground coffee to TATA Starbucks India

95%
coffee is premium export quality

2
roasteries, one of which is dedicated to Starbucks

100%
water capacity for Robusta plantation irrigation

3
instant coffee plants (2 in India and 1 freeze-dried plant in Vietnam)

~50%
of our employees are women

7 tea estates straddling
~2,400 HA*

* Total cultivated area

CORPORATE IDENTITY CONTD.

Building a global presence

Green coffee bean

Markets

Western Europe
Middle East
India
USA
Australia

Our estates

Anandapur (A)(R)
Balamany (A)(R)
Cannoncadoo (A)(R)
Cottabetta (A)(R)
Coovercolly (A)(R)
Jumboor (A)
Margolly (A)(R)
Nullore (A)(R)
Pollibetta (A)(R)
Sunticoppa (A)
Woshully (A)(R)
Yemmigoondi (A)(R)
Gubgul (A)(R)
Goorghully (A)(R)
Karadibetta (A)(R)
Merthikhan (A)(R)
Mylemoney (A)(R)
Ubban (A)(R)
Valparai (A)(R)

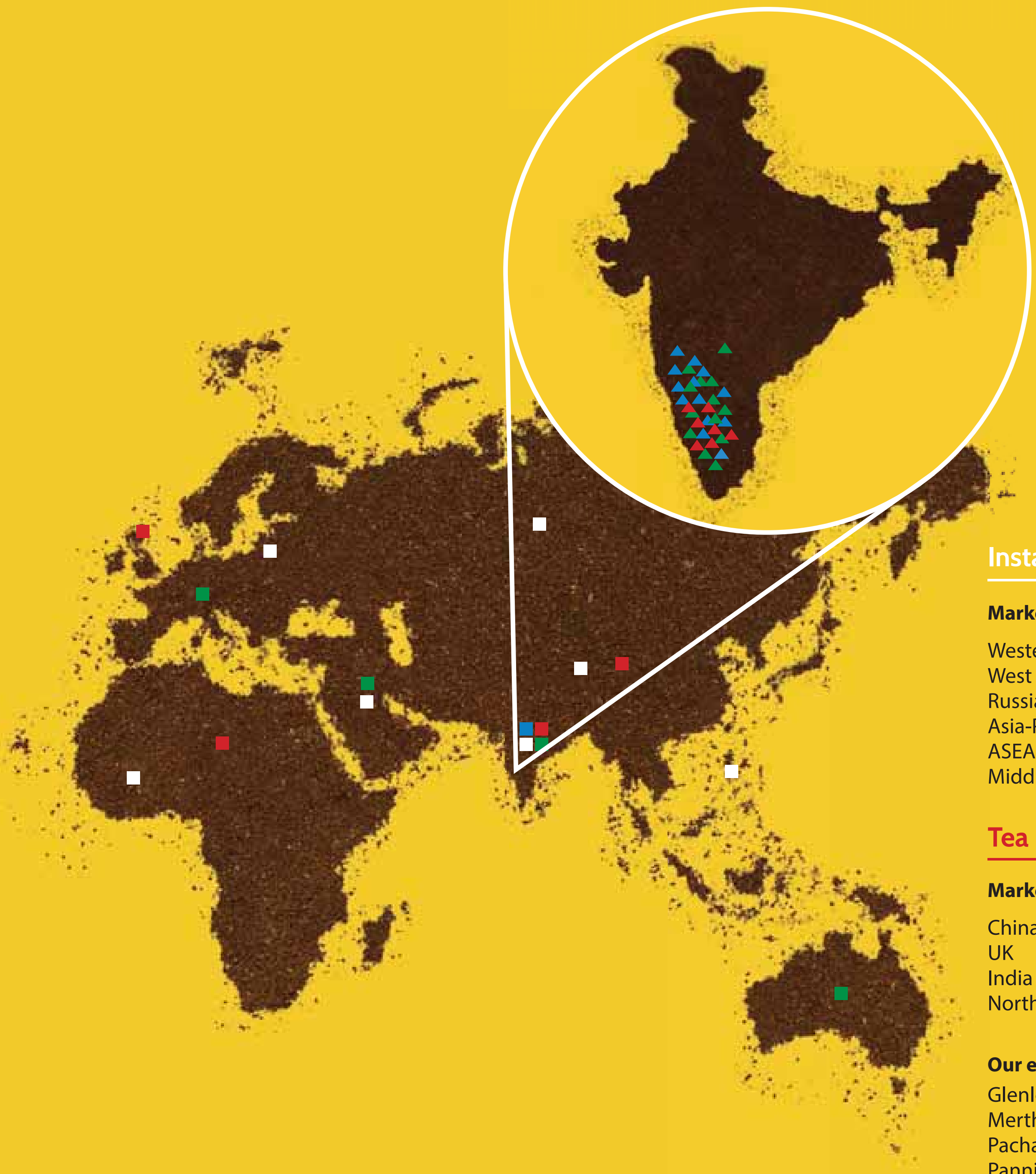
Pepper

Markets

USA
India

Our estates

Anandapur
Balamany
Cannoncadoo
Cottabetta
Coovercolly
Glenlorna
Jumboor
Margolly
Nullore
Pollibetta
Sunticoppa
Woshully
Yemmigoondi
Gubgul
Goorghully
Karadibetta
Merthikhan
Mylemoney
Ubban
Valparai



Instant coffee

Markets

Western Europe
West Africa
Russia
Asia-Pacific
ASEAN
Middle East

Tea

Markets

China
UK
India
North Africa

Our estates

Glenlorna
Merthikhan
Pachamalai
Pannimade
Uralikal
Velonie
Malakiparai

(A) Arabica
(R) Robusta

■ Markets
▲ Our estates

LETTER TO THE SHAREHOLDERS

Building on our legacy

Dear shareholders,

On behalf of Tata Coffee, I sincerely thank you for your continued support. It has been an incredibly humbling journey for me to serve and now lead Tata Coffee. I would also like to thank my predecessor, Sanjiv Sarin, for steering the Company to new heights over the past four years. Having worked all my professional career in Tata Global Beverages, its associate companies and now Tata Coffee, I feel immense pride and great satisfaction to be a part of the Tata group. I watch with awe and marvel at how the group touches and positively impacts millions of lives world over.

At Tata Coffee we have seen success, and we truly understand that it is not a 'what' that drives us, but a 'who'. Our journey, our success, is really about our people. Our industry is one that is critically dependent on skilled hands and experience. Our Company is fortunate to have teams whose expertise, knowledge and talent rival their passion and commitment to the brew.

Our objective in the past was to perfect the cuppa and deliver it to every coffee drinker. It is now our belief that we not only grow and curate exceptional coffee beans, but we also produce the finest instant coffee, tea and pepper. As we look forward, we aspire to create holistic value, at a larger scale, for every stakeholder along the supply chain.

I am happy to report that the 2018-19 fiscal, despite all the challenges of vagaries of weather, volatility in terminals and forex, has been an exciting year for Tata Coffee and our adherence to our strategy leaves us confident of a better year ahead.

The coffee landscape is inherently dynamic. Tastes and preferences globally are constantly changing and we know that there is already a discernible shift towards premium products. Consumers are increasingly seeking the best quality products at the right price. I believe in the next decade, beverage enthusiasts across the world will evolve rapidly and to stay relevant, we need to ensure that we evolve and stay ahead of the curve.

We are diversifying our interests and laying greater emphasis on adjacencies in the plantation sphere. We are ramping up the volume of our business by debottlenecking the supply chain, eliminating redundancies and rationalising intermediaries. Innovation is of paramount importance to ensure we accomplish more and quickly. We are pursuing efficiency in everything we do and are working towards a more cost-competitive model by investing in new technologies, further lessening our environmental impact and building our resources.

By redefining our go-to-market approach, we are continuing to develop stronger relationships directly with our customers. In markets where we can generate higher value by serving differentiated blends, we have focused on investing in new categories. Our new plant in Vietnam is the first step in our larger objective of acquiring a global footprint. All these efforts will impact the Company's top-line growth and deliver strong performance in the coming year and in the following years.

The seeds of growth have been sown; and we start the next phase of our journey together. We will harness the power of the Tata Coffee ecosystem to achieve our ambition of being the finest coffee and allied products company and drive sustainable and profitable growth.

Very few companies have the three elements required for long-term success: skill, passion and commitment. That we are well on track to achieve our ambitious targets proves that Tata Coffee has all three in adequate measure. As the new MD & CEO, I could not have asked for a better foundation.

I would like to once again thank our shareholders for their continued support.

Chacko Purackal Thomas
MD & CEO

AS WE GEAR UP FOR THE NEW YEAR, WE LOOK BACK WITH SATISFACTION AT THE PAST 25 YEARS OF THE COMPANY'S TRANSFORMATIONAL JOURNEY. IT HAS BEEN A JOURNEY OF HISTORIC MILESTONES AND WE LOOK TO THE FUTURE WITH GREAT EXCITEMENT.

BUSINESS OVERVIEW

Our growing business

We operate through four primary segments, catering to global roasters, instant coffee players and tea and pepper markets. Our focus continues to be on co-creating blends and preparing customised offerings for specific geographies while upholding environment-friendly practices.

INSTANT COFFEE

Our offerings

- Freeze-dried coffee (FDC)
- Spray-dried coffee (SDC)
- Agglomerated coffees
- Coffee mixes

Key highlights

A 5,000-MT FDC plant in Vietnam, marking our first overseas foray and the third instant coffee unit after Theni and Toopran

Total capacity

8,400
MTPA; India

5,000
MTPA; Vietnam

Fact file

- We are one of India's only two producers to produce premium FDC
- We have an R&D laboratory certified by the National Accreditation Board for Testing and Calibration Laboratories (NABL)
- We have a fully-automated SKU packaging lines across pouches, tins and glass jars

UP TO ~75% OF OUR TOTAL ENERGY REQUIREMENT AT OUR THENI UNIT IS SOURCED FROM RENEWABLE SOURCES.

GREEN BEANS

Our offerings

- Washed
- Semi-washed
- Naturals
- Single-estate
- Monsooned
- Microlots and other premium varieties

Key highlights

Over 90% of our washed Arabica is exported as premium differentiated green bean to roasters

Fact file

- Our 19 estates are Rainforest Alliance certified for adhering to sustainable cultivation practices; 13 Arabica estates are Starbucks C.A.F.E. Practices certified
- We comply with the SA8000 Standard, established by Social Accountability International to protect workers
- Our coffee is grown by UTZ-certified farmers who implement sustainable farming practices

Total area

~8,000
hectares

WATER IS AN INTEGRAL PART OF GROWING COFFEE, RIGHT FROM IRRIGATION TO PROCESSING AND PACKAGING. THE RAINWATER WE HARVEST CAN COVER 100% OF OUR ROBUSTA BLOSSOM AND BACKING IRRIGATION.

BUSINESS OVERVIEW CONTD.

PEPPER

Our offerings

- TGSEB, TGEB and MG1 (11.75, 11.5 and 10) grades of black pepper
- A1, A2 and A3 grades of white pepper

Key highlights

- 3 hi-tech nurseries certified by the Directorate of Arecanut and Spices Development (DASD) to nurture healthy and disease-free plants
- Inter-cropped pepper cultivation across tea and coffee estates

Fact file

- We are the largest producer of Indian black pepper
- Our Pepper Grading Centre is certified by the Export Inspection Agency (EIA), enabling us to export pepper. The unit is also certified under FSSC 22000 4.1 and SA8000:2008

OUR IN-HOUSE RESEARCH SPECIALISTS NURTURE 20-PLUS VARIETIES OF PEPPER SAPLINGS AND REAR THEM IN OUR NURSERIES. EACH VARIETY IS UNIQUELY SUITED FOR A CLIMATE, ELEVATION, PEST-RESISTANCE AND PRODUCTIVITY. WE EXTEND OUR WORK TO THE NEIGHBOURING COMMUNITIES, ENCOURAGING THEM TO ADOPT OUR PEPPER SAPLINGS AND UPLIFT THE OVERALL QUALITY OF INDIAN PEPPER.

TEA

Our offerings

- CTC tea
- Premium orthodox varieties

Fact file

Our plantations and factories are certified under the Rainforest Alliance, Trustea, Ethical Tea Partnership and SA8000

Total area

~2,400
hectares

Key highlights

- Our continued focus on quality has resulted in two of our tea grades fetching record prices in auctions in South India
- 45% of our own crop was used to produce the orthodox variant
- We procured 25+ Lakh units of wind power at our estates in Anamallais in 2018
- We replaced inorganic pest-prevention chemicals with biological alternatives to minimise chemical interventions across our tea operations

~91% OF OUR TEAS ARE MANUFACTURED USING BRIQUETTES MADE FROM AGRICULTURAL WASTES AND FOREST RESIDUE. BRIQUETTES ARE A GREENER ALTERNATIVE TO FIREWOOD, HELPING PREVENT DEFORESTATION AND ENVIRONMENTAL DEGRADATION.

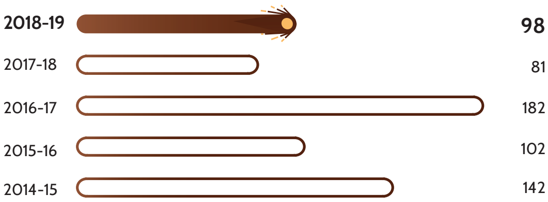
KEY PERFORMANCE INDICATORS

A closer look at our performance

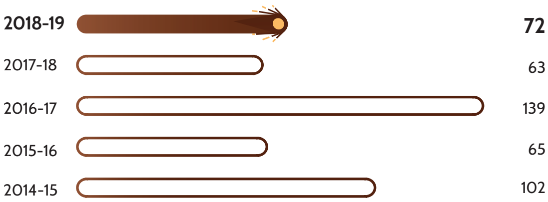
STANDALONE

REVENUE FROM OPERATIONS (₹ in Crores)

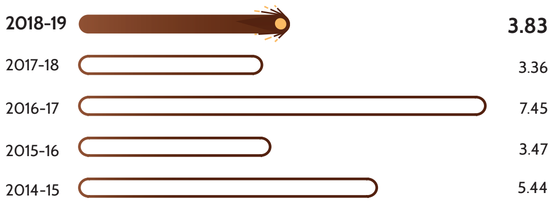
PROFIT BEFORE TAX (₹ in Crores)



PROFIT AFTER TAX (₹ in Crores)



EARNINGS PER SHARE (₹)



DIVIDEND PER SHARE (₹)

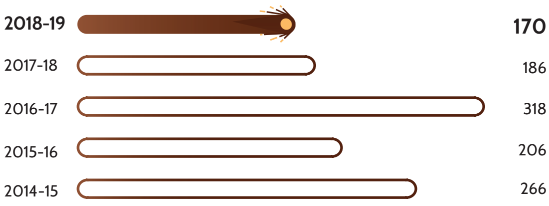
CONSOLIDATED

CONSOLIDATED REVENUE FROM OPERATIONS

(₹ in Crores)

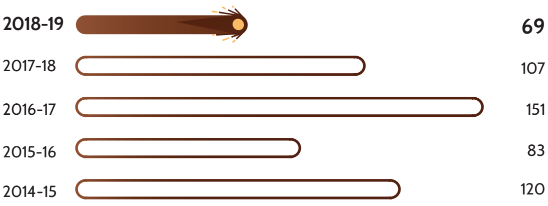
CONSOLIDATED PROFIT BEFORE TAX

(₹ in Crores)



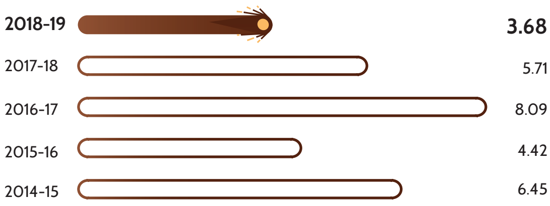
CONSOLIDATED PROFIT AFTER TAX ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

(₹ in Crores)



CONSOLIDATED EARNINGS PER SHARE

(₹)



STRATEGIC PILLARS

Growth for us is about creating long-term value for all our stakeholders through sustainable practices.

02
Capacity expansion
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01
Premiumised and differentiated offerings
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04
Sustainable business practices

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03
Innovation

≫ 24

PREMIUMISED AND DIFFERENTIATED OFFERINGS

Creating magical moments with enriched offerings

The world of coffee continues to evolve as customer preferences mature. Different markets are at varied stages of evolution and with better understanding of the changing needs of customers, we are able to refresh our offerings in tune with changing times.

Our approach towards capturing more of the value chain and rationalising our dependence on traders has been extremely successful. Our focus lay on four key aspects: enhancing our B2B reach; disintermediation; differentiation; and premiumisation – thus becoming one of the finest producers of specialty coffees, whether strain-specific coffees or exotic premium microlots.

We emphasised market-led product development, segmenting it for driving a better value proposition. This involved offering special economical blends for emerging markets and certified instant coffees for discerning consumer groups.

Over the years, we have premiumised our offerings in order to bring more value to our customers. More than 90% of our Arabica sales are to premium differentiated roasters. With a renewed focus on quality, we developed microlot coffees within our estates that highlight the unique stories and tastes that our plantations have to offer. Our efforts paid off when our Nullore estate microlot was selected for the prestigious Starbucks Reserve in 2016, and we were able to repeat the feat in 2017 with the selection of our Yemmigoondi estate.

Small achievements add up over the years to significant transformation

PREMIUMISED AND DIFFERENTIATED OFFERINGS CONTD.

Monsooned

Monsooning entails exposing high-quality naturally processed coffee beans to the sea breeze, off the Malabar coast during the monsoon season (June to September), in large and naturally aerated warehouses. At the time, the beans are gently raked and exposed to the humid draught. This adds a distinct mellow and creamy flavour to the taste of coffee.

Tata Coffee has its own monsooning facility in the seaside town of Mangaluru.

It has developed a rich insight into the art of monsoon seasoning, imparting coffees a softness and flavour that the discerning roasters in Western Europe and Scandinavia cherish.

Monsoon Malabar is our unique specialty coffee. We have leveraged our presence in South India to increase our share and sale of monsooned coffee over the past few years.

Microlot

Microlot refers to a small quantity of coffee sourced from an estate that has been specially cared for and grown to accentuate the unique taste profile of the estate. Microlots are harvested from a particular section of the estate and processed separately from the rest of the coffee of the estate to amplify their special qualities. This variant of coffee caters to niche taste profiles and requires deep knowledge of the surrounding environment.

The Starbucks Reserve Programme brings the rarest and most exotic coffees that are unique, small-lot or microlot coffees, curated from all over the world. Our Nullore estate microlot became the first-ever Indian coffee produce to be selected for Starbucks Reserve, Seattle, in 2016.

We accomplished the feat again in 2017 with Yemmigoondi estate microlot. These wins have been instrumental in motivating our plantations to explore their uniqueness vis-à-vis microlot coffee; and as a result, we have several microlots being developed in each of our estates that endeavour to highlight their heritage and the tastes of their regions.

50% INCREASE IN OVERALL SPECIALTY COFFEE SALES

Tata Coffee 1868 Blend

In partnership with Tata Global Beverages, we launched Tata Coffee 1868 in November 2018 to commemorate the Tata group's 150th-year celebrations. A niche offering that demonstrated the group's bean expertise, Tata Coffee 1868 is a pure Arabica blend, sourced exclusively from our Jumboor and Coovercolly plantations.

Closer to our stakeholders

We are continuously interacting with roasters, understanding their specific requirements, positioning ourselves accordingly and thereby being able to command a premium price for our quality beans. Our various initiatives include:

- Leveraging the brand to reach planters' consortiums
- Identifying alternative coffee sources and foraying into unexplored geographies
- Setting up dedicated processing and logistical support partners
- Improving communications with existing planters' base

We are targeting key customers to build transparency and trust and ensure customer delight.

~40%
Share of large relationship-based sales


TATA

CAPACITY EXPANSION

Brewing big and spreading the cheer

With a vision towards future growth, we set up a state-of-the-art 5,000 MT plant in the heartland of Robusta coffee, Vietnam. This is a significant milestone; and we are now one of Asia's top 10 producers of instant coffee, particularly premium FDC.

Situated in the Vietnam Singapore Industrial Park (VSIP) of the Binh Duong province of Vietnam, this is our third manufacturing plant, after Theni and Toopran in India, and the first to be set up at an offshore location.

The 5,000 MTPA plant was set up within 19 months from its ground-breaking ceremony in August 2017. The plant has already recorded an exemplary safety record, completing almost a million person hours of construction and commissioning work with zero harm.

The plant will focus on a wide range of environmental and health standards, most importantly the Leadership in Energy and Environmental Design (LEED) benchmark, a globally-renowned green building certification programme. True to our DNA, it will instil more awareness and industry-best practices around safety into our culture.

As a manufacturer of premium FDC, we will sustain our efforts to improve technologies and processes to serve discerning customers. We have obtained FDC extraction technology from GEA Niro, one of the largest technology suppliers for the food processing industry. We will enhance the speed and efficiency of execution, across the product value chain, from conceptualisation to roll-out.

Highest quality blends

Our Vietnam plant is also one of the few plants across the globe with a pilot plant facility available. This will allow us to leverage our expertise in new product development by working more closely with customers to co-create and develop blends of the highest quality.

August 2017
Ground-breaking ceremony for the plant in Vietnam

March 2019
Tata Coffee launches the Vietnam plant

CAPACITY EXPANSION CONTD.

Zeroing in on Vietnam

The Tata group already has a close relationship with Vietnam in various sectors such as automobiles, steel, trading, energy and watches. While our products are already exported to over 40 countries globally, our instant coffee has so far been produced only in India.

Tata Coffee Vietnam Company Ltd., a 100% subsidiary of Tata Coffee, is uniquely positioned to work closely with customers to develop exclusive blends at its pilot plant. It will have easy access to quality Vietnamese Robusta and its location also opens up new territories for the Company.

Why FDC?

Freeze-dried coffee, or FDC, is an aesthetically pleasing form of coffee with larger granules, a stronger aroma and excellent flavour retention. It is produced using superior technology at lower temperatures to retain the aroma and taste of the coffee bean. Globally, as the market for instant coffee matures, consumer preferences increasingly shift towards premium coffees such as FDC.

VIETNAM MARKS TATA COFFEE'S FIRST FORAY BEYOND INDIAN SHORES. IT MARKS A HISTORIC MILESTONE IN OUR GOAL TO BECOME A GLOBAL LEADER IN INSTANT COFFEE AND OPENS NEW OPPORTUNITIES FOR THE FUTURE.

2005
Acquired of the Theni instant coffee unit located in Tamil Nadu from M/s. High Hill Coffee Company

2013
Inaugurated the exclusive roastery for Starbucks in Kushalnagar, Karnataka

2019
Launched the state-of-the-art 5,000 MTPA FDC plant in Vietnam

Strengthening partnerships

Tata Starbucks

Our partnership with Starbucks continues to grow stronger. Tata Coffee currently supplies beans to the 140-odd Tata Starbucks outlets in India and with more outlets in the offing, the demand for our coffees will rise in tandem.

Our roastery at Kushalnagar in Karnataka produces single-origin coffees sourced from across the globe. The unit continues to cater exclusively to the sourcing and roasting requirements of Tata Starbucks stores in India and we are upgrading our capacity by adding an additional state-of-the-art roaster to ensure the uninterrupted supply of quality beans.

Ama: Plantations Trails

Tata Coffee and IHCL have partnered to develop our nine heritage bungalows under the hospitality brand 'Ama Plantation Trails'. This partnership leverages group synergies to meet the evolving patron need for local, immersive experiences.

Nestled in the lap of luxury, amid the picturesque hills of Coorg and Chikmagalur in South India, the bungalows are spacious, quaint and comfortable and combine the grace and grandeur of the bygone era with contemporary comforts and warm service. Each of the bungalows promises to offer travellers the verdant plantation culture with long idyllic tours to the estate, bird and animal watching, along with an authentic bean-to-cup experience.

INNOVATION

Creating new brews for our patrons

Our strategy is to identify organic opportunities to unlock the intrinsic value of our existing businesses. Our new product development teams collaborate with our customers to develop quality blends.

Agglomerated instant coffee blends

Fine Agglo Cornucopia

Conventional wisdom suggests that quality products must cost more. Our in-house product development team, leveraging market intelligence from key account managers, developed a breakthrough innovative product – Fine Agglo Cornucopia (FAC). Its superior quality, premium appearance, with added health benefits at an affordable range, ticks every box on the customer requirement checklist. This coffee variant was a result of radical product formulation and process reengineering.

Moreover, specific energy consumption, power and fuel consumption, and specific water consumption of FAC is lower than our pure coffee product, reducing our carbon footprint and natural resources consumption.

Value Agglo

Aside from FAC, our Value Agglo blend is developed with barley as the new ingredient. This leverages the widespread gluten-free trend that is currently observable, primarily because barley does not contain gluten and is preferred as a health supplement by many consumers. These high-value blends are carving a niche for themselves in the coffee-mixes category.

Natural Agglo

Ginseng is a herb that, together with caffeine, creates a powerful daily energy tonic. It has been used for generations to help improve physical well-being and mental alertness. At Tata Coffee, we combined pure coffee with the herb to deliver another win in our portfolio of new blends.

From bean to cup

Innovation at Tata Coffee extends beyond product development. Customers want to be able to trace the product back to its roots. Process and technological improvements are key at all points of the supply chain. We develop and implement scientific farm management practices, minimising chemical intervention. We adopt an integrated pest and disease management method, as well as a holistic crop nutrition method, documenting the traceability of our produce from bean to cup.

SUSTAINABLE BUSINESS PRACTICES

Growing a sustainable future for all

Ingrained in our corporate ethos is the relentless focus on sustainability. We are making substantial strides in ethical and sustainable coffee, tea and pepper production.


bsi.

CARBON FOOTPRINT VERIFICATION
VERIFICATION OPINION STATEMENT

Tata Coffee Limited

Carbon footprint verification statement issued by the British Standards Institution

Conservation of regional biodiversity is at the forefront of our plantation management practices. We have set aside 180 hectares within our plantations to maintain ecological sanctity.

Our 19 estates have received certifications from UTZ, Rainforest Alliance, SA8000:2008, Starbucks C.A.F.E. Practices; one estate is further certified by IMO for producing quality organic coffee. We conduct a detailed Environmental Impact Assessment before introducing a new crop or establishing new infrastructure.

AT NEGATIVE 1.71 LAKHS TONNES OF CO_2 EQUIVALENT PER ANNUM, WE ESTIMATE THAT OUR FORESTS COULD BE AN ENORMOUS CARBON SINK.

Optimising water use

Rainwater harvesting

We undertake a comprehensive study of rainfall patterns, along with a detailed geographic survey to identify the catchment area, its topography, soil profile, ground elevation and the run-off within our plantations, before constructing rainwater harvesting tanks. Our rainwater harvesting project has made our irrigation self-reliant.

Water conservation

Rivers and streams flowing through the estates are identified and buffer zones are marked on either side of the water bodies to the extent of 30 feet. No pesticide or inorganic fertiliser is used in this zone to safeguard the water flowing into the community living downstream. Surface water analysis is carried out at points of entry and exit. We invest in water-efficient irrigation technologies, examining the ground moisture content and deploying an effective delivery system to reduce frictional loss.

Soil improvement

We enhance the soil's water retention capacity with canopy shade, mulching, composting and so on. We encourage regeneration of natural vegetation along the river beds, streams, tanks and valleys to prevent soil erosion.

We have advanced systems (the likes of eco-pulpers and high-efficiency sprayers) in place to minimise water consumption across our operations. As a result, we have reduced our specific water consumption per unit of product by almost 4%, leading to tangible cost savings.

Towards making coffee the first globally sustainable agricultural product

The Sustainable Coffee Challenge, formed by Conservation International and Starbucks and launched during the Paris climate meetings in 2015, unites players from across the coffee industry – growers, traders, roasters, retailers, governments and NGOs. It aims to stimulate greater demand for sustainable coffee and partner to find solutions to mitigate impacts of climate change and other stressors.

Tata Coffee joins the Challenge as its first partner from India. We plan to share our water conservation and renewable energy management expertise with other Challenge members, while also aligning with like-minded partners in exchanging ideas and best practices towards globally benchmarked parameters of sustainability.

4%
reduction in specific water consumption

52.39%
reduction in effluent generation

36,000 CMT
waste water recycled and used for irrigation

SUSTAINABLE BUSINESS PRACTICES CONTD.

Minimising human-wildlife conflicts

Our 19 coffee estates are in freehold land in South India, amid the best of terrestrial and aquatic ecosystems. Our estates are home to more than a million trees of native origin, as well as a habitat for wildlife. Climate change has resulted in degrading forest cover, depleting fodder and deteriorating water resources, increasing the prevalence of elephant intrusions in plantations.

Since 2013, we have collaborated with forest authorities, planters, NGOs, government agencies, universities and local communities to develop a long-term solution to the problem. We identified potential elephant pathways and mapped the conflict zones.

We have also taken a number of initiatives to minimise human-animal conflicts.

- Constructed a network of various structures such as spike pillars, elephant-proof trenches, solar-powered fences and rail barriers to contain intrusion
- Introduced observatory towers and elephant trackers, educated our workers and managers and formulated active response teams
- Installed new water holes at strategic locations
- Facilitated the identification, capturing and relocation of the difficult elephants
- Tracked 60 resident elephants by tagging six matriarch elephants with radio collars
- Introduced wireless communication between trackers plus elephant presence detection bulk SMS trigger system and LED display boards

A direct impact of our hands-on approach to the containment process is a more confident workforce at our estates. We have successfully imparted knowledge with other plantations to lower ad hoc interventions and ensure a structured reduction in conflicts. As a testament to our safety efforts, Tata Coffee has been awarded first prize for workplace safety excellence in 2017 and 2018. These awards are a recognition of our focused approach in providing a safe working environment to our employees.

‘Zero Harm’ is our mantra

Safety within the workplace starts with a strong culture and the collection of shared values and beliefs that permeate through the employee fraternity. A comprehensive approach is critical for workplace safety and its benefits go beyond compliance. We use a combination of safety trainings, protocols and procedures to provide a safe environment in which employees can work with minimal risk to their health. Our single objective is to ensure that our people do not get hurt on the job; that they return home as well as they had when starting the day. One step at a time, we strive to make our workplaces better, healthier and safer.

OUR CONTINUED EFFORTS TOWARDS WORKPLACE SAFETY WERE RECOGNISED AT THE NATIONAL SAFETY PRACTICES COMPETITION CONDUCTED BY THE CONFEDERATION OF INDIAN INDUSTRY (CII) IN 2017 AND 2018

PEOPLE CULTURE

Motivated talent is key to sustainable growth

Our talent strategy is pivotal to our growth and future success. We are building a culture where our people feel valued and can pursue opportunities. Our policy initiatives promote meritocracy and help foster a more positive work environment where people can work with high motivation and pride.

More recognition

To bring in greater transparency and clarity, we continually review and improve our processes and policies. We believe employee appreciation is a powerful tool in engaging our workers and elevating the employee experience. Managers at Tata Coffee are authorised to recognise the hard work of their teams and colleagues, at the click of a button through our digital portal 'Blending Excellence'.

Extensive training opportunities

Employee development is a collective effort between organisations and employees to ensure there are opportunities for individuals to learn new skills, refine existing skills, and build knowledge and experience. At Tata Coffee, we have developed a comprehensive set of career development and training activities, in order to create a talent pool that will not only lead to a more productive workforce but also enhance loyalty.

We collaborated with SHL India Private Limited, a globally-renowned talent management entity, to engage more by creating development centres for our employees; these development centres will help our employees receive reliable and relevant information about the strengths and weaknesses of the self, to be able to identify precisely targetable development activities. Moreover, this has enabled us to gauge our employee performance.

We also undertake specific and targeted interventions for different categories of the workforce. With respect to the Management Staff Cadre, we adopt specific Leadership Development Programmes in partnership with Tata Management Training Centre, Pune. We conduct, for the junior officer and staff cadre, several in-house programmes at specific locations, with the help of both internal and external experts. We also organise various skill development programmes for workers to build and enhance plantation and shopfloor related skills.

20%

improvement in our Employee Engagement Scores from 2016 to 2018

Safety is our round-the-clock priority

Safety is about more than just policies and equipment. We seek out-of-the-box solutions for every problem. We help our workers understand animal behaviour, and encourage them to respect it rather than fear it. We continuously engage with stakeholders; invest in people and their training; and lead by example. We train and re-train both migrants and permanent workers at regular intervals.

We minimise the exposure to risk for our pepper pickers working at heights, with in-house custom-made fibre-reinforced plastic ladders as well as personal protective equipment like safety harnesses and helmets.

CSR INITIATIVES

Teaming up for the community

Our long-term success depends on the well-being of the communities around us. Therefore, we work together to create a self-sustaining ecosystem that is outcome-driven. We strive to create distinctive value with our efforts to conserve water, empower women and uplift the quality of life of people in the vicinity of our plantations.

We are enabling locals to maximise rainwater storage, skilling graduates to enhance their employability and helping the most vulnerable sections of society embrace sustainable practices. We liaise with many innovation partners, government agencies and members of the civil society who provide their experience and knowledge to serve communities. We seek to dissolve the barriers of institutional solutions and adopt approaches that address grassroot problems and can be replicated on a wider scale.

We support the Coorg Foundation, an independent, social wing that is dedicated to promoting the welfare of the local community of Kodagu. The Foundation oversees Swastha, an institution for differently-abled children, helping them with vocational training. The students learn informal skills such as making envelopes, files, greeting cards, screen-printing and tailoring. We succeeded in rehabilitating more than 150 children. We also train children for Special Olympics and conduct sports meets for them every year.

Restoring hydrological balance of water-starved lakes

We identified overexploitation of groundwater in two lakes in Coorg and Hassan. The water levels in both open wells and bore wells in the regions had been falling drastically, leading to a severe water crisis. The households in the area were seeing an acute scarcity of drinking water. Further, the areas received scanty rainfall.

We intervened to provide a holistic integrated solution ('lake-in-lake' model) to utilise the run-off collected in the lakes and replenish the underground water reserve, as opposed to a conventional de-silting approach. This involved excavating harvesting ponds by constructing recharge shafts, extra collection tanks, storm water drains and embankments, and restoring the feeder channels to harness a higher volume of run-off from the catchment areas to the lakes. We rejuvenated the regions' natural hydrological balance, arresting run-off at various points and replenishing water at the surface, subsoil, deep soil and ground levels. We also leveraged the support of the local district administration, empowering local communities and actively spreading water literacy.

In the last three years, we have directly impacted more than 10,000 people in the local communities by providing them regular access to potable water. Going forward, we will extend our interventions to other such lakes in distress. Work is already underway in another lake in Coorg and a lake in Chikmagalur.

CSR INITIATIVES CONTD.

Managing post-disaster recovery

In August 2018, Kodagu, Karnataka, witnessed devastating landslides and floods on account of heavy rains and a minor earthquake. Twenty deaths were reported in the community and over 4,500 families displaced.

Our quick response prevented any loss of life in the estates. We grappled with a host of issues that included damage to houses, schools, anganwadis, trees, roads and electricity poles. Our teams in the estate cleared blocked roadways; provided firewood, diesel and water to those displaced; and relocated them to camps when needed.

We worked with Swastha to operate a community kitchen and distributed relief supplies such as bedsheets, bath towels, blankets, woollen caps, clothing and food. We raised funds to assist in the rehabilitation of school children. Our Chief Medical Officer at the Rural India Health Project Hospital, the medical centre at Ammathi, near Kodagu, visited the relief camps and offered aid and advice. Our employees too volunteered their time and resources with Tata Sustainability Group, to help with purchasing, packing and warehousing of relief supplies.

"

A VOLUNTEER WRITES WE WERE ABLE TO REACH OUT TO TRIBAL CHILDREN AND DISASTER-AFFECTED VILLAGES AND INTERACT WITH THE LOCAL COMMUNITIES. IN SOME CASES, WE WERE ONE OF THE FIRST RESPONDERS! WE WERE TRULY FORTUNATE TO BE PART OF SUCH AN EFFORT WHERE WE COULD HELP OTHERS.

‘Let’s Go’

At Tata Coffee, volunteering is one of the key mechanisms chosen to channelise our most valuable assets, our people, towards societal good. Our people participate in Tata Volunteering Week (TVW), a recurring campaign that is facilitated by Tata Sustainability Group to encourage Tata employees, family members and retired colleagues to take small steps that help bring about a change in society. Tata Coffee is one of the top 5 volunteering organisations within the Tata group. The theme of the 11th edition of TVW was ‘Let’s Go’, wherein our people continued to engage with the locals residing near our estates in Theni, Toopran, Valparai, Hassan and Coorg and conducted a wide variety of projects, such as health camps, upskilling sessions, infrastructure development initiatives, clean-up drives, hygiene awareness campaigns and so on.

Volunteers worked on building Bengaluru’s first organic community garden around Lake Jakkur. They focused on planting and sowing primarily native, perennial vegetables and greens. They used excess biomass (water hyacinth that is otherwise treated as a nuisance and waste product, or dry reeds that are otherwise left to decompose on the banks) to build soil and as a model way of creating a closed loop system within an urban context, since all the material was sourced from the lake itself. The garden now provides sustenance to the fishing community and is managed by local women-led Self-Help Groups.

12,000+

hours volunteered by our employees at Tata Volunteering Week 10 and 11

AWARDS AND ACCOLADES

3 workers from our estates won the 2017 Prime Minister's Shram Award. This Award recognises outstanding contributions made by workers in organisations, both in the public and the private sectors. It is a matter of pride for us that the only two women out of the 40 awardees are employees of Tata Coffee.

Smt. S. Indira, Cannoncadoo Estate, Coorg

A consistent performer and an exemplary worker, she has been adjudged the best coffee picker in Robusta category for a period of three consecutive years from 2014-15 to 2016-17.

Sri Thyagaraj, Glenlorna Estate, Coorg

A highly safety-conscious person and a team player, he is the torchbearer of our safety protocols. He was conferred with the award for risking his own life and using his presence of mind to save the lives of his co-workers from an electric shock.

Smt. Inasi, Permanent Worker, Jumboor Estate, Coorg

A dedicated and conscientious employee, she has been adjudged the best coffee picker in Arabica category for a period of three years.

WE WERE AWARDED THE 'BEST GREEN BUSINESS AWARD' BY ECONOMIC TIMES NOW

We were recognised by Economic Times Now and awarded the 'Best Green Business Award', acknowledging our efforts across our coffee, tea and pepper plantations; the best practices that we adopt for the judicious use of natural resources; and our initiatives to conserve energy and stay carbon-negative.

We bagged the first prize for Excellence in Workplace Safety at the National Safety Practices Competition 2018, conducted by the CII. We won the award second year in a row in the plantation/infrastructure category for our initiatives towards devising customised protection equipment for pepper picking that has ensured an incident-free harvest season.

BOARD OF DIRECTORS

Supporting Tata Coffee's Vision and Strategy

An overview of the Board members' background, qualifications and experience.

1. Mr. R. Harish Bhat

Chairman

Mr. Bhat is the Brand Custodian at Tata Sons and currently holds the position of the Chairman at Tata Coffee Ltd. He joined the Tata Group in 1987 as an officer in the Tata Administrative Service (TAS). He is a Director on the Boards of several other Tata Companies, including Tata Global Beverages Ltd., Titan Company Ltd., Trent Ltd., Tata Starbucks Pvt. Ltd., Infiniti Retail Ltd., Tata Unistore Ltd. and Tata AIA Life Insurance Company Ltd.

During his career spanning over 30 years with the Tata Group, he has held several senior roles, including stints as the Managing Director of Tata Global Beverages Ltd., Chief Operating Officer of the Watches and Jewellery businesses of Titan Company Ltd. and the telecom business of the Group.

He has been instrumental in several strategic moves of the Group over the past two decades, including the launch and nurturing of many iconic brands of Tata Group, the successful turnaround of the Jewellery business, as well as the acquisition of Tetley.

Mr. Bhat is an alumnus of BITS Pilani and IIM Ahmedabad, graduating at the top of his class in both institutions. He won the IIM Ahmedabad Gold Medal for scholastic excellence in 1987. A decade later, he claimed the Chevening Scholarship for young managers, awarded by the British Government. In 2017, he received the Distinguished Alumnus Award from BITS Pilani.

He has strong professional interests in strategy, consumer behaviour, business economics and business history and has been a member of the Consumer Insights Panel of the Economic Development Board, Government of Singapore. He is a member of the Board of Governors of the Advertising Standards Council of India (ASCI).

Mr. Bhat is a prolific writer who frequently contributes to various national publications. In 2012, his first book, 'Tata Log', was released by Penguin Books, narrating stories from the modern history of the Tata Group, set to an overarching theme. His second book was titled 'The Curious Marketer' and was published in 2017 by Penguin Random House. It discusses why curiosity is very important to marketers and how they can improve their curiosity quotient.

2. Mr. L. Krishnakumar

Non-Executive
Non-Independent Director

Mr. Krishnakumar is currently the Executive Director and Group CFO of Tata Global Beverages Ltd. (TGBL), the second largest tea company globally, with interests in coffee and water. In TGBL, he supervises the finance, governance and IT functions, as well as procurement, buying & blending and operation functions. Mr. Krishnakumar joined the Tata Group in 2000 to head the finance function at IHCL and moved to TGBL in 2004. Since then, he has been involved in different facets of TGBL's journey to transform it into an international branded business. Before joining the Tata Group, he worked with Larsen & Toubro as its General Manager (Finance). He also has experience in management consulting with AF Ferguson & Company. He has work experience in India, the Middle East and the UK. He is a member of the Institutes of Chartered Accountants, Cost Accountants and Company Secretaries of India.

3. Mr. S. Santhanakrishnan

Independent Director

Mr. Santhanakrishnan is a Fellow Member of the Institute of Chartered Accountants of India (ICAI) and a Managing Partner of PKF Sridhar & Santhanam LLP, Chartered Accountants. He was appointed on the Board of Tata Coffee in October 2008. He was a member in the Central Council of the Institute of Chartered Accountants of India for 15 years up to 2015 and has served in various committees of the Institute. He has specialised knowledge in mergers and acquisitions, valuations, corporate laws and technology.
He brings to the Board of Tata Coffee, his four decades of rich experience in Finance, Accounts and International Accounting Standards, Strategy & Planning, and Corporate Laws.
He is also actively involved in numerous industry-oriented activities with various Government industry bodies. He is on the Boards of Tata companies, IDBI Capital Markets & Securities Ltd., ICICI Home Finance Co. Ltd. and others.

4. Mr. Siraj Chaudhry

Independent Director

He is on the Board of Tata Global Beverages Ltd. and IndusInd Bank Ltd. as an Independent Director. He is currently President of the Food Industry Skill Council under the National Skill Development Corporation (NSDC).
He has in the past chaired the Food Processing Committee at FICCI, the Agriculture and Food Committee of USIBC in India and the Agriculture and Food Committee at American Chambers of Commerce. He has been actively engaged with the World Economic Forum on their agriculture agenda in India. He is a thought leader in the space of agriculture and food; and is consulted by central and state governments for his views in these fields. He supports and mentors start-ups in the space of food and agriculture. He has been closely associated with the cause of food security and nutrition. He has been one of the founders of United Way-Delhi chapter and India Food Banking Network.

Under his leadership since 2007, Cargill launched its edible oil fortification plan which has been recognised as one of the pioneering efforts in addressing malnutrition. He also steered Cargill India through a combination of green fields and acquisitions, helping successfully build both its consumer FMCG businesses in India and institutional businesses, backed by world-class manufacturing facilities, early technology adoption, robust sales and distribution network and an enviable brand portfolio. He was Chairman of Cargill India and continues as a Senior Advisor to Cargill India. His tenure at Cargill spans nearly 24 years out of a career of 30 years in agriculture and food; including a leadership role in India for 12 years, as well as a global commodity trading role in Geneva. He brought in a combination of skillset that encompassed the full value chain of agriculture, commodity trading, risk management, food processing and FMCG sales and marketing.

5. Ms. Sunalini Menon

Independent Director

Ms. Menon is considered one of Asia's recognised coffee cuppers and has more than 38 years of experience in the coffee industry, both within India and internationally. Her visual and organoleptic skills in coffee evaluation are respected and recognised the world over. Currently, she is the President of M/s. Coffeelab Ltd. in Bengaluru, India and a Special Lecturer at The Universita del Caffe de Trieste, Italy.

She is a Director on the Advisory Committee of the 'Alliance for Coffee Excellence', and is also on the Board of Trustees of the 'Coffee Quality Institute' of the Specialty Coffee Association of America. She is a postgraduate in Food Technology from the University of Madras, India and has held positions of increasing responsibility at the Coffee Board of India from 1972 to 1995, ultimately becoming the Director of Quality Control.

She has carried out assignments in Africa and South East Asia as a Coffee Corps Volunteer of the Coffee Quality Institute (CQI) of the Specialty Coffee Association of America. Ms. Menon received the 'Eminent Personality Award for Outstanding Contribution to Indian Coffee' in 2005 from the Speciality Coffee Association of India; 'Lifetime Achievement Award' in the same year from the International Women's Coffee Alliance Founding Committee; and 'Leadership Medal of Merit' in 2010 and 'Alfred Peet Passionate Cup Award' in 2014 from the Specialty Coffee Association of America. In 2018, she received the 'First Lady Achievers Award' for being Asia's First Professional Woman Coffee Taster from the President of India.

6. Mr. V. Leeladhar

Independent Director

Mr. Leeladhar has considerable banking industry experience, having worked in the sector as the Executive Director of the Bank of Maharashtra; Chairman and Managing Director of Vijaya Bank; and the Chairman and Managing Director of the Union Bank of India. Additionally, he has served as the Deputy Governor of the Reserve Bank of India for over four years. He was also a member of the Securities and Exchange Board of India for about three years. He is on the Boards of Tata Global Beverages Ltd., Tata Cleantech Capital Ltd. and Tata Asset Management Co. Ltd.

7. Mr. Chacko Purackal Thomas

Managing Director and CEO

Mr. Thomas is currently the Managing Director and CEO of Tata Coffee.

He has a Bachelor of Science degree with specialisation in Computer Science from the University of Jodhpur. He is also an alumnus of INSEAD Fontainebleau, having completed his Advanced Management Programme there. With over 27 years of rich experience in the plantation industry, he enjoys expertise in plantations, business strategy, sales and marketing functions of this industry segment.

He has been associated with Tata Coffee since 4th August 2015. Before joining Tata Coffee, he was the Managing Director of Kanan Devan Hills Plantations Company Private Ltd., Munnar.

8. Dr. P. G. Chengappa

Independent Director

Dr. Chengappa is one of India's leading agricultural economists with over three decades of experience in teaching, research, extension and consultancy in agriculture. He served as the Vice Chancellor of the University of Agricultural Sciences, Bangalore. He was the 'national professor' of the Indian Council of Agricultural Research. He is a policy economist specialised in the domains of agri-business and trade. He was a member of the working group on Agricultural Marketing, Planning Commission of India, for preparing the 12th Five Year Plan document. He has been a consultant to several international organisations, including International Food Policy Research Institute, Washington; International Plant Genetics Resource Institute, Rome; International Rice Research Institute, Manila; and DSE Germany. He was a visiting professor at the Universities of Reading and Wales. He was President (Elect), Indian Society of Agricultural Economics 2012 and President, Agricultural Economics Review Association, New Delhi from 2013 to 2016. Currently, he is on the Boards of Sam Agri Tech Ltd., Sam Agri Ventures Ltd. and Tasty Bite Eatables Ltd.

9. Mr. K. Venkataramanan

Executive Director – Finance and CFO

Mr. Venkataramanan is the Executive Director – Finance and CFO of Tata Coffee since 25th October 2014. He was formerly the Vice President – Finance and Chief Financial Officer of Tata Global Beverages Ltd. He is a qualified Chartered Accountant and a Cost Accountant with more than 25 years of experience in diverse areas covering financial and management accounting, commercial finance, taxation, treasury and corporate restructuring. He also supervises risk management, governance and IT functions.

CORPORATE INFORMATION

Board of Directors
Mr. R. Harish Bhat *(Chairman)*
Mr. L. Krishnakumar
Mr. S. Santhanakrishnan
Ms. Sunalini Menon
Mr. V. Leeladhar
Mr. Siraj Azmat Chaudhry
Dr. P.G. Chengappa
Mr. Chacko Purackal Thomas *(MD & CEO from 01.04.2019)*
Mr. K. Venkataramanan *(ED - Finance & CFO)*
Mr. Sanjiv Sarin *(MD & CEO till 31.03.2019)*

Head – Legal & Company Secretary
Mr. N Anantha Murthy

Corporate Identity Number (CIN)
L01131KA1943PLC000833

Registered Office
Pollibetta – 571 215
Kodagu, Karnataka
Tel: (08274) 251 411/ 13

Corporate Office
No. 57, Railway Parallel Road
Kumara Park (W), Bengaluru – 560 020
Tel: (080) 2356 0695, Fax: (080) 233 41843
E-mail : investors@tatacoffee.com
Website : www.tatacoffee.com

Registrar & Transfer Agent
TSR Darashaw Limited
(Unit: Tata Coffee Limited)
6-10, Haji Mosa Patrawala Industrial Estate
20, Dr. E. Moses Road
Mahalaxmi, Mumbai – 400 011
Tel: 022-6656 8484
Fax: 022-6656 8494
E-mail : csg-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com

Statutory Auditors
M/s. Deloitte Haskins & Sells LLP

Bankers
Corporation Bank
Indian Overseas Bank
Standard Chartered Bank
Hongkong and Shanghai Banking Corporation Limited
HDFC Bank Limited
The Bank of Tokyo-Mitsubishi UFJ Ltd.

Board Committees

Audit Committee
Mr. S. Santhanakrishnan – Chairman
Mr. V. Leeladhar
Ms. Sunalini Menon

Nomination and Remuneration Committee
Mr. V. Leeladhar – Chairman
Mr. S. Santhanakrishnan
Mr. R. Harish Bhat
Mr. Siraj Azmat Chaudhry

Stakeholders' Relationship Committee
Mr. S. Santhanakrishnan – Chairman
Mr. R. Harish Bhat
Mr. V. Leeladhar
Mr. Chacko Purackal Thomas
Mr. K. Venkataramanan

Corporate Social Responsibility Committee
Ms. Sunalini Menon – Chairperson
Mr. V. Leeladhar
Mr. Siraj Azmat Chaudhry
Dr. P.G. Chengappa
Mr. Chacko Purackal Thomas

Risk Management Committee
Mr. Siraj Azmat Chaudhry – Chairman
Mr. V. Leeladhar
Dr. P. G. Chengappa
Mr. L. Krishnakumar
Mr. Chacko Purackal Thomas
Mr. K. Venkataramanan

Ethics & Compliance Committee
Dr. P. G. Chengappa – Chairman
Mr. S. Santhanakrishnan
Ms. Sunalini Menon
Mr. Chacko Purackal Thomas

Key Highlights-Standalone

2014-15 to 2018-19 - A Five Year Review

		2014-15 (Under Previous GAAP)	2015-16 (Under Previous GAAP)	2015-16 (Under Ind AS)	2016-17 (Under Ind AS)	2017-18 (Under Ind AS)	2018-19 (Under Ind AS)
Revenue from Operations	(₹ in Lakhs)	68530.52	71817.62	70811.49	77882.51	70543.14	**70290.85**
Other Income	(₹ in Lakhs)	4013.85	3592.77	4466.53	6948.49	5622.75	**5391.97**
Total Income		72544.37	75410.39	75278.02	84831.00	76165.89	75682.82
Profit Before Tax	(₹ in Lakhs)	14166.49	14197.05	10231.49	18197.80	8080.50	**9789.74**
As a percentage of Total Income		20	19	14	21	11	**13**
Profit After Tax	(₹ in Lakhs)	10156.04	10249.98	6473.45	13922.99	6276.38	**7158.08**
As percentage of Total Income		14	14	9	16	8	**9**
Debt/Equity Ratio		0.17:1	0.15:1	0.15:1	0.09:1	0.10:1	**0.09:1**
Earnings per Share	(₹)	5.44	5.49	3.47	7.45	3.36	**3.83**
Dividend per Share	(₹)	1.30	1.30	1.30	1.75	1.50	**1.50**

Key Highlights-Consolidated

2014-15 to 2018-19 - A Five Year Review

		2014-15 (Under Previous GAAP)	2015-16 (Under Previous GAAP)	2015-16 (Under Ind AS)	2016-17 (Under Ind AS)	2017-18 (Under Ind AS)	2018-19 (Under Ind AS)
Revenue from Operations	(₹ in Lakhs)	169294.50	176444.52	155105.81	160600.18	156732.35	**180398.18**
Other Income	(₹ in Lakhs)	892.48	1096.55	1970.32	2278.71	2203.00	**1843.23**
Total Income		170186.98	177541.07	157076.13	162878.89	158935.35	**182241.41**
Profit Before Tax	(₹ in Lakhs)	26571.01	23816.61	20595.28	31789.73	18593.88	**17008.54**
As percentage of Total Income		16	13	13	20	12	**9**
Profit After Tax (Net of Non-controlling interest)	(₹ in Lakhs)	12038.57	11783.31	8250.46	15115.09	10663.36	**6877.45**
As percentage of Total Income		7	7	5	9	7	**4**
Debt/Equity Ratio		1.27:1	1.06:1	0.98:1	0.84:1	0.67:1	**0.74:1**
Earnings per Share	(₹)	6.45	6.31	4.42	8.09	5.71	**3.68**

PRODUCTION (IN TONNES)

YEAR	COFFEE			TEA	PEPPER	COFFEE CURED	INSTANT COFFEE
	ARABICA	ROBUSTA	TOTAL				
2009/2010	2171	7285	9456	7994	884	10427	2955
2010/2011	1670	6620	8290	7334	535	12959	4974
2011/2012	2129	5667	7796	6775	864	12010	6347
2012/2013	1542	6800	8342	6640	1148	12509	6639
2013/2014	2076	4781	6857	6545	368	11988	6955
2014/2015	1594	7002	8596	6170	1150	10266	7975
2015/2016	1899	6222	8121	6180	599	11162	7986
2016/2017	1628	6000	7628	5666	544	11528	8474
2017/2018	1890	3736	5626	5629	909	11940	8150
2018/2019	**1557**	**6030**	**7587**	**4879**	**597**	**8441**	**7493**

ACREAGE STATEMENT - 5 YEARS

YEAR	2014/15	2015/16	2016/17	2017/18	2018/19	
	Acres	Acres	Acres	Acres	Acres	Hectares
COFFEE*						
Arabica	7548	7579	7482	7479	**7544**	**3054**
Robusta	10590	10607	10640	10635	**10652**	**4313**
Mixed Coffee	86	87	87	87	**87**	**35**
	18224	**18273**	**18209**	**18201**	**18283**	**7402**
TEA	6067	6067	6066	6066	**5981**	**2421**
OTHER CROPS						
Cardamom	363	299	351	351	**351**	**142**
Pure Pepper/Areca	546	571	425	457	**448**	**181**
Oil Palm/Bamboo/etc.	181	169	175	145	**132**	**53**
TOTAL CULTIVATED AREA	**25381**	**25379**	**25226**	**25221**	**25195**	**10200**

* Pepper interplanted in Coffee

Notice

NOTICE is hereby given that the 76th Annual General Meeting of the Members of Tata Coffee Limited will be held on **Monday, the 3rd June 2019 at 11.00 A.M** at the Registered Office of the Company at Pollibetta 571215, Kodagu, Karnataka, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

(a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2019, together with the Reports of the Board of Directors and Auditor's thereon.

(b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2019, together with the Report of the Auditor's thereon.

2. To declare Dividend on Equity Shares for the financial year 2018-19.

3. To appoint a Director in place of Mr. L. Krishnakumar (DIN: 00423616), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Mr. Chacko Purackal Thomas, as Managing Director & CEO

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions – if any, of the Companies Act, 2013 ('the Act'), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule V to the Act, consent of the Company be and is hereby accorded for the appointment of Mr. Chacko Purackal Thomas (DIN: 05215974) as Managing Director & CEO of the Company, not liable to retire by rotation, for a period of three (3) years with effect from 1st April, 2019, upon the principal terms and conditions set out in the explanatory statement annexed hereto including the remuneration to be paid in the event of inadequacy of profits in any financial year, with liberty to the Board of Directors of the Company to increase, alter and vary, without further reference to the Members, the terms and conditions of the said appointment including the remuneration, in such manner, as may be agreed to between the Board of Directors and Mr. Chacko Purackal Thomas.

RESOLVED FURTHER THAT the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.

5. Ratification of remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditors of the Company

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of ₹3,00,000/- (Rupees Three Lakhs only) plus applicable taxes thereon and reimbursement of out-of-pocket expenses at actuals, to M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065), who have been appointed by the Board as Cost Auditors of the Company for conducting the cost audit of the accounts for the financial year ending 31st March, 2020 be and is hereby ratified.

By Order of the Board

Place: Bengaluru
Date: 19th April 2019

N. Anantha Murthy
Head – Legal & Company Secretary

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") setting out material facts in respect of Item Nos. 4 and 5 is annexed hereto. The relevant details as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), of persons seeking appointment / re-appointment as Directors are provided in the Annexure to this Notice.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OR MEMBERS, AS THE CASE MAY BE, OF THE COMPANY. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of companies, societies, partnership firms etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization.

Notice continued

Members are requested to note that a person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. **Book Closure and Dividend:**

   (a) The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd May 2019 to 3rd June 2019 (both days inclusive) for the purpose of payment of dividend.

   (b) If dividend on Equity Shares, as recommended by the Board, is approved at the Annual General Meeting, the payment of such dividend will be made on or after 6th June 2019, as under:

      (i) to all beneficial owners in respect of Shares held in electronic form as per details furnished by the Depositories for this purpose as at the end of business hours on 21st May 2019.

      (ii) to all Members in respect of Shares held in physical form, after giving effect to valid share transfers lodged with the Company on or before 21st May 2019.

4. The route map showing directions to reach the venue of the Annual General Meeting is annexed.

5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

6. Members are requested to bring their attendance slip along with their copy of the Annual Report to the Meeting.

7. **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**

   Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

   The Members/Claimants whose shares, unclaimed dividend, and debenture interest amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with applicable requisite fee. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

   It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to Members' account on time.

   Members who have not yet encashed the dividend warrants, redemption amount on 7% Non-convertible Debentures (NCD) and interest thereon from the financial year ended 31st March 2012 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents. It may be noted that once the unclaimed dividend, redemption amount on 7% NCD and interest thereon is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount, redemption amount on 7% NCD and interest thereon which were lying with the Company upto the year ended on 31st March 2011, have already been transferred to IEPF. The details of the unclaimed dividends, redemption amount on 7% NCD and interest thereon are available on the Company's website at www.tatacoffee.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in.

   Members are requested to contact the Company's Registrar and Share Transfer Agent to claim the unclaimed/unpaid dividends, redemption amount on 7% NCD and interest thereon at the following address:

   M/s. TSR Darashaw Limited,

   Unit: Tata Coffee Limited,

   6-10, Haji Mosa Patrawala Ind. Estate,

   20, Dr. E Moses Road, Mahalaxmi,

   Mumbai – 400 011

8. **Payment of Dividend through electronic means:**

   (a) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking

Solutions Enabled Account Number, 9 digit MICR and 11 digit IFS Code), along with their Folio Number, to the Company's Registrar and Share Transfer Agent - M/s. TSR Darashaw Ltd. Members holding shares in electronic form are requested to provide the said details to their respective Depository Participants.

(b) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

9. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.

10. Members holding shares in physical form are requested to consider converting their share certificates into dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Registrar and Share Transfer Agent for any assistance in this regard.

11. Updation of Members' Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/ Registrar and Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing these additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled-in form to the Company or to its Registrar and Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant.

12. Nomination Facility: As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

13. Members, who have not yet exchanged their shares of Asian Coffee Ltd. /Coffee Lands Ltd. /Consolidated Coffee Ltd., with the Share Certificates of Tata Coffee Ltd., are requested to surrender their Share Certificate(s) for exchange. Such Members' are requested to contact the Company's Registrar and Share Transfer Agent – M/s. TSR Darashaw Limited, in this regard.

14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and Bank Holidays, during business hours up to the date of the Annual General Meeting.

15. Electronic copy of the Annual Report 2018-19 is being sent to those Members whose e-mail address is registered with the Company / Depositories for communication purpose, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail address, physical copies of the Annual Report are being sent by the permitted mode. Members may note that this Annual Report will also be available on the Company's website viz. www.tatacoffee.com.

16. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.

17. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended to date and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if they have been passed at the AGM.

18. The facility for voting through poll shall also be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right to vote at the Annual General Meeting.

19. The Company has appointed Mr. S M Pramod of M/s. BMP & Co. LLP, Company Secretaries (Membership No. FCS 7834) as the Scrutinizer to scrutinize the voting at the meeting and remote e-Voting process, in a fair and transparent manner.

Notice continued

20. The Members who have cast their vote by remote e-Voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

21. E-voting Instructions: The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step-1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

i) Visit the e-Voting website of NSDL by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

iv) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v) Your password details are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you by NSDL from your mailbox. Open the email and open the attachment i.e. a.pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, PAN, name and registered address.

vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii) Now, you will have to click on "Login" button.

ix) After you click on the "Login" button, Home page of e-Voting will open.

Step-2: Cast your vote electronically on NSDL e-Voting System

i) After successful login at Step-1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

ii) After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

iii) Select "EVEN" of company for which you wish to cast your vote.

iv) Now you are ready for e-Voting as the Voting page opens.

v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

vi) Upon confirmation, the message "Vote cast successfully" will be displayed.

vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

22. General instructions/information for Members for voting on the Resolutions:

a) Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email address: Pramod@bmpandco.com with a copy marked to 'evoting@nsdl.co.in'.

b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

c) In case of any query pertaining to e-Voting, Members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on Toll Free No.: 1800-222-990 or send a request at evoting@nsdl.co.in. Any query or grievance connected with the remote e-Voting may be addressed to Mr. N. Anantha Murthy, Head – Legal & Company Secretary, No. 57, Railway Parallel Road, Kumara Park West, Bengaluru – 560 020. Tel: +91 80 23560695, Fax: +91 80 23341834, Email: - anantha.murthy@tatacoffee.com.

d) Members holding Shares in either physical or de-materialized form as on the Cut-Off Date i.e., 27th May 2019, may cast their votes electronically. The e-Voting period for the Members who hold shares as on the Cut-Off Date commences from 9.00 a.m. on Friday, the 31st May 2019 and ends at 5.00 p.m. on Sunday, the 2nd June 2019. The remote e-Voting module shall be disabled by NSDL for voting thereafter.

e) The voting rights of the members (for voting through remote e-Voting or by Poll at the Meeting) shall be in proportion to their share of the paid-up equity share capital of the Company as on 27th May 2019 ("Cut-Off Date"). A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the meeting.

f) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 27th May 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.

g) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses who are not in the employment of the Company and make not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

Notice continued

h) The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website and on the website of NSDL immediately after the results is declared and communicated to the Stock Exchanges where the equity shares of the Company are listed.

i) Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of the AGM i.e. Monday, the 3rd June 2019.

Details of Directors seeking appointment/re-appointment at the Annual General Meeting (Pursuant to regulation 36(3) of the Listing Regulations)

Name of Directors	Mr. L Krishnakumar	Mr. Chacko Purackal Thomas
Date of Birth (age)	29th October 1958 (60 years)	9th April 1970 (49 years)
Date of Appointment	7th November 2017	4th August 2015
Qualifications	B Com, ACA, ACS, CWA	Bachelor of Science with specialization in Computer Science from University of Jodhpur
Relationship between Directors inter-se	None	None
Expertise in specific functional area	Wide experience in Finance, Accounts, Governance and Corporate Laws	27 years of rich experience in Plantation Sector
Directorships held in other Public Companies (excluding Foreign, Private and Section 8 Companies)	Tata Global Beverages Limited Nourishco Beverages Limited	-
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Tata Global Beverages Limited - Stakeholders' Relationship Committee - Member	-
No. of shares held in the Company	NIL	NIL

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at the meeting held on 22nd March 2019, has appointed Mr. Chacko Purackal Thomas as the Managing Director & CEO of the Company for a period of three (3) years i.e., from 1st April 2019 to 31st March 2022, subject to the approval by the members of the Company on the terms and conditions of appointment as indicated below.

Mr. Chacko Thomas has over 27 years of rich experience and expertise in the field of Plantations, Business Strategy, Sales and Marketing and overall leadership and has been associated with the Company as Executive Director & Deputy CEO since 4th August 2015. Before joining the Company, Mr. Chacko Thomas was the Managing Director of Kannan Devan Hills Plantations Company Private Limited, Munnar.

The principal terms and conditions of appointment of Mr. Chacko Thomas (hereinafter referred to as "the Appointee") including the terms of remuneration are given below:

A. Tenure of Appointment: The appointment of Mr. Chacko Thomas as Managing Director & CEO is for a period three (3) years i.e., from 1st April 2019 to 31st March 2022.

B. Nature of Duties: The appointee shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board, and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board, in connection with and in the best interests of the Company and the business of any one or more of its Associated Companies and/or Subsidiaries, including performing duties as assigned by the Board from time to time by serving on the Boards of such Associated Companies/ Subsidiaries or any other Executive body or a Committee of such a Company.

C. Remuneration:

The Appointee shall be entitled to remuneration as stated hereunder in terms of Schedule V to the Act and as per Industry/Market Standards:

a) **Basic Salary:** ₹ 5,40,000/- (Rupees Five Lakhs Forty Thousand only) per month with annual increments effective 1st April every year (starting April 2020) as may be decided by the Board, based on the recommendation of Nomination & Remuneration Committee, which is based on merit and considering the Company's Performance.

b) **Benefits, Perquisites, Allowances:**

In addition to the Basic Salary referred to in (a) above, the Managing Director & CEO shall be entitled to:

A. Rent-free residential accommodation (furnished or otherwise) the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g. gas, electricity and water charges) for the said accommodation.

OR

House Rent, House Maintenance and Utility Allowances aggregating 85% of the Basic Salary. (in case residential accommodation is not provided by the Company)

B. Hospitalization, Transport, Telecommunication and other facilities:

(i) Hospitalization and major medical expenses for self, spouse and dependent (minor) children;

(ii) One Car, within an ex-showroom price not exceeding ₹25 Lakhs with driver provided, maintained by the Company for official and personal use.

(iii) Telecommunication facilities including broadband, internet and fax, including one company provided mobile phone.

(iv) Housing Loan as per the Rules of the Company.

C. Other perquisites and allowances given below subject to a maximum of 55% of the annual salary;

The categories of perquisites / allowances to be included within the 55% limit shall be –

<table>
<tr><th>Sl. No.</th><th>Perquisite/ Allowance</th><th></th><th>%</th></tr>
<tr><td>a.</td><td>Allowances</td><td></td><td>33.34</td></tr>
<tr><td>b.</td><td>Leave Travel Concession/ Allowance</td><td></td><td>8.33</td></tr>
<tr><td>c.</td><td>Medical Allowance</td><td></td><td>8.33</td></tr>
<tr><td>d.</td><td>Personal Accident Insurance*</td><td rowspan="2">@ actuals subject to a cap of</td><td rowspan="2">5.00</td></tr>
<tr><td>e.</td><td>Club Membership fees (one club) *</td></tr>
<tr><td colspan="3">Total</td><td>55.00</td></tr>
</table>

** The company will pay the amounts for these benefits directly to the concerned entities. The figures shown above are a valuation and are not payable in cash or allowance form to the executive unless approved otherwise.*

D. Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.

E. The Managing Director & CEO shall be entitled to leave in accordance with the Rules of the Company. Privilege Leave earned but not availed by the Managing Director & CEO is encashable in accordance with the Rules of the Company.

F. The Managing Director & CEO shall be entitled to reimbursement of Interest on the Housing Loan availed by him for acquisition of residential Property, subject to maximum Loan Amount of ₹ 50 Lakhs and interest reimbursement upto 10% of the total interest charged by the Lending Institution, which shall not exceed the interest rates charged by the Housing Development Finance Corporation (HDFC)."

G. The Managing Director & CEO shall be entitled to payment of Educational Allowance for education subject to a maximum of two children below 24 years of Age as detailed hereunder:

i. An amount of ₹ 6,000/- per month shall be payable in respect of the children studying in educational institutions as boarders in accredited hostels, situated outside the district where the Managing Director & CEO is working and within the district if the institution provides only residential programme in the class of study.

Notice continued

ii. An amount of ₹ 5,000/- per month shall be payable in respect of children studying in educational institutions outside the district where the Managing Director & CEO is working, where the children stay as paying guests or with one of the relatives/parents provided the Institution does not have boarding facility or accredited hostels."

c) **Commission / Incentive:**

Such remuneration by way of commission / incentive, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year as may be determined by the Board of the Company at the end of each financial year, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to the Appointee will be based on performance as evaluated by the Board or a Committee thereof duly authorized in this behalf, which shall not exceed 24 months' Basic Salary and will be payable annually after the Annual Accounts have been approved by the Board.

d) **Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Appointee, the Company has no profits or its profits are inadequate, the Company will pay to the Appointee, remuneration by way of Salary, Benefits, Perquisites and Allowances, Commission and Incentive Remuneration as specified above.

e) **Other terms of Appointment:**

(i) The Appointee shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.

(ii) The terms and conditions of the appointment of the Appointee may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Appointee subject to such approvals as may be required.

(iii) The appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.

(iv) The employment of the Appointee may be terminated by the Company without notice or payment in lieu of notice:

(a) if the Appointee is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate company to which he is required to render services; or

(b) in the event of any serious, repeated or continuing breach (after prior warning) or non-observance by the Appointee of any of the stipulations contained in the agreement to be executed between the Company and the Appointee ("Agreement"); or

(c) in the event the Board expresses its loss of confidence in the appointee.

(v) In the event the Appointee is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.

(vi) Upon the termination by whatever means of the appointee's employment:

(a) the Appointee shall immediately tender his resignation from offices held by him in any subsidiaries and associate companies and other entities without claim for compensation for loss of office;

(b) the Appointee shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of the subsidiaries or associate companies.

(c) The terms and conditions of appointment of the Appointee also include clauses pertaining to adherence with the Tata Code of Conduct and maintenance of confidentiality.

(vii) If and when the Agreement relating to appointment expires or is terminated for any reason whatsoever, the Appointee will cease to be the Managing Director & CEO and cease to be a Director of the Company.

(viii) The remuneration payable to the appointee is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by them.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Act, read with Schedule V thereto, the terms of appointment and remuneration specified above are now being placed before the Members for their approval.

Copy of the agreement entered into between the Company and Mr. Chacko Thomas setting out the terms and conditions of the appointment would be available for inspection by the members at the registered office of the Company during normal business hours (9.00 am to 5.00 pm) on any working day, except Saturday, upto and including the date of Annual General Meeting of the Company.

The Company has immensely benefited during Mr. Chacko Thomas' tenure as Executive Director & Dy. CEO since 2015. The Board considers that his continued association would be of immense benefit to the Company and accordingly, the Board recommend the resolution for his appointment as set out at Item No. 4 of the accompanying notice for approval by the Members of the Company.

Mr. Chacko Thomas, being an appointee, is interested and concerned in the Resolution mentioned at Item No. 4 of the Notice. None of the other Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the accompanying Notice.

Item No. 5

In terms of the provisions of Section 148 of the Act and the Rules made thereunder, the Company is required to maintain Cost Audit records and have the same audited by a Cost Auditor. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 19th April 2019 , appointed M/s. Rao, Murthy & Associates, as Cost Auditor for conducting the Cost Audit for the financial year ending 31st March, 2020, on a remuneration of ₹3,00,000/- (Rupees Three Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals.

Rule 14 of Companies (Audit and Auditors) Rules, 2014 as amended, requires that the remuneration payable to the Cost Auditor be ratified by the Members. Hence, the resolution at Item No.5 of the Notice.

The Directors recommend that the remuneration payable to the Cost Auditor in terms of the resolution set out at Item No. 5 of the accompanying Notice be ratified by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the accompanying Notice.

By Order of the Board

Place: Bengaluru
Date: 19th April 2019

N. Anantha Murthy
Head – Legal & Company Secretary

Board's Report

To the Members,

Your Directors are pleased to present the 76th Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2019.

FINANCIAL RESULTS:

The Company's financial performance for the year ended 31st March 2019 is summarized below:

₹ in Crores

	Standalone		Consolidated	
	2018-19	2017-18	**2018-19**	2017-18
Revenue from Operations	**703**	706	**1804**	1567
Other Income	**54**	56	**18**	22
Total Income	**757**	**762**	**1822**	**1589**
Profit Before Exceptional Items and Taxes	**82**	81	**159**	197
Add: Exceptional Income/(Expenses)	**16**	-	**11**	(11)
Profit Before Tax	**98**	**81**	**170**	**186**
Provision for Tax	**26**	18	**63**	(1)
Profit After Tax	**72**	**63**	**107**	**187**
Less: Non-controlling Interests	**-**	-	**(38)**	(80)
Profit After Tax attributable to Shareholders of the Company	**72**	**63**	**69**	**107**
Surplus brought forward from Previous Year	**479**	461	**606**	539
Amount available for appropriation	**551**	524	**675**	646
General Reserve No. I	**-**	-	**-**	-
General Reserve No. II	**(8)**	(7)	**(8)**	(7)
Reversal of Dividend Distribution Tax/Deferred Tax	**13**	2	**12**	7
Dividend paid relating to Previous Year	**(28)**	(33)	**(28)**	(33)
Tax on Dividend	**(6)**	(7)	**(6)**	(7)
Balance carried forward	**522**	**479**	**645**	**606**

1. **Revenue from Operations:**

   Standalone:

   Your Company's total income during the year under review was ₹757 Crores as compared to ₹762 Crores in the previous year.

   Consolidated:

   The Consolidated total income during the year under review was ₹1822 Crores as compared to ₹1589 Crores in the previous year, registering an increase of 14.66% over the previous year.

2. **Profits:**

   Standalone:

   The Profit before Tax for the year 2018-19 was higher at ₹98 Crores as against ₹81 Crores in the previous year. Profit after Tax in 2018-19 stood at ₹72 Crores as against ₹63 Crores in the previous year.

   Consolidated:

   On a consolidated basis, Profit before Tax for the year 2018-19 was ₹170 Crores as against ₹186 Crores in the previous year. Profit after Tax (net of minority interest) in 2018-19 stood at ₹69 Crores as against ₹107 Crores in the previous year.

3. **Dividend:**

   Your Directors have recommended a Dividend of ₹1.50 per share (face value of Re.1 per share) for the year ended 31st March 2019. The total Dividend amount aggregates to ₹28.02 Crores plus applicable Dividend Distribution Tax thereon.

4. **Share Capital:**

   The Paid-up Equity Share Capital of the Company as on 31st March 2019 was ₹18.68 Crores comprising of 18,67,70,370 Shares of Re.1/- each. The Company has not issued shares with differential voting rights, employee stock options and sweat equity shares. The Company has paid

Listing Fees for the financial year 2019-20 to each of the Stock Exchanges, where its equity shares are listed.

5. **Material changes and commitment – if any, affecting financial position of the Company from the end of the financial year till the date of this Report:**

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

6. **Global Coffee Scenario:**

Coffee market in the year 2017-18 ended in surplus. World coffee production in coffee year 2017-18 is estimated to be 5.7% higher at 164.81 million bags as output of Arabica increased by 2.2% to 101.82 million bags, and Robusta grew 11.7% to 62.99 million bags. Due to this surplus, International coffee prices experienced a downward trend in the last two years. This decline is linked primarily to market fundamentals, though other factors, such as exchange rate movements and futures markets also played a role.

Coffee year 2018-19 was a second consecutive season of surplus, as global output, estimated at 167.47 million bags, and exceeded world consumption, estimated at 165.18 million bags. However, given the stronger growth in demand, the surplus for 2018-19 is projected to be 2.29 million bags, around 1 million bags less than in 2017-18. This excess in supply continues to put downward pressure on prices that is likely to continue over the next few months.

The New York (ICE) May terminal, representing Arabica settled at 94.50 c/lb on 29th March 2019, and was 118.15 c/ lb for the same period month on 29th March 2018.

As on 29th March 2019, London Robusta May futures settled at USD 1456/MT and was USD 1725/MT for the same period month on 29th March 2018.

7. **Company's Performance:**

A. Plantations:

Coffee:

During the financial year 2018-19, the Company has harvested a Robusta crop of 6,030 MT against 3,736 MT in the previous year. In the case of Arabica, a production of 1,557 MT has been harvested against 1,890 MT in the previous season. The coffee harvesting and processing has been done timely and with the receipt of good showers during the initial period coupled with adequate irrigation, the crop harvested for the year was comparatively good, inspite of the District going through the natural calamity (deluge) during July/ August, 2018.

Tea:

The Company produced a total of 4.879 Million Kgs of Made Tea for the financial year 2018-19 as against 5.629 Million kgs in the previous year. The current year's production is short by 13.32%. Shortfall in quantum of rainfall in Q1 and a very vigorous monsoon coupled with unprecedented rainfall in Q2, as well as extended drought conditions in Q4 affected the flush growth and thereby impacting the crop.

Pepper:

The Company has achieved a pepper production of 597 MT for the financial year 2018-19 compared to 909 MT harvested in the previous financial year, due to adverse weather conditions that prevailed during July / August 2018. The density and primary grade percentage of Pepper this year has been good due to timely harvest. The Company has initiated actions to increase the production base of pepper in the coming years.

Kushalnagar Works (KNW):

The Company's Curing Works at Kushalnagar (KNW) cured a total of 8,441 MT Coffee during the current year as against 11,940 MT in the previous year, due to lower coffee available for curing. In addition, a record quantity of 897 MT of Monsoon Coffee was processed during the year against 748 MT in the previous year. The Company's processing center at Kushalnagar is an important cog in the wheel. KNW is a Processing Hub of entire Company's produce of coffee and pepper. Along with two roasting units for Tata coffee grand and Star bucks, it is certified for ISO, FSSAI, UTZ, SA8000, Rain forest alliance, Organic coffee processing, and café practices.

Pepper Processing Unit:

The Pepper Grading Center is certified for Export Inspection Agency (EIA), which entails the Company to export Pepper meeting all the Global Standards. The unit has graded & processed 736 MT of Pepper during the financial year 2018-19, when compared with 644 MT in 2017-18. The unit is also certified under FSSC 22000 4.1, SA 8000:2008 ISO 22000:2005, ISO 9001:2015 (Quality Management System).

Green Coffee Exports:

During the financial year 2018-19, your Company exported 5,769 MT of Coffee as against 7,004 MT in the previous year. Your Company continues to focus

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on growth, through Premium Differentiated Coffees and today Differentiated Coffee is about 50% of our portfolio, which are sold at a premium.

Plantation Trails:

Plantation Trails, the hospitality business, continued to grow and perform exceedingly well with record profits. One of the major drivers for this exceptional growth story has been the digital side of the business. Social platforms continue to speak well of the brand and enhanced digital presence in new markets gave good results. For the first time, Plantation Trails featured as page 1 property for the top 5 online portals.

Plantation Trails was well covered by several international travel publications including an article in the worldwide publication of The Mercedes Benz Classic magazine published from Germany. Lonely Planet rates Plantation Trails in an exclusive article "Best Boutique Stays for a Coffee Experience in Coorg".

The Company and IHCL have partnered to develop the nine heritage bungalows under the hospitality brand 'Ama Plantation Trails'. This partnership leverages group synergies to meet the evolving patron need for local, immersive experiences.

B. Instant Coffee Operations:

The financial year 2018-19 saw the Instant Coffee Division achieving improved sales weathering global headwinds and enhanced competition. This year, Tata Coffee Limited, marked its global presence and set up a 5000 TPA state-of-the-art Freeze-Dried coffee plant in Vietnam. The Freeze-Dried Coffee plant in India, also delivered the highest ever production and dispatches since inception. The manufacturing units at Theni and Toopran also set new benchmarks in Employee Engagement, Safety and Sustainability, winning many awards and certifications during the year.

The Company continues to significantly focus on new product development to provide customized and differentiated offerings to customers, enabling them to improve their market standing. Sales and Marketing efforts are being continuously augmented to reach customers directly across global markets.

Tata Coffee Grand:

The Company manufactures 'Tata Coffee Grand', a Filter Coffee variant for sales in domestic market, which is being distributed and marketed by the Holding Company, Tata Global Beverages Limited. The Brand has received positive response in the market. It is a blend of Roast and Ground coffee with Chicory. The Company launched a limited edition 150 years celebratory blend comprising the best of washed Arabica's, the Company had to offer as part of overall Tata Coffee Grand portfolio. The R&G unit was revamped to meet the Holding Company's requirement and is upgraded to FSSC 22000 4.1 (Food Safety & Standards Certification) and also the unit is certified for FSSAI and SA8000.

C. Starbucks Roastery:

The Unit has recorded 41% higher production and processed 214.54 MT during the current year as against 151.73 MT in the previous year, which shows a very positive trend. The Unit produces single origin coffees of India, Kenya, Sumatra and Columbia. Cold Brew is newer Product which uses Kenyan coffees.

The Unit continues to cater exclusively to the requirements of TATA Starbucks outlets in India from its state-of-the-art Coffee Roasting Facility at Kushalnagar Works. The Unit is upgraded to FSSC 22000 4.1 (Food Safety & Standards Certification) and continues to be certified under ISO 9001:2015 (Quality Management System) FSSAI (Food Safety and Standards Authority of India), SA8000.

8. Business Growth:

Your Company has a dedicated team of Management and Operating Personnel who have been instrumental in the growth of the business over the years. Your Directors believe that the Company has the potential to further scale up its business volumes and profitability and are in the process of identifying new avenues of growth and effective utilization of its existing resources.

9. Awards:

During the year under review, the Company has received the following awards.

Coffee Plantations:

1. "Best Green Business Award" from Economic Times Now, for the sustainable and green practices at Coffee, Tea and Pepper Plantations. This is an acknowledgement of the Company's efforts and best practices for judicious use of the natural resources and the Company's initiatives for water conservation, conservation of natural resources and the focus on the staying carbon negative.

2. First Prize for Excellence in Workplace Safety at the National Safety Practices Competition 2018, organised by Confederation of Indian Industry, a second year in row in the Plantation / Infrastructure category. This was awarded for the Company's initiatives towards devising customised protection equipment for pepper picking that has ensured an incident-free harvest season.

Instant Coffee Operations (ICD):

Awards

1. ICD Unit at Theni, Tamil Nadu has received the following awards:

    a) **SR EHS Excellence Awards 2018 –** a 4 STAR Rating from Confederation of Indian Industry

    b) **Health & Safety Award-2016** from National Safety Council (Tamil Nadu Chapter)

    c) **Gold Award** in the 'Chapter Convention on Quality concepts' conducted by 'Quality Circle Forum of India' – Madurai chapter for **'Granular strength enhancement of Agglomerated Coffee'**

    d) Third prize in 5th **KAIZEN Mela** hosted by **Quality Forum of India – Madurai,** during June 2018.

2. ICD Unit at Toopran, Telangana, has received the following awards:

    a) **"HR Best Practices Award"** from President FTAPCCI at Federation House, FTAPCCI Hyderabad.

    b) National Award for Excellence in Water Management 2018 as **"Noteworthy water efficient unit"** from the Ministry of Water Resources, Government of India, during October 2018.

    c) **"Best Food/Agri Business Excellence Award – 2019"** from HMTV during February 2019 for exemplary service and sustainable practices.

Certifications

i) Instant Coffee Unit, Toopran

Toopran ICD Unit was certified for Integrated Management System (IMS) comprising of ISO 9001, ISO 14001, OHSAS 18001 along with certifications on FSSC 22000, HALAL, KOSHER, FSSAI, SA 8000, UTZ, SAN-RFA & BIS certification.

ii) Instant Coffee Unit, Theni

Theni ICD Unit was certified for Integrated Management System (IMS) comprising of ISO 9001, ISO 14001, BS OHSAS 18001 along with certifications on ISO 22000, HALAL, KOSHER, BRC, IFS, FSSAI, SA 8000, UTZ & SAN-RFA.

The Theni Unit Laboratory was certified with NABL (National Accreditation Board for Testing and Calibration Laboratories).

10. Capital Expenditure:

During the financial year 2018-19, ₹45.89 Crores was incurred towards capital expenditure primarily on account of welfare, modernization, upgradation, replanting and other programmes undertaken in the various units of the Company.

11. Subsidiary Companies and Consolidated Financial Statements:

Subsidiary Companies:

I. Eight O' Clock Coffee Company (EOC):

The Total Income of EOC during the financial year 2018-19 was ₹1101 Crores (USD 158 Million) compared to ₹ 862 crores (USD 134 Million) in the previous financial year. The Bag coffee volumes were marginally lower compared to previous year. EOC increased its spends on consumer promotions and also on marketing activities in the background of intense competition. EOC's K-Cup pods business continued to gain distribution resulting in improved topline performance which augurs well for the future. EOC's private label business also grew both in volumes, turnover and operating profits. The Company continues to focus on innovations with a healthy pipeline and is also investing in new capabilities on e-commerce.

II. Consolidated Coffee Inc. (CCI):

CCI is the Holding Company of EOC. The Consolidated Net Profit after Taxes was ₹76 Crores as compared to ₹161 Crores for the previous year.

III. Tata Coffee Vietnam Company Limited

The Company's Wholly Owned Subsidiary – Tata Coffee Vietnam Company Limited (TCVCL), unveiled their state-of-the art Freeze-Dried Coffee production plant on 6th March 2019 at the Binh Duong province of

Board's Report continued

Vietnam. This is the first one to be set up at an off-shore location and denotes a very significant first for Tata Coffee. The plant with an annual capacity of 5000 MTPA has been set up within 19 months from its Ground-Breaking Ceremony. The Factory has had an exemplary safety record completing almost a million-man hours construction and commissioning work with zero harm. The site is certified for LEED (Leadership in Energy and Environmental Design) and is expecting BRC (British Retail Consortium) shortly. TCVCL is uniquely positioned to work closely with customers to develop exclusive blends at its pilot plant. The plant will go on stream during the financial year 2019-20.

Performance of Subsidiaries:

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ('the Act'), a statement containing salient features of Financial Statements of subsidiaries in Form AOC-1 is annexed as **Annexure - A**.

The Company does not have any Associate or Joint Venture Companies. The Company has adopted a Policy for determining the criteria of material subsidiaries which can be viewed on the Company's website at www.tatacoffee.com.

12. Directors' Responsibility Statement:

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory, Cost and Secretarial Auditors including Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2018-19.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

(i) in the preparation of the accounts for the financial year ended 31st March 2019, the applicable accounting standards have been followed and that there are no material departures;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profits of the Company for that period;

(iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) they have prepared the Accounts for the financial year ended 31st March 2019 on a 'going concern' basis;

(v) they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and are operating effectively;

(vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and are operating effectively.

13. Disclosure on compliance with Secretarial Standards

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.

14. Directors & Key Managerial Personnel:

The Board of Directors at its meeting held on 22nd March 2019, subject to the approval of the shareholders in the general meeting, appointed Mr. Chacko Purackal Thomas, as Managing Director & CEO of the Company for a period of 3 years with effect from 1st April 2019, on terms of remuneration as recommended by the Nomination & Remuneration Committee. A resolution in this behalf is set out at Item No. 4 of the Notice of Annual General Meeting, for Members' approval.

Pursuant to the provisions of Section 152 of the Act, Mr. L. Krishnakumar (DIN: 00423616), retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

Mr. Sanjiv Sarin retired as the Managing Director & CEO of the Company on 31st March 2019. The Board wishes to place on record its appreciation for the invaluable services rendered by Mr. Sarin during his tenure as Managing Directors & CEO of the Company.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company:

- Mr. Chacko Purackal Thomas, Managing Director & CEO
- Mr. K. Venkataramanan, Executive Director – Finance & CFO
- Mr. N. Anantha Murthy, Head – Legal & Company Secretary

All the Independent Directors of the Company have given their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

15. Board and Committee Meetings:

An Annual Calendar of Board and Committee Meetings planned during the year were circulated in advance to the Directors.

The Board has constituted an Audit Committee comprising of Mr. S. Santhanakrishnan as Chairman, Mr. V Leeladhar and Ms. Sunalini Menon as its Members. There have been no instances during the year where recommendations of the Audit Committee were not accepted by the Board.

The details of the composition of the Board and its Committees and the number of meetings held and attendance of Directors at such meetings are provided in the Corporate Governance Report, which forms part of the Annual Report.

16. Governance Guidelines:

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines encompasses aspects relating to composition and role of the Board, Chairman and Directors, Board Diversity, Definition of Independence, Term of Directors, Retirement Age and Committees of the Board. It also covers aspects relating to Nomination, Appointment, Induction and Development of Directors, Directors' Remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

17. Policy on Directors' Appointment and Remuneration and other details:

(a) Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee (NRC) has been mandated to oversee and develop competency requirements for the Board based on the industry requirements and business strategy of the Company. The NRC reviews and evaluates the resumes of potential candidates for appointment of Directors and meets them prior to making recommendations of their nomination to the Board. Specific requirements for the position, including expert knowledge expected, are communicated to the appointee.

On the recommendation of the NRC, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other employees pursuant to the provisions of the Act and the Listing Regulations. The remuneration determined for Executive/Independent Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Directors are compensated by way of profit-sharing commission and the criteria being their attendance and contribution at the Board/Committee Meetings. The Executive Directors are not paid sitting fees; the Non-Executive Directors are entitled to sitting fees for attending the Board/Committee Meetings.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of the Company. The Company's Policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act and Regulation 19 of the Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of the Annual Report.

(b) Familiarization/Orientation Program for Independent Directors:

The Independent Directors attend a Familiarization / Orientation Program on being inducted into the Board. The details of Familiarization Program are provided in the Corporate Governance Report and are also available on the Company's website. The Company issues a formal letter of appointment to the Independent Directors, outlining their role, function, duties and responsibilities, the format of which is available on the Company's website at https://www.tatacoffee.com.

18. Dividend Distribution Policy:

As required under Regulation 43A of the Listing Regulations, the Company has formulated a Policy on Dividend Distribution. This Policy can be viewed on the Company's website at https://www.tatacoffee.com.

19. Annual Evaluation of Board Performance and Performance of its Committees and of Directors:

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees based on the

Board's Report continued

evaluation criteria defined by Nomination and Remuneration Committee (NRC) for performance evaluation process of the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter-alia the Structure of the Board, Meetings of the Board, Functions of the Board, Degree of fulfilment of key responsibilities, Establishment and delineation of responsibilities to various Committees, Effectiveness of Board Processes, information and functioning.

The Committees of the Board were assessed on the degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The Directors were evaluated on aspects such as attendance, contribution at Board/Committee Meetings and guidance/support to the Management outside Board/Committee Meetings.

The performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated in a separate meeting of Independent Directors. The same was also discussed in the meetings of NRC and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

20. Internal Control Systems & their adequacy:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

21. Reporting of Frauds:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

22. Transfer to Investor Education and Protection Fund:

a) Transfer of Unclaimed Dividend / Debenture Redemption / Debenture Interest to IEPF:

As required under Section 124 of the Act, the Unclaimed Dividend amount aggregating to ₹11,06,485/- pertaining to the financial year ended on 31st March 2011 and Unclaimed Interest on Debentures including Debenture redemption amount aggregating to ₹2,95,456/- lying with the Company for a period of seven years were transferred during the financial year 2018-19, to the Investor Education and Protection Fund established by the Central Government.

b) Transfer of shares to IEPF:

As required under Section 124 of the Act, 96,142 equity shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2018-19. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

23. Related Party Transactions:

All Related Party Transactions that were entered during the financial year under review were on an arm's length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant Related Party Transactions made by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations.

All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for them cannot be foreseen in advance.

None of the transactions entered with related parties falls under the scope of Section 188(1) of the Act. Details of transactions with related parties as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are provided in **Annexure - B** in Form AOC-2 and forms part of this Report.

The Company has adopted a Policy for dealing with Related Party Transactions. The Policy as approved by the Board may be viewed on the Company's website at the web link: www. tatacoffee.com.

24. Corporate Governance & Management Discussion & Analysis Report:

Your Company is in compliance with all the applicable provisions of Corporate Governance as stipulated under Chapter IV of the Listing Regulations. A detailed report on Corporate Governance as required under the Listing Regulations is provided in a separate section and forms part of the Annual Report. Certificate from the Practicing Company Secretary regarding compliance with the conditions stipulated in the Listing Regulations forms part of the Corporate Governance Report.

The Management Discussion and Analysis Report as required under the Listing Regulations is presented in a separate section and forms part of the Annual Report.

25. Auditors:

(i) Statutory Auditors:

The Members at the 73rd Annual General Meeting of the Company held on 26th July, 2016, had appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) as the Statutory Auditor of the Company to hold office for a term of five years i.e., from the conclusion of the said Annual General Meeting until the conclusion of 78th Annual General Meeting of the Company to be held in 2021, subject to ratification of their appointment by the shareholders, every year. The Ministry of Corporate Affairs vide its Notification dated 7th May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

The Company has received a certificate from M/s. Deloitte Haskins & Sells LLP, confirming that they are not disqualified from continuing as Statutory Auditors of the Company.

(ii) Cost Auditors:

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s. Rao, Murthy & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2019-20, on a remuneration as mentioned at Item No. 6 in the Notice of 76th Annual General Meeting.

A Certificate from M/s. Rao, Murthy & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 76th Annual General Meeting and the same is recommended for your consideration and ratification.

(iii) Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Act and the rules made there under, the Company had appointed M/s. BMP & Co. LLP, Company Secretaries, to undertake the Secretarial Audit of the Company for the year ended 31st March 2019. The Secretarial Audit Report issued in this regard is annexed as **Annexure - C**.

The Auditors' Report and the Secretarial Audit Report for the financial year ended 31st March 2019, do not contain any qualification or reservation or adverse remark.

26. Risk Management:

The Company has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) approving the Company's Risk Management Framework and (b) Overseeing all the risks that the organization faces such as strategic, financial, liquidity, security, regulatory, legal, reputational and other risks that have been identified and assessed to ensure that there is a sound Risk Management Policy in place to address such concerns/risks. The Risk Management process covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlight risks associated with chosen strategies.

The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on continuing basis.

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the Listing Regulations.

27. Particulars of Loans, Guarantees and Investments:

The details of Loans and Investments and guarantees covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements forming part of Annual Report.

28. Fixed Deposit:

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

29. Employees Welfare:

The Company continues to focus on welfare and improving the quality of lives of its employees by providing educational

Board's Report continued

assistance to their children, employee wellness sessions, periodic occupational health checks, merit scholarships to employee children, spiritual peace by yoga classes, crèche and child care facilities, transport at subsidized rate to school going children, supply of provisions at cost and other home appliances on installment basis through co-operative stores and providing housing loan interest subsidy & interest free loans for the employees.

Apart from the welfare initiatives implemented during last year, the following were the main focus areas in the welfare initiatives during financial year 2018-19:

- improvement in housing infrastructure for Plantation workers by constructing new attached toilets and bathrooms, waste water soak pits etc.
- Inter division visit of Welfare Officers to share good practices between divisions.
- Nomination of employees with outstanding track record for the national level awards. Three of our workmen have been conferred with Prime Minister's Shrama Award.
- Pre-employment medical check-up for all seasonal casual workers.
- Disposal of plastic waste accumulated in the estates through an NGO called 'Hasirudala' who has partnership with licensed vendors for waste segregation and re-cycling of usable plastics.

30. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work place:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has revisited the Internal Complaints Committee members and emphasized on the roles and responsibilities expected from the members. Posters and Banners were refreshed with the list of committee members and strengthened the awareness of zero tolerance through campaigns and Nukkad Natak.

During the financial year 2018-19, the Company received 3 complaints on sexual harassment, which have been disposed of and appropriate actions were taken.

31. Whistle Blower Policy/Vigil Mechanism:

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at www.tatacoffee.com.

32. Corporate Social Responsibility (CSR):

The Company has a Policy on Corporate Social Responsibility and the same has been posted on the website of the Company at www.tatacoffee.com. The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure - D**, which forms part of this Report.

33. Extract of Annual Return:

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in the prescribed form i.e., Form MGT-9 is annexed herewith as **Annexure – E**, which forms part of this Report.

34. Particulars of Employees and Remuneration:

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company upto the date of the 76th Annual General Meeting.

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure – F** and forms part of this Report.

35. Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134 (3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure – G** and forms part of this Report.

36. Significant and Material Orders passed by the Regulators or Courts:

There are no significant or material orders which were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's Operations in future.

37. Green Initiatives:

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Notice of 76th Annual General Meeting of the Company are sent to all Members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent through the permitted mode.

38. Appreciation:

Your Directors take this opportunity to thank the employees, customers, vendors, investors of the Company and the communities in which the Company operates and the Holding Company – Tata Global Beverages Limited, for their unstinted co-operation and valuable support extended to the Company during the year.

Your Directors also thank the Government of India, Government of various States in India and concerned government departments/agencies for their co-operation.

Your Directors appreciate and value the contributions made by every member of Tata Coffee family.

For and on behalf of the Board

Place: Bengaluru
Date: 19th April 2019

R. HARISH BHAT
Chairman

Board's Report continued

Annexure-A

FORM AOC – 1

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

(Pursuant to first Proviso to Sub-Section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

PART "A": SUBSIDIARIES

₹ in Crores

Sl. No.					
1	Name of the Subsidiary	Consolidated Coffee Inc.	Eight O'Clock Holdings Inc.	Eight O'Clock Coffee Company	Tata Coffee Vietnam Company Limited
2	Date since when subsidiary was acquired/formed	July 10, 2006	July 10, 2006	July 10, 2006	March 28, 2017
3	Reporting Currency and Exchange Rate as on the last date of the relevant financial year in case of Foreign Subsidiaries	US Dollar / ₹ 69.15	US Dollar / ₹ 69.15	US Dollar / ₹ 69.15	US Dollar / ₹ 69.15
4	Average yearly rate for P & L items translation	US Dollar / ₹ 69.72	US Dollar / ₹ 69.72	US Dollar / ₹ 69.72	US Dollar / ₹ 69.72
5	Share Capital	414.21	414.21	414.21	72.61
6	Reserves & Surplus	(30.88)	(0.49)	186.28	(11.03)
7	Total Assets	416.21	414.50	1613.50	471.27
8	Total Liabilities	32.88	0.78	1013.02	409.70
9	Investments	414.21	414.21	-	-
10	Turnover	-	-	1104.26	-
11	Profit before Taxation	68.25	69.92	98.04	(8.00)
12	Provision for Taxation	(0.35)	-	33.43	-
13	Profit after Taxation	68.60	69.92	64.61	(8.00)
14	Proposed Dividend	-	-	-	-
15	% of Shareholding	50.08	-	-	100.00

Notes:

1. Reporting period of the subsidiaries is the same as that of the Company.
2. Balance Sheet items have been translated at the exchange rate as on the last day of relevant financial year.
3. The numbers reported above are based on individual financial statements prepared under local GAAP.
4. Part B of the Annexure is not applicable as there are no Associate Companies/Joint ventures of the Company as on 31st March, 2019.
5. Eight O'Clock Holdings Inc. and Eight O'Clock Coffee Company are subsidiaries of Consolidated Coffee Inc.

For and on behalf of the Board

Place: Bengaluru
Date: 19th April 2019

R. HARISH BHAT
Chairman

Annexure - B

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Tata Coffee Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during the financial year 2018-19. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

(a) Name(s) of the related party and nature of relationship: Not Applicable

(b) Nature of contracts/arrangements/transactions: Not Applicable

(c) Duration of the contracts / arrangements/transactions: Not Applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

(e) Justification for entering into such contracts or arrangements or transactions: Not Applicable

(f) Date(s) of approval by the Board: Not Applicable

(g) Amount paid as advances, if any: Not Applicable

(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship: Not Applicable

(b) Nature of contracts/arrangements/transactions: Not Applicable

(c) Duration of the contracts/arrangements/transactions: Not Applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

(e) Date(s) of approval by the Board, if any: Not Applicable

(f) Amount paid as advances, if any: Not Applicable

For and on behalf of the Board

Place: Bengaluru
Date: 19th April 2019

R. HARISH BHAT
Chairman

Board's Report continued

Annexure – C

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Tata Coffee Limited

CIN: L01131KA1943PLC000833

Pollibetta, Kodagu 571215

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Coffee Limited (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

i. The Companies Act, 2013 ('the Act') and the Rules made thereunder and the relevant provisions of the Act;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009; – Not Applicable as the Company did not issue any security during the financial year under review.

d. The Securities and Exchange Board of India (Share Benefits Employee Benefits) Regulations, 2014; - Not Applicable as the Company does not have Employee Stock Option Scheme for its employees;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – Not applicable as the Company has not issued any debt securities during the financial year under review;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable as the Company has not done any buyback of its securities during the financial year under review.

vi. The following key / significant laws as specifically applicable to the Company: -

1) The Plantation Labour Act, 1951
2) The Coffee Act, 1942 and the Rules made thereunder
3) The Tea Act, 1953 & Rules made thereunder
4) The Coffee Market Expansion Act, 1942
5) The Factories Act, 1948
6) The Legal Metrology Act, 2009 and Rules made thereunder
7) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
8) The Water (Prevention and Control of Pollution) Act, 1974
9) The Water (Prevention and Control of Pollution) Cess Act, 1977
10) The Air (Prevention and Control of Pollution) Act, 1981
11) The Environment (Protection) Act, 1986

12) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
13) Food Safety & Standards Act, 2006, and Food Safety & Standards Rules, 2011
14) The Spices Board Act, 1986 and the Rules, Regulations made thereunder;
15) The Indian Forest Act, 1927
16) The Indian Wildlife Protection Act, 1972
17) The Arms Act, 1959 and the Arms Rules 1962
18) The Electricity Act, 2003
19) The Contract Labour (Regulation and Abolition) Act, 1970 & its Central Rules/ concerned State Rules.
20) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, FPF Schemes.
21) The Employees' State Insurance Act, 1948 & its Central Rules / concerned State Rules.
22) The Minimum Wages Act, 1948 & its Central Rules/ concerned State Rules/ Notification of Minimum Wages applicable to various class of Industries/ Trade.
23) The Payment of Wages Act, 1936 & its Central Rules/ concerned State Rules if any.
24) The Payment of Bonus Act, 1965 & its Central Rules/ concerned State Rules if any.
25) The Payment of Gratuity Act & its Central Rules/ concerned State Rules if any.
26) The Maternity Benefit Act, 1961 & its Rules.
27) The Equal Remuneration Act, 1976.
28) The Employee's Compensation Act, 1923
29) The Karnataka Shops & Establishments Act, 1961 and Rules made thereunder
30) Information Technology Act, 2000
31) The Industrial Dispute Act, 1947
32) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
33) Tamil Nadu Industrial Establishments (National & Festival Holidays) Act, 1958 read with The Tamil Nadu Industrial Establishments (National & Festival Holidays) Rules, 1959.
34) Tamil Nadu Labour Welfare Fund Act, 1972 read with Tamil Nadu Labour Welfare Fund Rules, 1973

We have also examined compliance with the applicable clauses/regulations of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

There are no other specific events/actions in pursuance of the above referred laws, rules, regulations guidelines etc., having a major bearing on the Company's Affairs.

For **BMP & Co. LLP,**
Company Secretaries

Pramod S M
Partner
FCS No: 7834
CP No: 13784

Place: Bengaluru
Date: 19th April 2019

Board's Report continued

Annexure to Secretarial Audit Report

To,

The Members,
Tata Coffee Limited
CIN: L01131KA1943PLC000833
Pollibetta, Kodagu 571215

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit and also on the review of quarterly compliance report issued by the respective departmental heads/ Company Secretary/Managing Director & CEO, and taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour Laws & Environment Laws and Data Protection Policy.
8. We further report that the Compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **BMP & Co. LLP,**
Company Secretaries

Pramod S M
Partner
FCS No: 7834
CP No: 13784

Place: Bengaluru
Date: 19th April 2019

Annexure – D

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY

1. **A brief outline of the Company's CSR Policy, including overview of the projects or programs proposed to be undertaken and a reference to the web link of the CSR Policy and projects or programs.**

   The focus areas of CSR Policy are as follows:

   a) Reduction of carbon and water foot print through inclusive and sustainable business practices.

   b) Renewable Energy, Water Conservation & Waste Management to support Environmental Sustainability.

   c) Ensuring protection and restoration of wildlife within the scope of operations.

   d) Undertaking programs focused on Education and Skill Development, Healthcare & Gender Equality.

   e) Actively participating in programs for volunteering and Affirmative Action.

   The CSR Policy can be viewed on the Company's website at 'www.tatacoffee.com'

2. **The Composition of CSR Committee:**

   Ms. Sunalini Menon - Chairperson (Independent Non-Executive Director)

   Mr. V. Leeladhar (Independent Non-Executive Director)

   Mr. Siraj Azmat Chaudhry (Independent Non-Executive Director)

   Mr. Sanjiv Sarin* (Managing Director & CEO)

   *Ceased to be a member of the Committee with effect from the close of 31st March 2019, consequent to his retirement.

3. **Average Net Profit of the Company for the last 3 financial years:**

   The average Net Profit for the last three years is ₹ 90.00 Crores.

4. **Prescribed CSR Expenditure (two percent of the amount as mentioned at item 3 above):**

   The Company is required to spend ₹ 1.80 Crores towards CSR for the financial year 2018-19.

5. **Details of CSR spent during the financial year:**

   a) Total amount spent for the financial year: ₹ 1.92 Crores

   b) Amount unspent, if any: Nil

Board's Report continued

c) Manner in which the amount spent during the financial year is detailed below:

₹ in Lakhs

Sl. No.	Project/Activities	Sector	Locations Districts(State)	Amount Outlay (Budget)	Cumulative expenditure upto reporting period	Amount Spent	
						Direct	Through Implementing Agency
1	Promoting Preventive Health Care	Health	Coorg, KA* Bengaluru, KA* Theni, TN*	106.83	100.84	90.84	10.00
2	Safe Drinking Water/ Sanitation Facility	Water	Coorg, KA*	36.63	36.40	6.94	29.46
3	Promoting education by providing contributions	Education	Coorg, KA * Anamallais, TN * Bengaluru, KA* Toopran, TEL *	31.26	30.41	30.41	-
4	Medical	Aid to Hospital Equipment's	Coorg, KA * Toopran, TEL *	10.00	10.00	-	10.00
5	Old Age Home	Old Age Home Maintenance	Bengaluru KA*	4.48	4.00	-	4.00
6	Animal Welfare	Tiger Conservation Fund	Bengaluru, KA*	5.00	5.00	-	5.00
7	Sports	Sponsorship	Bengaluru, KA*	2.00	2.00	-	2.00
8	Others	Infrastructure/Others	Toopran, TEL* Coorg, KA *	3.40	2.97	2.97	-
		Total		**199.60**	**191.63**	**131.17**	**60.46**

* KA - Karnataka; TN - Tamil Nadu; TEL – Telangana

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report:

Not Applicable

7. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Bengaluru
Date: 19th April 2019

Chacko Purackal Thomas
Managing Director & CEO

Sunalini Menon
Chairperson - CSR Committee

Annexure – E

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sl. No.	Particulars	Details
1	Corporate Identity Number (CIN)	L01131KA1943PLC000833
2	Registration Date	19th November, 1943
3	Name of the Company	Tata Coffee Limited
4	Category/ Sub- Category of the Company	Public Company/Limited by Shares
5	Address of the Registered Office and Contact Details	Pollibetta, Kodagu, 571 215, Karnataka, India Ph: - 080- 23560695 Fax: 080-23341843 E-mail: anantha.murthy@tatacoffee.com
6	Whether Listed Company? Yes/ No	Yes
7	Name, Address and Contact Details of Registrar and Transfer Agent, if any	TSR Darashaw Limited 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011. Tel. No.: 91 22 6656 8484 Fax No.: 91 22 6656 8494 E-mail: csg-unit@tsrdarashaw.com Website: www.tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company: -

Sl. No.	Name & Description of Main Products/ Services	NIC Code of the Product/ Service	% to Total Turnover of the Company
1	Coffee	01272/10792	17.97
2	Instant Coffee	10792	54.31

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tata Global Beverages Limited	L15491WB1962PLC031425	Holding Company	57.48	2(46)
2	Consolidated Coffee Inc., USA	NA	Subsidiary	50.08	2(87)
3	Eight O' Clock Holdings Inc., USA	NA	Subsidiary	-	2(87)
4	Eight O' Clock Coffee Company, USA	NA	Subsidiary	-	2(87)
5	Tata Coffee Vietnam Company Limited, Vietnam	NA	Subsidiary	100	2(87)

Board's Report continued

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i. Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year i.e. 1st April, 2018				No. of Shares held at the end of the year i.e. 31st March, 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
(1)	**Indian**									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	107,359,820	0	107,359,820	57.48	107,359,820	0	107,359,820	57.48	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)		**107,359,820**	**0**	**107,359,820**	**57.48**	**107,359,820**	**0**	**107,359,820**	**57.48**	**0.00**
(2)	**Foreign**				0.00				0.00	
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2)		**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shareholding of Promoter and Promoter Group (A)		**107,359,820**	**0**	**107,359,820**	**57.48**	**107,359,820**	**0**	**107,359,820**	**57.48**	**0.00**
(B)	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds / UTI	5,163,526	24,980	5,188,506	2.78	4,343,145	24,980	4,368,125	2.34	-0.44
(b)	Financial Institutions / Banks	379,210	50,800	430,010	0.23	741,895	50,800	792,695	0.42	0.19
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	3,992,263	0	3,992,263	2.14	5,900,299	0	5,900,299	3.16	1.02
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Foreign Portfolio Investors (Corporate)	68,074	0	68,074	0.04	40,000	0	40,000	0.02	-0.02
(j)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0
Sub-Total (B) (1)		**9,603,073**	**75,780**	**9,678,853**	**5.18**	**11,025,339**	**75,780**	**11,101,119**	**5.94**	**0.76**
(2)	**Non-Institutions**									
(a)	Bodies Corporate	5,478,498	77,210	5,555,708	2.97	3,262,451	56,230	3,318,681	1.78	-1.20
(b)	Individuals -									
i	Individual shareholders holding nominal share capital upto ₹ 1 lakh	40,378,671	4,237,100	44,615,771	23.89	42,569,476	3,642,115	46,211,591	24.74	0.85
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3,477,339	205,070	3,682,409	1.97	2,834,357	205,070	3,039,427	1.63	-0.34
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other									
i	HUF	2,124,563	0	2,124,563	1.14	2,281,259	0	2,281,259	1.22	0.08
ii	Non-Resident Indian (NRI)	4,578,287	42,110	4,620,397	2.47	4,752,177	83,960	4,836,137	2.59	0.12
iii	LLP	68,501	0	68,501	0.04	176,020	0	176,020	0.09	0.06
iv	Trusts	238,887	0	238,887	0.13	235,637	0	235,637	0.13	0.00

Category of Shareholders		No. of Shares held at the beginning of the year i.e. 1st April, 2018				No. of Shares held at the end of the year i.e. 31st March, 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
v	Clearing Members	2,213,674	0	2,213,674	1.19	1,946,667	0	1,946,667	1.04	-0.14
vi	Foreign Companies	3,615,125	0	3,615,125	1.94	3,615,125	0	3,615,125	1.94	0.00
vii	Directors	3,000	0	3,000	0.00	3,000	0	3,000	0.00	0.00
viii	Foreign Nationals	30,720	0	30,720	0.02	0	0	0	0.00	-0.02
ix	Alternate Investment Funds	205,000	0	205,000	0.11	260,000	0	260,000	0.14	0.03
x	NBFCs registered with RBI	1,515,121	0	1,515,121	0.81	1,046,924	0	1,046,924	0.56	-0.25
xi	IEPF A/c	1,242,821	0	1,242,821	0.67	1,338,963	0	1,338,963	0.72	0.05
Sub-total (B) (2)		**65,170,207**	**4,561,490**	**69,731,697**	**37.34**	**64,322,056**	**3,987,375**	**68,309,431**	**36.57**	**-0.76**
Total Public Shareholding (B) = (B)(1)+(B)(2)		**74,773,280**	**4,637,270**	**79,410,550**	**42.52**	**75,347,395**	**4,063,155**	**79,410,550**	**42.52**	**0.00**
TOTAL (A)+(B)		**182,133,100**	**4,637,270**	**186,770,370**	**100.00**	**182,707,215**	**4,063,155**	**186,770,370**	**100.00**	**0.00**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)		**182,133,100**	**4,637,270**	**186,770,370**	**100.00**	**182,707,215**	**4,063,155**	**186,770,370**	**100.00**	**0.00**

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 1st April, 2018			Shareholding at the end of the year 31st March, 2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Tata Global Beverages Limited	107,359,820	57.48	0.00	107,359,820	57.48	0.00	0.00
		107,359,820	**57.48**	**0.00**	**107,359,820**	**57.48**	**0.00**	**0.00**

Board's Report continued

iii. Change in Promoter's Shareholding (Please specify , if there is no change)

Sl. No.	Shareholder's Name	No. of Shares at the beginning of the year 1st April, 2018	% of total Shares of the Company	Cumulative Shares during the year	% of total Shares of the Company during the year
1	Tata Global Beverages Limited				
	At the beginning of the year	107,359,820	57.48	107,359,820	57.48
	At the end of the year i.e. 31.03.2019			107,359,820	57.48

iv. Shareholding Pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	No of Shares as on 01.04.2018	% to Capital	No of Shares as on 31.03.2019	% to Capital	Net Change in shares	Net Change % to Capital
1	Life Insurance Corporation of India	1,913,643	1.02	4,221,679	2.26	2308036	1.24
2	F. Born A G	3,615,125	1.94	3,615,125	1.94	0	0.00
3	Reliance Capital Trustee Co Ltd.(*)	3,617,282	1.94	3,462,884	1.85	-154398	-0.08
4	Investor Education And Protection Fund Authority (Ministry of Corporate Affairs)	1,242,821	0.67	1,338,963	0.72	96142	0.05
5	National Insurance Company Ltd.	1,133,070	0.61	1,133,070	0.61	0	0.00
6	Kashyap K Bhatt	1,033,625	0.55	1,033,625	0.55	0	0.00
7	Infina Finance Private Ltd.	1,465,714	0.78	1,018,534	0.55	-447180	-0.24
8	Aditya Birla Sun Life Trustee Private Ltd. A/C Aditya Birla Sun Life Manufacturing Equity Fund	1,009,958	0.54	800,000	0.43	-209958	-0.11
9	Soyuz Trading Company Ltd.	299,372	0.16	511,741	0.27	212369	0.11
10	Ganesh Srinivasan	510,000	0.27	510,000	0.27	0	0.00

Note: The shares of the Company are traded on a daily basis and hence the date-wise increase/decrease in shareholding are not indicated.
*Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No	Particulars	Shareholding at the beginning of the year i.e. 1st April, 2018		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Sanjiv Sarin*				
	At the beginning of the year	3,000	0.00		
	At the end of the year i.e. 31.03.2019			3,000	0.00
	Total	**3,000**	**0.00**	**3,000**	**0.00**

* Mr. Sanjiv Sarin, retired as Managing Director & CEO of the Company with effect from the closing hours of 31st March 2019.

None of the other Directors and Key Managerial Personnel of the Company holds shares in the Company.

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

₹ in Lakhs

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4500.00	5095.57	141.41	9736.98
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	9.25	-	-	9.25
Total (i+ii+iii)	**4509.25**	**5095.57**	**141.41**	**9746.24**
Change in Indebtedness during the financial year				
i) Addition (net)	4281.03	-	-	4281.03
ii) Reduction (net)	-	5095.57	1.83	5097.40
Net Change	**4281.03**	**5095.57**	**1.83**	**9378.42**
Indebtedness at the end of the financial year				
i) Principal Amount	8790.28	-	139.59	8929.87
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**8790.28**	**-**	**139.59**	**8929.87**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

₹ in Lakhs

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager			Total Amount
		Mr. Sanjiv Sarin (Managing Director & CEO)*	Mr. Chacko Purackal Thomas (Executive Director & Dy. CEO)**	Mr. K. Venkataramanan (Executive Director - Finance & CFO)	
1	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	219.88	133.65	116.53	**470.06**
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.77	0.58	0.88	**2.23**
	c) Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	**-**
2	Stock Option	-	-	-	**-**
3	Sweat Equity	-	-	-	**-**
4	Commission	110.00	60.00	59.00	**229.00**
5	Others (contribution to Retiral funds)	20.85	14.59	12.95	**48.39**
	Total (A)	**351.50**	**208.82**	**189.36**	**749.68**
	Ceiling as per the Act (@10% of profits calculated under Section 198 of the Companies Act, 2013				817.60

* Ceased to be Managing Director & CEO of the Company on 31st March 2019, consequent to his retirement.

** Appointed as Managing Director & CEO of the Company effective 1st April 2019.

Board's Report continued

B. Remuneration to Other Directors:

1. Independent Directors

₹ in Lakhs

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. S. Santhanakrishnan	Ms. Sunalini Menon	Mr. V. Leeladhar	Mr. Siraj Azmat Chaudhry	Dr. P. G. Chengappa	
1	Fee for attending Board and Committee Meetings	6.30	4.65	4.20	2.55	2.40	20.10
2	Commission (2018-19) payable in FY 2019-20	30.00	15.00	16.00	11.00	8.00	80.00
3	Others, please specify	-	-	-	-	-	-
Total (B1)		**36.30**	**19.65**	**20.20**	**13.55**	**10.40**	**100.10**

2. Non- Executive Directors

₹ in Lakhs

Sl. No.	Particulars of Remuneration	Name of Director		Total Amount
		Mr. R. Harish Bhat	Mr. L. Krishnakumar	
1	Fee for attending Board and Committee Meetings	2.10	1.10	3.20
2	Commission (2018-19)	-	-	-
3	Others, specify		-	-
Total B (2)				**3.20**
Total Managerial Remuneration (B1) +(B2)				**103.30**
Total Sitting Fees				**23.30**
Total Commission				**80.00**
Overall Ceiling as per the Act for payment of Commission to Non- Executive Directors for the financial year 2018-19				**81.76**

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD:

₹ in Lakhs

Sl. No.	Particulars of Remuneration	COMPANY SECRETARY Mr. N. Anantha Murthy
1	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	37.50
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.29
	c) Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	-
2	Stock Option	NA
3	Sweat Equity	NA
4	Commission / Bonus	9.00
5	Others (contribution to Retiral funds)	4.16
	Total	**50.95**

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of the Companies Act, 2013, against the Company or its Directors or other officers in default, if any, during the year.

Annexure – F

PARTICULARS OF EMPLOYEES

Information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year:**

Non-Executive Directors	Ratio to Median	% increase/(decrease) in Remuneration
Mr. R. Harish Bhat	1.06	(13)
Mr. L Krishnakumar^	0.56	NA
Mr. S. Santhanakrishnan	18.38	(3)
Ms. Sunalini Menon	9.95	(1)
Mr. V. Leeladhar	10.23	(6)
Mr. Siraj Azmat Chaudhry	6.86	(7)
Executive Directors & Key Managerial Personnel		
Mr. Sanjiv Sarin	167.38	23
Mr. Chacko Purackal Thomas	98.32	11
Mr. K. Venkataramanan	89.30	10
Mr. N. Anantha Murthy	23.69	10

^ Directorship / Employment is for part of the period, either in current year or in previous year. Hence, percentage increase in remuneration is not provided.

2. **The percentage increase in the median remuneration of employees in the financial year:** 5%

3. **The number of permanent employees on the rolls of Company:** 5951

4. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

   The percentage increase in the salaries of employees other than Managerial Personnel in financial year 2018-19 was 5%. The increments given to employees are based on their potential, performance and contribution, which is benchmarked against applicable Industry norms.

5. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

   It is affirmed that the remuneration paid is as per the Remuneration Policy applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

Board's Report continued

Annexure – G

Details on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

i. ICD-THENI

1. The steps taken or impact on conservation of energy

Various steps taken to use renewable energy which is generated from natural sources i.e. wind, solar, rain

a) Wind energy utilization continued through Group Captive Power (GCP) concept being a major initiative, which caters 70% of total energy requirement at ICD Theni

b) Spent coffee utilization remined a major saving initiative for the unit.

c) 9% Reduction in Specific diesel consumption over PY in the spray dried unit through various PIT's.

d) 9.6% Reduction in Specific power consumption at SDC through energy conservation CFTs and Capital Installations

e) 10.7% Reduction in Specific LPG consumption in Spray Dryer has reduced through PIT's and new radiator installations

f) 17.4% Reduction in Specific diesel consumption over PY at Freeze dried coffee unit (FDC) through PIT's

g) Fly ash generated from the boiler is being disposed in an eco-friendly manner for brick manufacturing.

h) Specific Water Consumption of Water Reduced at FDCBY 2.6%

i) Hydraulic Recovery at ZLDP has improved over PY from 72.7% to 76.5%

2. The steps taken by the Company for utilizing alternate sources of energy

a) Theni Unit focused on renewal energy sourcing (wind +solar) and made it fruitful by which 76% of the total power consumption of the plant is taken care with renewable energy

3. The capital investment on energy conservation equipment

a) The Theni Unit of Instant Coffee Division invested Rs 16 Lakhs on New Higher Capacity Compressor with VFD in SDC plant to minimize the electrical power consumption. The energy reduction initiative led to a 31% reduction in compressor energy .

b) The Theni Unit of Instant Coffee Division invested ₹ 14 Lakhs on Steam Radiator in SDC plant to minimize the LPG consumption. This initiative led to a reduction 10.7% in LPG consumption a saving of approximately 50kg LPG daily average.

ii. ICD – Toopran

1. The steps taken or impact on conservation of energy.

a) Revamping the ETP & RO plant to recover 40KLD. With the modification, the specific water consumption will reduce by 0.33 ltr/kg.

b) Replacing damper controlled blowers with VFD control for agglomeration supply and exhaust fans (10HP & 40HP). Observing savings of 14250 units per month.

c) Replacing damper controlled blowers with VFD control for boiler FD Fan (40HP). Observing savings of 7200 units per month.

d) Fly ash generated from the boiler is being disposed in an eco-friendly manner for brick manufacturing.

e) Spent coffee utilization remained a major saving initiative for the unit.

2. The capital investment on energy conservation Equipment

The Toopran Unit of Instant Coffee Division invested ₹7.3 Lakhs on VAM chiller upgradation and eliminated usage of electrical chiller operations, ensured the energy efficient accessories only to be operated during the operational runs reduced the power consumption leading to a saving of ₹2 Lakhs per month.

B. TECHNOLOGY ABOSORPTION:

1. Specific area

a. Soil health - maintenance and its sustenance with Soil Nutrient Index.

b. Integrated Pest & Disease Management Research.

c. Bio-Control Research – culturing of beneficial microbes for plant protection and Composting process.

d. Varietal trial for Coffee, Pepper and Cardamom.

e. Quality enhancement, good post-harvest processing and Pepper grading for incremental gain.

f. Environmental preservation through Surface Water Analysis, Pesticide Residue Analysis, etc. and Water Conservation.

g. Soil moisture conservation and optimization of available water.

h. Bio-remediation and waste management - Recycling of Agro waste, Compost, Vermi-compost & Coffee Waste Water Treatment and recycling.

i. Quality evaluation of estate produce and Agro-inputs.

j. Mono Cultivation of Pepper and Crop Diversification.

k. Apiculture and Pisciculture.

l. Collaborative Research to evolve Less Hazardous Eco-friendly Agro – Chemical and Pheromones for Sustainable Agriculture.

m. Standardization 'Operating Procedure for Plantation, Processing.

n. **Clonal propagation of coffee:** To achieve high crop yield, drought tolerance & Uniqueness. This clonal propagation is achieved through identical plants in a short timeline and plants will be available for in situ propagation.

2. Benefits Derived

I. Crop Nutrition Research:

a. Soil fertility evaluation through annual soil nutrient analysis and leaf micronutrient diagnostic analysis, the results is used to optimize fertilizer recommendation and soil amendment.

b. Our fertilizer program is rationalized based on soil nutrient status and plant replenishment ratio, which is optimum and adequate to enhance crop production and productivity.

c. Monitoring the availability of micronutrients and secondary nutrients to improve Coffee, Pepper and Cardamom productivity and quality.

II. Coffee, Pepper & Cardamom - Varietal Trial Experiment:

Identified location specific high yielding, pest, disease and drought tolerant selection for planting in our Estates. Initiated vegetative propagation & targeting 20000 plants for the forthcoming year.

III. Organic Manure:

Agro Waste management and recycling through large-scale production of quality compost with improvised technology by incorporating microbial consortium, to enhance the soil fertility and vigor of the plant.

Board's Report continued

IV. Bio- control Research:

a. **Culturing of beneficial fungus for integrated disease management -**R&D pioneered and scaled up the culturing of pure line *Trichoderma* fungus in different formulation as per estate requirements and introduced concentrate vial formulation in deliverable form for hassle free transport to far off estates.

b. Culturing of Beneficial strains viz., *Pseudomonas, Paecilomyces* and *Pochonia* for soil Nematode control.

c. **Coffee Berry Borer Control:** Large-scale installation of Berry Borer traps (Broca traps) and Culturing of Entomopathogenic fungus *Beauveria bassiana*, as a part of Integrated Pest Management.

d. Culturing of Specific strains of Streptomyces, Bacillus & phanerochete for compost degradation & enrichment.

e. **Coffee White Stem Borer Control:** Monitoring WSB by Installing Pheromone traps, 'Lime spray' and intensive tracing. Introduced impregnated non oven fabric wraps to emphasize the population suppression as a part of Integrated Pest Management [IPM].

V. Organic farming system:

Coffee and Pepper cultivation is in compliance with Organic Farming Standards as per NPOP and NOP – US technical standards.

VI. Mono Cultivation of Pepper and Crop Diversification:

Intensive Pepper cultivation with improved package of practices. Areca nut, Oil palm planted along the valleys and marginal areas have established and contributing substantial revenue. Horticulture crops like Avocado (Indigenous and exotic varieties) and tree spice – Nutmeg are experimented.

VII. Preparation of Standard Operating Procedure (SOP) and package of practices based Good Agricultural practices (GAP) and Good Processing Practices (GPP).

VIII. Training programs on critical cultural operations for estate personnel and monthly Advisory circulars to estates and to our customers to update current/new trends in cultivation practices, pest, disease management and post-harvest technology.

IX. Certifications –

All our cultural operations are validated through international certifications such as UTZ, Rainforest Alliance, Global GAP, SA 8000, ISO 22000 and Cafe Practices.

3. Plan of action In-house

I. Improved crop varieties:
Field evaluation of location specific high yielding and pest, disease and drought tolerant selection of Coffee, Pepper and Cardamom.

II. Crop Diversification:
To assess the potential of very low yielding coffee areas and to identify other suitable commercial crops and fruit trees.

III. Coffee 'Waste water' Management Research:
Experiments are under way to determine economical waste water treatment through effective Ecofriendly neutralization agents, biological process and energy recovery from waste water.

IV. Crop Nutrition Research:
Rationalization of fertilizer application for the future. Experimenting on identification of potential 'fertilizer formulation' for better absorption of applied nutrients, and quality enhancement.

V. Water conservation:
To develop an economically viable technique, recycling of treated waste water for agricultural use.

VI. Quality enhancement – Improved process to preserve the "Inherent quality" of estate produce, right time of crop harvest based on sugar content (coffee), improved post- harvest drying standards for Coffee and Pepper to avoid Mycotoxins.

VII. Coffee Waste Utilization for Incremental gain:
Experiments are under way for effective utilization of Coffee processing waste for incremental gain.

VIII. Quality of Surface Water – To assess and confirm that our farm activities are not contaminating the receiving water bodies, even though less hazardous chemicals are used as per Sustainable Agricultural Network and WHO standard.

IX. Apiculture - To enhance production through insect pollination in Coffee and also to revive the diminishing population of honey bees, to preserve the bio-diversity.

X. Pisciculture – Fish farming in Irrigation tank, to preserve the aquatic eco system and also for Revenue generation.

XI. Collaborative Research: To evolve less Hazardous "WHO" approved Agro-Chemicals for sustainable Agriculture.

4. General

I. Collaboration with Research Institutes: -

- Central Coffee Research Institute, Balehonnur.
- Indian Institute of Spices Research, Calicut.
- Collaborative Research with Tata Chemicals Innovation Centre and Rallis Innovation Chemistry Hub, with respect to Arabica White Stem Borer and Termite on 'live standards'.
- College of Forestry Science, University of Agricultural Sciences, Bangalore.

II. Obtained UTZ, Rainforest Alliance and Café practices Certificates for Coffee export to EU, USA and Japan; NOP and NPOP Certificate for Organic produce, and ISO: 22000 Certification for R & G and Pepper Processing unit at KNW, EIA for Pepper Export.

III. Scientific technical guidance to students pursuing higher studies both International and National Universities.

IV. Our R&D Laboratory is recognized by the Department of Scientific and Industrial Research, Ministry of Science and Technology.

R&D Updates/In House Seminars- Updating R&D interventions across our estates & our customers by conducting Annual R&D-Day and also conducting In House Seminars to explore the efficiency of our personnel's.

Board's Report continued

5. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

(a) The details of technology / Instrument imported: Microwave Plasma Atomic Emission Spectrometer. The Technology is being used for micronutrient analysis including leaf/tissue.

(b) the year of import: financial year 2017-18

(c) whether the technology been fully absorbed: Yes

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not Applicable

6. The expenditure incurred on Research and Development:

₹ in Lakhs

Particulars	2018-19	2017-18
Capital Expenditure	**4.57**	38.68
Revenue Expenditure	**99.59**	83.30
Total	**104.16**	**121.98**
Total R&D expenditure as a % of net sales	**0.15%**	**0.17%**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

₹ in Lakhs

Particulars	2018-19	2017-18
Foreign Exchange Earned	**43428**	42579
Outgo of Foreign Exchange	**15545**	16289

For and on behalf of the Board

Place: Bengaluru
Date: 19th April 2019

R. HARISH BHAT
Chairman

Report on Corporate Governance

1. Company's Philosophy on Code of Governance:

Your Company's Corporate Governance philosophy is based on transparency, accountability, values and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth and value creation. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders. As part of Tata Group, your Company has a strong legacy of fair, transparent and ethical governance practices.

The Corporate Governance philosophy of your Company ensures transparency in all dealings and in the functioning of the management and the Board. These policies seek to focus on enhancement of long-term shareholder value without compromising on integrity, social obligations and regulatory compliances. The Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders. It has set up a system which enables all its employees to voice their concerns openly and without any fear or inhibition. The corporate governance philosophy of the Company has been further strengthened through the Tata Code of Conduct, Tata Business Excellence Model, Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.

The Corporate Governance practices followed by the Company are compatible with International Standards. Your Company has established systems to encourage and recognize employee participation and volunteering in environmental and social initiatives that contribute to Organizational Excellence, Sustainability, Human Resources Development and health of its employees and of the neighboring community etc. These actions have become an integral part of your Company's operating plans for performing social responsibilities too.

Your Company is in compliance with the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter called "the Listing Regulations" and also Guidance Note on Board Evaluation as prescribed by SEBI.

2. Board of Directors:

(i) Composition of the Board

The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. Your Company has an engaged and well informed Board with qualifications and experience in diverse areas. The Board composition is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the Listing Regulations') and the Companies Act, 2013 ("the Act").

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Director. The Board of Directors as at the end of 31st March 2019, comprised of 9 Directors, out of which 2 were Executive Directors and 7 were Non-executive Directors, which includes 5 Independent Directors. The Chairman of the Board is a Non-Executive Director and more than one-half of the total number of Directors comprised of Non-Executive directors. The Independent Directors constitute more than one-half of the total Board strength.

Category of Directors	No. of Directors	%
Non - Independent Non-Executive Directors	2	22%
Independent Directors	5	56%
Executive Directors (*)	2	22%

(*) Mr. Sanjiv Sarin, retired as Managing Director & CEO with effect from the closing hours of 31st March 2019, and hence his directorship has not been considered above. The Board of Directors has appointed Mr. Chacko Purackal Thomas, as the Managing Director & CEO of the Company with effect from 1st April, 2019.

None of the Directors are related to each other. Mr. Sanjiv Sarin, who was the Managing Director & CEO of the Company upto 31st March 2019 held 3000 equity shares of the Company as on 31st March 2019. No other Director holds equity shares in the Company.

None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public Companies in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.

None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the

Report on Corporate Governance continued

Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are Independent of the management.

(ii) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2019 are given below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

Name of Director	Category of Directors	Attendance at		Directorships in Other Public Companies	Number of Committee Positions held in Other Public Companies	
		Board Meetings held during 2018-19	Last AGM held on 02.07.2018		Member	Chairman
Mr. R. Harish Bhat (Chairman) DIN: 00478198	Non-Independent Non-Executive	7	Yes	6	3	1
Mr. L. Krishnakumar DIN: 00423616	Non-Independent Non-Executive	6	ABSENT	2	1	-
Mr. S. Santhanakrishnan DIN: 00032049	Independent Non-Executive	7	Yes	5	5	1
Mr. V. Leeladhar DIN: 02630276	Independent Non-Executive	5	Yes	3	1	3
Ms. Sunalini Menon DIN: 06983334	Independent Non-Executive	7	Yes	-	-	-
Mr. Siraj Azmat Chaudhry DIN: 00161853	Independent Non-Executive	6	Yes	2	1	-
Dr. P.G. Chengappa DIN: 06771287	Independent Non-Executive	6	Yes	3	2	-
Mr. Sanjiv Sarin (*) (Managing Director & CEO) DIN: 02063332	Non-Independent Executive	7	Yes	-	-	-
Mr. Chacko Purackal Thomas (**) (Executive Director & Deputy CEO) DIN: 05215974	Non-Independent Executive	6	Yes	-	-	-
Mr. K. Venkataramanan (Executive Director – Finance & CFO) DIN: 01728072	Non-Independent Executive	7	Yes	1	-	-

(*) Mr. Sanjiv Sarin, retired as the Managing Director & CEO of the Company with effect from the closing hours of 31st March 2019.

(**) Mr. Chacko Purackal Thomas has been appointed as the Managing Director & CEO of the Company with effect from 1st April 2019.

(iii) Name of other listed entities where Directors of the company are Directors and the category of Directorship:

Sl. No.	Name of Director	Name of listed entities in which the concerned Director is a Director	Category of Directorship
1.	Mr. R. Harish Bhat (Chairman) DIN: 00478198	i. Tata Global Beverages Limited	Non – Executive Non- Independent Director
		ii. Titan Company Limited	Non – Executive Non- Independent Director
		iii. Trent Limited	Non – Executive Non- Independent Director
2.	Mr. L. Krishnakumar DIN: 00423616	Tata Global Beverages Limited	Executive Director
3.	Mr. S. Santhanakrishnan DIN: 00032049	Tata Global Beverages Limited	Independent Director
4.	Mr. V. Leeladhar DIN: 02630276	Tata Global Beverages Limited	Independent Director
5.	Ms. Sunalini Menon DIN: 06983334	-	-
6.	Mr. Siraj Azmat Chaudhry DIN: 00161853	i. Tata Global Beverages Limited	Independent Director
		ii. IndusInd Bank Limited	Independent Director
7.	Dr. P.G. Chengappa DIN: 06771287	Tasty Bite Eatables Limited	Independent Director
8.	Mr. Sanjiv Sarin (*) (Managing Director & CEO) DIN: 02063332	-	-
9.	Mr. Chacko Purackal Thomas (**) (Executive Director & Deputy CEO) DIN: 05215974	-	-
10.	Mr. K. Venkataramanan (Executive Director – Finance & CFO) DIN: 01728072	-	-

(*) Mr. Sanjiv Sarin, retired as the Managing Director & CEO of the Company with effect from the closing hours of 31st March 2019.

(**) Mr. Chacko Purackal Thomas has been appointed as the Managing Director & CEO of the Company with effect from 1st April 2019.

During the financial year 2018-19, the Board met 7 times i.e., on 7th May 2018, 2nd July 2018, 26th July 2018, 25th October 2018, 24th December 2018, 29th January 2019 and 22nd March 2019. The maximum time gap between any two board meetings was less than 120 days.

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(iv) Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

i) Knowledge on Company's businesses (Plantations and Instant Coffee), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates

ii) Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company

iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,

iv) Financial and Management skills

v) Technical / Professional skills and specialized knowledge in relation to Company's business

(v) Board Procedure

The annual tentative calendar of Board Meetings is circulated to the members of the Board, well in advance. The agenda is circulated well in advance to the Board members, along with comprehensive back-ground information on the items in the agenda to enable the Board members to take informed decisions. The agenda and related information are circulated in electronic form through a highly secured web-based application, which is accessible to the Board members through iPad. The information as required under Part A of Schedule II to the Listing Regulations is also made available to the Board, wherever applicable, for their consideration. The Board also reviews the declarations made by the Managing Director & CEO, the Chief Financial Officer and the Company Secretary regarding compliance with all applicable laws and reviews the related compliance reports, on a quarterly basis.

(vi) Code of Conduct

The Company has adopted the 'Tata Code of Conduct' which is applicable to the Company and its employees, including the Managing and Executive Directors. The Board has also approved a Code of Conduct for the Non-Executive Directors of the Company, which incorporates the duties of Independent Directors as laid down in the Act. Both these Codes are posted on the Company's website at www.tatacoffee.com.

All the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the financial year 2018-19. A declaration to this effect, signed by the Managing Director & CEO, forms part of this Report.

Apart from receiving remuneration that they are entitled to under the Act as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its Promoters or its Directors, its Senior Management or its Subsidiaries and Associates.

The Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

(vii) Independent Directors

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at www.tatacoffee.com. No Independent Director resigned during the financial year 2018-19.

(viii) Separate Meeting of Independent Directors

Separate meetings of Independent Directors of the Company without the presence of the Executive Directors & the management representatives were held on 21st March 2019 and 17th April 2019, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the said meeting, the Independent Directors:

(a) reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;

(b) reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

(c) assessed the quality, quantity and timeliness of flow of information between the management of the listed entity and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors of the Company attended the Meetings of Independent Directors held on 21st March, 2019 and 17th April 2019. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

(ix) Board and Director Evaluation and Criteria for Evaluation

During the year, the Board carried out an Annual Evaluation of its own performance and the performance of individual Directors, as well as evaluation of Committees of the Board.

The Nomination and Remuneration Committee (NRC) has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter-alia, structure of the Board, qualifications, experience and competency of Directors, diversity in Board and process of appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of management's performance and feedback, independence of management from the Board, access of Board and management to each other, succession plan and professional development; degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and Management.

Criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Criteria for evaluation of the Committees of the Board include mandate of the Committee and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and Management.

The procedure followed for the performance evaluation of the Board, Committees and Directors is detailed in the Board's Report, which forms part of the Annual Report.

The NRC has also formulated criteria for determining qualifications, positive attributes and independence of Directors in terms of Section 178(3) of the Act and the Listing Regulations.

(x) Familiarization Programme for Independent Directors

The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc., through various programmes. These include orientation programme upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis.

Further, the Company also makes periodic presentations at the Board and Committee meetings on various aspects of the Company's operations including on Health and Safety, Sustainability, performance updates of the Company, Industry scenario, business strategy, internal control and risks involved and mitigation plan.

The details of the Familiarization Programme for Independent Directors is disclosed on the Company's website at the web link: https://tatacoffee.com/sites/default/files/collaterals/investors/tata_coffee_limited_familiarisation_final.pdf

3. Audit Committee:

The Audit Committee has been constituted by the Board in compliance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

(i) Terms of reference

The terms of reference of the Audit Committee has been reviewed by the Board of Directors at its meeting held on 22nd March 2019, which covers the areas mentioned

Report on Corporate Governance continued

in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of the Audit Committee, inter-alia are as follows:

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;

iii. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:

   (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

   (b) Changes, if any, in accounting policies and practices and reasons for the same;

   (c) Major accounting entries involving estimates based on the exercise of judgment by management;

   (d) Significant adjustments made in the financial statements arising out of audit findings;

   (e) Compliance with listing and other legal requirements relating to financial statements

   (f) Disclosure of any related party transactions;

   (g) Modified opinion(s) in the draft audit report;

iv. Review of the quarterly and half yearly financial results with the management and the statutory auditors;

v. Examination of the financial statement and the auditors' report thereon;

vi. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;

vii. Approval or any subsequent modification of transactions with related parties;

viii. Scrutiny of inter-corporate loans and investments;

ix. Review of valuation of undertakings or assets of the company wherever it is necessary;

x. Evaluation of internal financial controls and risk management systems;

xi. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;

xii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

xiii. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xiv. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;

xv. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;

xvi. Review the functioning of the whistle blower mechanism;

xvii. Review and monitor the end use of funds raised through public offers and related matters;

xviii. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

xix. Frame and review policies in relation to implementation of the Code of Conduct for Prevention of Insider Trading and supervise its implementation under the overall supervision of the Board;

xx. Review of the following information:

   (1) management discussion and analysis of financial condition and results of operations;

   (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;

   (3) management letters / letters of internal control weaknesses issued by the statutory auditors;

   (4) internal audit reports relating to internal control weaknesses;

(5) the appointment, removal and terms of remuneration of the Chief Internal Auditor;

(6) Statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus in terms of Regulation 32(7), if applicable

xxi. Carrying out any other function as may be referred to the Committee by the Board.

xxii. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

(ii) Internal Audit

The Company has adequate internal control and Internal Audit system commensurate with its size and nature of its business. The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors directly present their report to the Audit Committee for their consideration.

(iii) Composition and Attendance during the year

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Act. All members of the Committee are financially literate, with Mr. S. Santhanakrishnan, as Chairman of the Committee, having the relevant accounting and financial management expertise.

The composition of the Audit Committee and the details of the meetings attended by its members during the financial year ended 31st March 2019 are as under:

Director	Category of Directors	No. of Meetings held	No. of Meetings attended
Mr. S. Santhanakrishnan Chairman	Independent Non-Executive	9	9
Ms. Sunalini Menon	Independent Non-Executive	9	9
Mr. V. Leeladhar	Independent Non-Executive	9	7

The Audit Committee met 9 times during the financial year 2018-19 and the gap between any two meetings did not exceed 120 days. The dates on which the Audit Committee Meetings held were: 16th April 2018, 6th May 2018, 25th July 2018, 24th September 2018, 24th October 2018, 17th December 2018, 28th January 2019, 28th February 2019 and 21st March 2019. Requisite quorum was present at the above Meetings.

The Audit Committee meetings are usually attended by the Managing Director & CEO, Executive Director & Deputy CEO, Executive Director – Finance & CFO, and the respective departmental heads, wherever required. The Company Secretary acts as the Secretary of the Audit Committee. The Statutory Auditors and Internal Auditors also attend the Audit Committee meetings by invitation.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

During the year, the Audit Committee *inter alia* reviewed key audit findings covering Operational, Financial and Compliance areas, Risk Mitigation Plan covering key risks affecting the Company which were presented to the Committee. The Chairman of the Audit Committee briefed the Board members on the significant discussions which took place at Audit Committee Meetings.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 2nd July 2018.

4. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

(i) Terms of reference

The terms of reference of the Nomination and Remuneration Committee (NRC) has been reviewed by the Board of Directors at its meeting held on 22nd March, 2019, which covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations. The terms of reference of the NRC, inter-alia are as follows:

(a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the

Report on Corporate Governance continued

remuneration of the directors, key managerial personnel and other employees;

(b) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(c) devising a policy on diversity of board of directors;

(d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(e) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(f) recommend to the board, all remuneration, in whatever form, payable to senior management.

(ii) Composition and Attendance during the year

The composition of the NRC and details of meetings attended by its members during the financial year ended 31st March 2019, are given below:

Name of the Member	Category of Director	No. of Meetings held	No. of Meetings attended
Mr. V. Leeladhar Chairman	Independent Non-Executive	3	3
Mr. S. Santhanakrishnan	Independent Non-Executive	3	3
Mr. Siraj Azmat Chaudhry	Independent Non-Executive	3	2
Mr. R. Harish Bhat	Non-Independent Non-Executive	3	3

The NRC met 3 times during the financial year 2018 - 19 i.e., on 7th May 2018, 24th December 2018 and 21st March 2019.

The Chairman of the NRC was present at the Annual General Meeting of the Company held on 2nd July 2018.

(iii) Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2018 - 19 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Risk Management, Stakeholders' Relationship and Corporate Social Responsibility Committees. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the Guidance note issued by SEBI vide circular no, CMD/CIR/P/2017/004 dated 05.01.2017.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

(iv) Remuneration Policy

The Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully;

b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company does not have any Employee Stock Option Scheme.

5. Remuneration of directors

The key principles governing the Company's Remuneration Policy are as follows:

(i) Independent Directors and Non-Independent Non-Executive Directors

a) Independent Directors ('ID') and Non-Independent Non-Executive Directors ('NEDs') are paid sitting fees for attending the Meetings of the Board and of Committees of which they are Members, and Commission within regulatory limits, as recommended by the NRC and approved by the Board.

b) Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company taking into consideration the challenges faced by the Company and its future growth. Remuneration paid should be reflective of the size of the Company, complexity of the Sector / Industry / Company's Operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.

c) The aggregate Commission payable to all the NEDs and IDs is recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board. The NRC recommends to the Board, the quantum of Commission payable for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee Meetings, individual contributions at the Meetings and contributions made by Directors other than in Meetings.

d) The remuneration payable to Directors shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

(ii) Managing Director ('MD')/ Executive Directors ('ED')/ Key Managerial Personnel ('KMP')/ rest of the employees

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the Sector / Industry / Company's Operations and the Company's capacity to pay, consistent with recognized best practices and aligned to regulatory requirements.

Basic / Fixed Salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits in accordance with terms of employment/ contract.

In addition to the Basic/ Fixed salary, benefits, perquisites and allowances as mentioned below, the Company provides to its MD/ EDs, such remuneration by way of Commission / Incentive calculated with reference to the net profits of the Company in the financial year, as may be determined by the Board, subject to the overall ceilings stipulated under Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the NRC and approved by the Board.

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Details of remuneration paid during the financial year 2018-19:

a) Non-Executive Directors (NEDs')

₹ in Lakhs

Name of Non-Executive Director	Commission relating to FY 2017-18 (paid in FY 2018-19)	Commission relating to FY 2018-19 (payable in FY 2019-20)	Sitting fee
Mr. R. Harish Bhat *	-	-	2.10
Mr. L. Krishnakumar *	-	-	1.10
Mr. S. Santhanakrishnan	30.00	30.00	6.30
Ms. Sunalini Menon	15.00	15.00	4.65
Mr. V. Leeladhar	16.00	16.00	4.20
Mr. Siraj Azmat Chaudhry	11.00	11.00	2.55
Dr. P. G. Chengappa	8.00	8.00	2.40

*Mr. R. Harish Bhat and Mr. L. Krishnakumar do not draw any commission as they are full-time employee of Tata Sons Limited and Tata Global Beverages Limited respectively.

b) Managing Director and Executive Directors:

₹ in Lakhs

Name of Managing/Executive Directors	Salary	Perquisites and Allowance	Contribution to Retiral Funds	Commission for FY 2018-19 (payable in FY 2019-20)	Total
Mr. Sanjiv Sarin	219.88	0.77	20.85	110.00	**351.50**
Mr. Chacko Purackal Thomas	133.65	0.58	14.59	60.00	**208.82**
Mr. K. Venkataramanan	116.53	0.88	12.95	59.00	**189.36**

The Company pays sitting fee of ₹30,000/- per meeting to the NEDs for attending Meetings of the Board, Audit Committee and NRC and ₹ 15,000/- for other Committees. In respect of current employees of Tata Companies who are NEDs on the Board of Indian Tata Companies, the sitting fees payable shall not exceed ₹20,000/- per meeting of the Board, Audit and NRC and for other Committees, the sitting fees shall be ₹10,000/- per meeting. No sitting fee is payable to the members for attending the Meetings of the Corporate Social Responsibility Committee.

The Members at the Annual General Meeting of the Company held on 21st July 2014 approved payment of Commission to the NEDs within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Act. The said Commission payable to the NEDs is decided each year by the Board of Directors and distributed amongst them based on their attendance, role and responsibility as Chairman/ Member of the Committees and their overall contribution as well as time spent on operational matters otherwise than at the meetings. The Company also reimburses out of pocket expenses incurred by the NEDs for attending meetings.

The services of the Managing Director and Executive Directors may be terminated by either party, giving the other party a six months' notice or the Company paying six months' salary in lieu thereof. There is no provision for payment of severance fees.

6. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Act and Regulation 20 of the Listing Regulations. Mr. S. Santhanakrishnan, Independent Director is the Chairman of this Committee.

Terms of reference

The terms of reference of the Stakeholders Relationship Committee (SRC) has been reviewed by the Board of Directors at its meeting held on 22nd March 2019, which covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations.

The terms of reference of the SRC, inter-alia are as follows:

(a) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

(b) Review of measures taken for effective exercise of voting rights by shareholders

(c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

(d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The composition of the Stakeholders Relationship Committee and the details of the meetings attended by its members during the financial year ended 31st March 2019 are as under:

Name of the Member	Category of Directors	No. of meetings held	No. of meetings attended
Mr. S. Santhanakrishnan Chairman	Independent Non-Executive	4	4
Mr. V. Leeladhar	Independent Non-Executive	4	2
Mr. R. Harish Bhat	Non-Independent Non-Executive	4	4
Mr. Chacko Purackal Thomas	Non-Independent Executive	4	3
Mr. K. Venkataramanan	Non-Independent Executive	4	4

During the financial year 2018-19, the Committee met 4 times i.e., on 7th May 2018, 26th July 2018, 25th October 2018 and 29th January 2019. The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of Investors' service. Mr. N Anantha Murthy, Head-Legal & Company Secretary is designated as Compliance Officer of the Company.

Details of complaints received and attended to during the financial year 2018-19 are given below:

No. of complaints pending as on 1st April 2018	0
No. of complaints received during the year	10
No. of complaints resolved during the year	10
No. of complaints pending as on 31st March 2019	0

The equity shares of the Company are traded in dematerialized form. During the financial year 2018-19, 185 requests for transfer/transmission covering 1,88,060 shares and 225 requests for dematerialization covering 4,58,335 shares were received and processed. As on 31st March 2019, there were 9 requests for transfer / transmission covering 7,287 shares, 18 requests for dematerialization covering 2,72,490 shares which were pending. These requests were received in the last week / second fortnight of March 2019 respectively and have subsequently been processed.

As per Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('Rules") read with Section 124 of the Act, intimations have been sent to shareholders concerned, requesting them to encash their unclaimed dividends failing which the unclaimed dividends and the corresponding shares held by them be transferred to IEPF Authority.

As required under Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. The Company has transferred 96,142 equity shares, in respect of which dividend has not been claimed by the shareholders for seven consecutive years or more pertaining to the financial year ended 31st March 2011, to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2018 -19. Details of shares transferred have been uploaded on the website of IEPF as well as the Company's website i.e., www.tatacoffee.com.

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7. Corporate Social Responsibility Committee:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

Terms of reference

The terms of reference of the CSR Committee are:

a. Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act.

b. Recommend the amount to be spent on CSR activities.

c. Monitor implementation and adherence to the CSR Policy of the Company from time to time.

d. Such other activities as the Board of Directors determine as they may deem fit in line with CSR Policy.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at www.tatacoffee.com. The Annual Report on CSR activities for the financial year 2018-19 forms part of the Board's Report.

The composition of the CSR Committee and the details of the meetings attended by its members during the financial year ended 31st March 2019 are as under:

Name of the Member	Category of Directors	No. of Meetings held	No. of Meetings attended
Ms. Sunalini Menon Chairperson	Independent Non-Executive	2	2
Mr. V Leeladhar	Independent Non-Executive	2	0
Mr. Siraj Azmat Chaudhry	Independent Non-Executive	2	2
Dr. P. G. Chengappa	Independent Non-Executive	2	2
Mr. Sanjiv Sarin*	Non-Independent Executive	2	2

*Mr. Sanjiv Sarin ceased to be a member of the Committee with effect from the closing hours of 31st March 2019 consequent to his retirement.

During the financial year 2018-19, the Committee met 2 times i.e., on 24th October 2018 and 12th March 2019.

8. Other Committees:

a) Risk Management Committee:

The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of the Listing Regulations.

The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the Risk Management Plan for the Company. The Committee is responsible for reviewing the Risk Management Plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The composition of the Risk Management Committee and the details of the meetings attended by its Members during the financial year ended 31st March 2019 are as under:

Name of the Member	Category of Directors	No. of meetings held	No. of meetings attended
Mr. Siraj Azmat Chaudhry Chairman	Independent Non-Executive	3	3
Mr. V. Leeladhar	Independent Non-Executive	3	1
Dr. P. G. Chengappa	Independent Non-Executive	3	3
Mr. Sanjiv Sarin*	Non-Independent Executive	3	3
Mr. Chacko Purackal Thomas	Non-Independent Executive	3	2
Mr. K. Venkataramanan	Non-Independent Executive	3	3
Mr. L. Krishnakumar (w.e.f. 25.10.2018)	Non-Independent Non-Executive	1	1

*Mr. Sanjiv Sarin ceased to be a member of the Committee with effect from the closing hours of 31st March 2019 consequent to his retirement.

During the financial year 2018-19, the Committee met 3 times i.e., on 19th June 2018, 25th July 2018 and 12th March 2019.

b) Ethics and Compliance Committee

The Company has an Ethics and Compliance Committee of Directors to consider matters relating to Company's Code of Conduct and such matters as may be referred by the Board, from time to time.

The composition of the Ethics and Compliance Committee and the details of the meetings attended by its members during the financial year ended 31st March 2019 are as under:

Name of the Member	Category of Directors	No. of meetings held	No. of meetings attended
Dr. P. G. Chengappa Chairman	Independent Non-Executive	3	3
Mr. S. Santhanakrishnan	Independent Non-Executive	3	3
Ms. Sunalini Menon	Independent Non-Executive	3	3
Mr. Sanjiv Sarin*	Non-Independent Executive	3	3

*Mr. Sanjiv Sarin ceased to be a member of the Committee with effect from the closing hours of 31st March 2019 consequent to his retirement.

During the financial year 2018-19, the Committee met 3 times i.e., on 25th July 2018, 24th December 2018 and 21st March 2019.

9. Subsidiary Companies:

The Company has a material unlisted Subsidiary as defined under Regulation 16 of the Listing Regulations. Accordingly, the corporate governance requirements as applicable with respect to material unlisted subsidiary has been complied with.

The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries. The Minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company are placed before the Board of Directors of the Company.

The Company has formulated a policy for determining Material Subsidiaries and the Policy is disclosed on the Company's website at www.tatacoffee.com.

10. General Body Meetings:

i. Location and time, where last three AGMs were held:

The last three Annual General Meetings of the Company were held as under:

Year	Date & Time of Meeting	Venue
2015-16	26th July 2016 at 10.30 AM	Registered Office : Pollibetta – 571215, Kodagu
2016-17	17th July 2017 at 11.00 AM	
2017-18	2nd July 2018 at 11.00 AM	

ii. Whether any special resolutions passed in the previous three AGMs – One special resolution was passed at the AGM held on 2nd July 2018.

iii. Whether any Special Resolution passed last year through postal ballot- details of voting pattern - No special resolution was passed through postal ballot in the last year.

iv. Person who conducted the postal ballot exercise - Not Applicable.

v. Whether any special resolution is proposed to be conducted through postal ballot – At present, there is no proposal to pass any special resolution through Postal Ballot.

vi. Procedure for Postal Ballot: Not Applicable.

11. Means Of Communication:

The quarterly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of Listing Regulations. The financial results are displayed on BSE and NSE websites. The financial results are also published in 'The Business Line' (English) and 'Kannada Prabha' (Kannada) newspapers and posted on the Company's website at www.tatacoffee.com. In terms of the Listing Regulations, the Company has a designated email ID for dealing with Investors' complaints viz., investors@tatacoffee.com. The official media releases and presentations made to Institutional Investors/Analysts and transcript/ audio recording of Analyst Calls are posted on the Company's website.

Report on Corporate Governance continued

12. General Shareholder information:

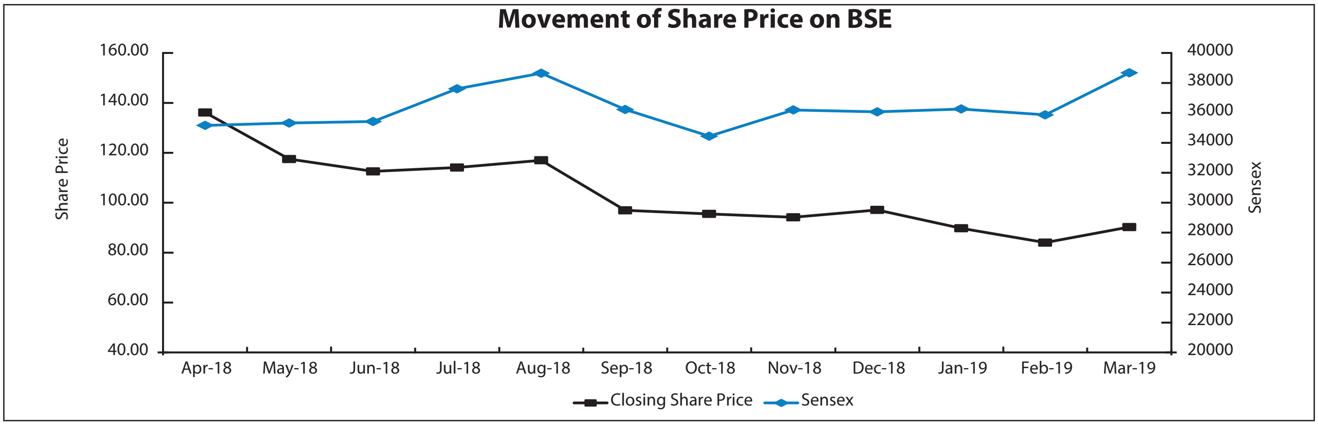
I.	**AGM: Date, Time and Venue**	Monday, the 3rd June, 2019 at 11.00 A.M at the Registered Office: Pollibetta – 571215, Kodagu, Karnataka	
II.	**Financial Calendar (tentative)**	Board Meetings for approval of: Financial Results for the first quarter ending 30th June, 2019	Before 14th August 2019
		Financial Results for the second quarter ending 30th September, 2019	Before 14th November 2019
		Financial Results for the third quarter ending 31st December, 2019	Before 14th February 2020
		Annual Accounts for FY 2019-2020	During April / May 2020
		Annual General Meeting for the year ending 31st March, 2020	During June/July 2020
III.	**Dates of Book Closure**	22nd May 2019 to 3rd June 2019 (both days inclusive)	
IV.	**Dividend Payment Date**	The Dividend, if declared at AGM, will be paid on or after 6th June 2019.	
V	**Listing on Stock Exchanges and Stock Code**	BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 Phones : (022) 22721233/4, 91-22-66545695 Fax : (022) 22721919 Stock Code: 532301	National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Tel No: (022) 26598100 - 8114 Fax No: (022) 26598120 Stock Code: TATACOFFEE

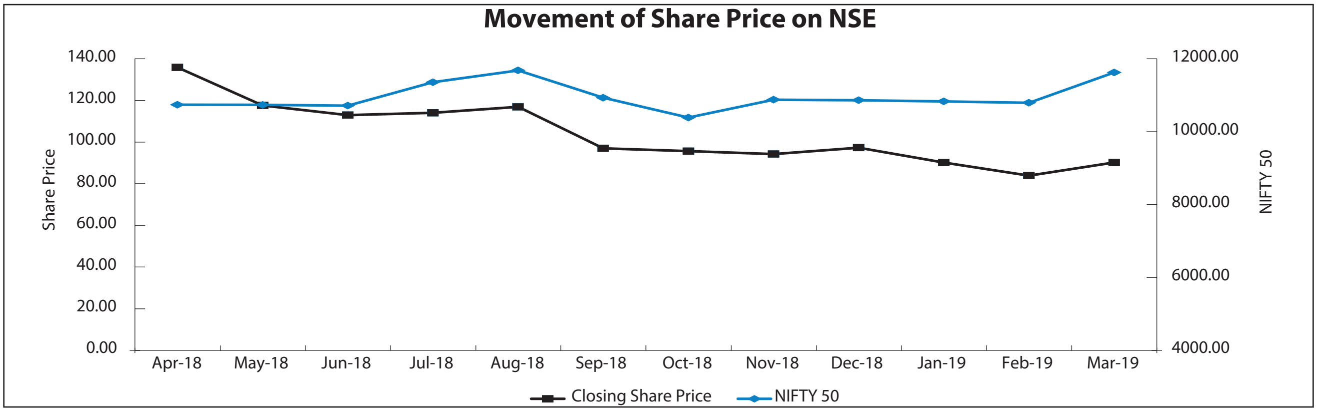
The Company has paid Listing Fees for the financial year 2019 - 20 to each of the Stock Exchanges, where the equity shares of the Company are listed.

VI. Market Price Data: High and Low during each month in the financial year 2018-19:

Month	BSE Ltd.		National Stock Exchange of India Ltd.	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2018	137.15	112.20	137.45	113.20
May, 2018	137.00	109.50	136.90	109.15
June, 2018	126.65	111.00	127.00	110.80
July, 2018	133.00	107.75	134.00	107.70
August, 2018	118.25	109.35	118.00	108.70
September, 2018	119.40	95.10	119.70	95.20
October, 2018	106.60	91.80	105.70	91.95
November, 2018	100.75	93.50	100.70	93.20
December, 2018	98.25	89.50	98.50	89.30
January, 2019	102.45	87.20	102.50	87.15
February, 2019	91.00	81.00	91.00	80.55
March, 2019	99.45	83.85	99.65	83.75

VII. Performance of the Company's equity shares (closing share price) in comparison to BSE Sensex and NSE Nifty during the financial year 2018-19:





VIII.	**Name of the Depository with whom the Company has entered into Agreement:**	ISIN Number
	1. National Securities Depository Limited	INE493A01027
	2. Central Depository Services (India) Limited	INE493A01027

IX. Registrar and Share Transfer Agent:

Share Transfer System

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent. For lodgment of transfer deeds and any other documents or for any grievances/complaints, kindly contact any of the offices of TSR Darashaw Limited which are open from 10.00 a.m. to 3.30 p.m. between Monday to Friday (except on bank holidays).

Share Transfer Physical System:

Shares in physical form should be lodged for transfer at the office of the Company's Registrar & Transfer Agent, TSR Darashaw Ltd., Mumbai or at their branch offices at the addresses given below. The transfers are processed, if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. Effective April 1, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to March 31, 2019 and, have received the same under objection can relodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialization of shares will continue to be accepted.

Report on Corporate Governance continued

Dematerialization of Shares and Liquidity:

The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

TSR Darashaw Limited

Registered OFFICE:

6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011

Tel: 022-66568484, Fax: 022-66568494

E-mail: csg- unit@tsrdarashaw.com Web: www.tsrdarashaw.com

BRANCH OFFICES:

i. Bengaluru

TSR Darashaw Limited
503, Barton Centre, 5th Floor, 84, Mahatma Gandhi Road,
Bengaluru – 560001
Tel: 080- 25320321
Fax: 080-25580019
E-mail: tsrdlbang@tsrdarashaw.com

ii. Kolkata

TSR Darashaw Limited
Tata Centre, 1st Floor, 43, J. L. Nehru Road,
Kolkata – 700 071
Tel: 033-22883087
Fax: 033-22883062
E-mail: tsrdlcal@tsrdarashaw.com

iii. New Delhi

TSR Darashaw Limited
2/42 Ansari Road, 1st Floor,
Daryaganj, Sant Vihar,
New Delhi – 110 002
Tel: 011- 23271805
Fax: 011-23271802
E-mail: tsrdldel@tsrdarashaw.com

iv. Jamshedpur

TSR Darashaw Limited
'E' Road, Northern Town, Bistupur,
Jamshedpur – 831 001.
Tel: 0657-2426616
Fax: 0657-2426937
E-mail: tsrdljsr@tsrdarashaw.com

v. Ahmedabad (Agent)

Shah Consultancy Services Limited
3, Sumatinath Complex
2nd Dhal, Pritam Nagar
Ellisbridge
Ahmedabad – 380 006
Tel: 079- 26576038
Email: shahconsultancy8154@gmail.com

Compliance Officer	Address	Contact details
Mr. N Anantha Murthy Head - Legal & Company Secretary	Tata Coffee Limited No. 57, Railway Parallel Road Kumara Park West Bangalore – 560 020	Tel: (080) 23560695 Fax: (080) 23341843 e-mail ID.: Investors@tatacoffee.com website: www.tatacoffee.com

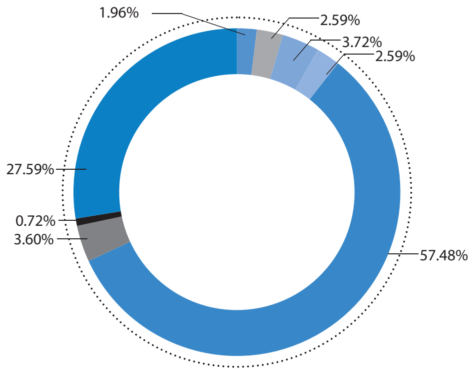
XII. Distribution of Shareholding as on 31st March 2019:

No. of Equity Shares	No. of Shareholders	% to Shareholders	No. of Shares	% of Shareholders
1 – 500	83,929	84.19	11,333,789	6.07
501 - 1000	7,289	7.31	6,007,606	3.22
1001 - 2000	3,843	3.86	5,979,682	3.20
2001 - 3000	1,526	1.53	3,942,011	2.11
3001 - 4000	839	0.84	3,050,212	1.63
4001 - 5000	592	0.60	2,796,431	1.50
5001 - 10000	948	0.95	6,987,694	3.74
10001 & above	721	0.72	146,672,945	78.53
TOTAL	**99,687**	**100.00**	**186,770,370**	**100.00**

XIII. Category-wise Shareholders as on 31st March 2019:

Sl. No.	Category of Shareholders	No. of Shares	Percentage
1	FII/Foreign Companies	3,655,125	1.96
2	Non-Resident Individuals	4,836,137	2.59
3	Financial Institutions & Banks	6,952,994	3.72
4	Mutual Funds	4,368,125	2.34
5	Tata Global Beverages Limited (Holding Company)	107,359,820	57.48
6	Other Bodies Corporate	6,723,929	3.60
7	IEPF Suspense A/C	1,338,963	0.72
8	Resident Individuals	51,535,277	27.59
TOTAL		**186,770,370**	**100.00**

Categories of Shareholders as on 31st March, 2019



- FII/Foreign Companies - 1.96%
- Non-Resident Individuals - 2.59%
- Financial Institutions & Banks - 3.72%
- Mutual Funds - 2.34%
- Tata Global Beverages Limited - 57.48%
- Other Bodies Corporate - 3.60%
- IEPF Suspense A/C - 0.72%
- Resident Individuals - 27.59%

Report on Corporate Governance continued

XIV.	Shares in Physical and Demat form as on 31st March 2019:		No. of Shares	Percentage
		In Physical Form	4063155	2.18
		In Dematerialized Form	182707215	97.82
XV.	No. of shareholders whose shares as on 31st March 2019 are in Physical and Demat form:		No. of Shareholders	Percentage
		In Physical Form	5736	5.75
		In Dematerialized Form	93951	94.25
XVI.	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:		Nil	
XVII.	Plant Locations:			
	17 Coffee Estates in Kodagu, Hassan and Chickmagalur District. 1 Tea Estate in Kodagu District and 1 Tea and Coffee (mixed) in Chickmagalur District.	State of Karnataka		
	4 Tea Estates in Pachaimallai, Pannimade, Uralikal & Velonie and 1 Coffee Estate in Valparai	State of Tamil Nadu		
	1 Tea Estate in Malakiparai	State of Kerala		
	Curing Works, R&G factory and Pepper Processing Unit in Kudige, Kushalnagar	State of Karnataka		
	1 Instant Coffee Plant at Toopran, Brahmanpally Village.	State of Telangana		
	1 Instant Coffee Plant at Jayamangalam Village, Theni	State of Tamil Nadu		
XVIII.	Address for correspondence:	As stated in 12 (IX) above		

The Company has not issued any global depository receipts or American depository receipts. There are no warrants or any convertible instruments outstanding as on 31st March, 2019.

13. Other Disclosures:

a. All transactions entered into by the Company with related parties as defined under the Act and the Listing Regulations, during the financial year 2018-19 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at the link https://tatacoffee.com/sites/default/files/collaterals/investors/Related_Party_Transaction_Policy.pdf

b. The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities.

c. The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the Listing Regulations for Directors and employees to report concerns about any unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been disclosed on the website of the Company at the link https://tatacoffee.com/sites/default/files/collaterals/investors/Whistle_Blower_Policy.pdf

d. The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also fulfilled the following discretionary requirements as provided in the Listing Regulations:

   (i) The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director & CEO.

(ii) The Internal Auditor reports to the Audit Committee.

(iii) The financial statements of the Company are with unmodified audit opinion.

e. The policy to determine a material subsidiary has been framed and the same is disclosed on the Company's website at the link https://tatacoffee.com/sites/default/files/collaterals/investors/Policy_for_determining_Material_Subsidiary.pdf

f. The Managing Director & CEO and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2)(a) of the Listing Regulations pertaining to CEO/CFO certification for the financial year ended 31st March 2019. The MD & CEO and Chief Financial Officer have also issued compliance certificate to the Board pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

g. Commodities form a major part of business of the Company and hence Commodity price risk is one of the important risks for the Company. Your Company has a robust framework in place to protect the Company's interests from risks arising out of market volatility. The Risk Management Team, based on market intelligence and continuous monitoring, advises the sales and procurement teams on appropriate strategy to deal with such market volatility.

The Risk Management Policy of the Company with respect to commodities including hedging has been framed.

Commodity risks faced by the Company during the year and how they have been managed:

Our Plantation exposure of Green Beans consisting of Arabica and Robusta grades, export pricing is directly linked to exchange terminals traded in ICE (Inter Continental Exchange). A decline in exchange traded value results in a decline in the realization, hence a prudent hedge methodology is adopted. Risk Manager has been specifically appointed to execute hedge based on the Risk Management Policy approved by the Board and that the commodity / hedging risk is monitored appropriately.

Mr. K. Venkataramanan, Executive Director-Finance & CFO, sets risk limits on timely basis to address various market conditions.

h. The Company has managed the Foreign Exchange risk with appropriate hedging activities in accordance with the policies of the Company. The Company used Forward Exchange Contracts to hedge against its Foreign Currency exposures relating to firm commitments. There were no materially uncovered exchange rate risks in the context of the Company's Foreign Exchange exposures.

The Company's exposure to market risks for commodities and currencies are detailed in Note No.37 under the head 'Financial Risk Management Framework', forming part of Notes to Financial Statements.

i. During the financial year 2018-19, the Board has accepted all the recommendations of its Committees.

j. The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2018-19.

k. Disclosure with respect to demat suspense account/ unclaimed suspense account: Not applicable.

l. The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

m. Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.

Report on Corporate Governance continued

n. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

₹ in Lakhs

Payment to Statutory Auditors	FY 2018-19
Audit Fees	268.75
Tax Audit Fees	12.00
Other Services	41.43
Reimbursement of expenses	20.53
Total	342.71

o. Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year 2018-19	3
Number of complaints disposed off during the financial year 2018-19	3
Number of complaints pending as on end of the financial year.	0

p. Insider Trading Regulations

The Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. This Code of Conduct is applicable to all Directors and such designated persons who are expected to have access to unpublished price sensitive information relating to the Company. Mr. K. Venkataramanan, Executive Director- Finance & CFO of the Company, is the Compliance Officer for the purpose of this regulation.

q. Certificate on Corporate Governance

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. Mr. V Madan, Practicing Company Secretary, has submitted a certificate to this effect.

A compliance certificate from Mr. V Madan, Practicing Company Secretary pursuant to the requirements of Schedule V to the Listing Regulations regarding compliance of conditions of Corporate Governance is attached.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

In terms of the Listing Regulations, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2019.

Place: Bengaluru
Date: 19th April 2019

Chacko Purackal Thomas
Managing Director & CEO

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Tata Coffee Limited,

I have examined the compliance of the conditions of Corporate Governance by Tata Coffee Limited ('the Company') for the year ended 31st March 2019, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations).

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended 31st March 2019.

I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

V Madan
Practicing Company Secretary

Place: Bengaluru
Date: 19th April, 2019

ACS No. 5048
CP No. 21778

Management Discussion & Analysis Report

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

Coffee market in the year 2017-18 ended in surplus. World coffee production in coffee year 2017-18 is estimated to be 5.7% higher at 164.81 million bags as output of Arabica increased by 2.2% to 101.82 million bags, and Robusta grew 11.7% to 62.99 million bags. Due to this surplus, International coffee prices experienced a downward trend in the last two years. This decline is linked primarily to market fundamentals, though other factors, such as exchange rate movements and futures markets also played a role.

Coffee year 2018-19 was a second consecutive season of surplus, as global output, estimated at 167.47 million bags, and exceeded world consumption, estimated at 165.18 million bags. However, given the stronger growth in demand, the surplus for 2018-19 is projected to be 2.29 million bags, around 1 million bags less than in 2017-18. This excess in supply continues to put downward pressure on prices that is likely to continue over the next few months.

The New York (ICE) May terminal, representing Arabica settled at 94.50 c/lb on 29th March 2019, and was 118.15 c/ lb for the same period month on 29th March 2018.

As on 29th March 2019, London Robusta May futures settled at USD 1456/MT and was USD 1725/MT for the same period month on 29th March 2018.

Tea is a popular and widely consumed beverage in India and around the world. Its cultivation is confined to only certain regions of the world due to specific requirements of climate and soil. Africa, India, Sri Lanka and Indonesia are the major black tea producing regions. India is the largest producer of black tea and contributes to about 23% of the global tea production. China is the largest producer of green tea. Tea production in India during 2018 was 1311.60 million kgs vs 1321.80 million kgs in 2017. The CTC market for plain and medium quality tea remains weak and this trend is expected to continue in the ensuing season. High quality, good liquor CTC teas is expected to find acceptance and a firm market during the current season. Quality orthodox teas will also experience a firm market, though prices of such teas remain lower.

Pepper extensively cultivated along the tropical region is native to south India. Until 18th century, cultivation and production of pepper was confined to India. Pepper was considered an important agricultural commodity for commerce and trade. Kerala contributed a major share to pepper production in India. Since then pepper cultivation has been taken up on a commercial scale by several nations such as Vietnam, Indonesia, Malaysia, Thailand and Brazil.

At present Vietnam is the World's largest pepper producer (40%) followed by Indonesia (15%), Brazil (12%) and India (11%). These countries except India resort to monocropping of pepper in its areas and the vine is grown to a height up to 6 metres. On the contrary, pepper is intercropped on the shade trees of coffee. Tea and minor crops such as Arecanut and coconut are cultivated without any restriction on vine heights. India produces around 57000 MT of pepper with 70% consumed within domestic frontiers. Indian pepper is known for its quality, pungency and taste and has carved out a niche place in the International market.

As per industry sources, India's pepper production was 64,000 MT in 2018 and is expected to be about 47,000 MT in 2019. The ingress of imported pepper into India continued during the last year. As a result, the Indian pepper continued to be priced at below ₹ 400 levels per kg.

Instant coffee market continues to grow globally at about 2% per annum. Developing countries in Asia and Africa are key growth drivers backed by demographics and product innovations. The continuing expansion of modern retail in the key markets is also driving instant coffee growth. New products such as microgrid, flavor infused coffee are exciting growth avenues. The new product development team at Tata Coffee is adequately positioned to capture these emerging opportunities.

B. OPPORTUNITIES

Plantations

i) Green Coffee

The Company would stay focused on its drive to continuously look at avenues to premiumize the green coffee portfolio. The differentiation of our beans based on the estate uniqueness, certifications, method of preparation etc. remain at the core of our marketing plans. In addition, the growth in out of home coffee consumption and the experimentation with different beans is a significant opportunity for the company to offer niche small lots or micro-lots to the discerning roasters globally.

ii) Instant Coffee

The Company continues to seek opportunities for growth in key selected markets on the Instant Coffee business. Growth clusters like South East Asia, Africa and Middle East are the focal points as they represent high momentum. The Company has completed work on the new freeze-dried plant in Vietnam. The state-of-the-art factory would provide the best in class freeze dried instant coffee to global clients. This is another example of our relentless drive to move up the premium value chain and differentiate our offerings.

iii) Tea

Quality Teas continue to sell well and command a good premium in the domestic markets. The outlook for good liquor teas is promising and is expected to have good demand. The Company's estates and manufacturing facilities are certified both nationally and internationally by Trustea, Rain Forest Alliance, SA 8000 and Ethical Tea Partnership. These Certifications reaffirm the Company's commitment to produce high-quality products in a sustainable and responsible manner, while also protecting the environment.

iv) Pepper

Pepper is an important ingredient in cooking and is found in the cuisines of both East and west. As the customer prefers the presence of pepper in their meal, opportunities to get a premium price in both international and domestic market is very high for a quality produce with premium grades. The company has procured the "GLOBAL GAP certification" to further establish its position in the International market and increase pepper vine standards to enhance pepper production. We have made our pepper unit ready for exports that would allow us to participate in international trade flows seeking markets for our pepper grown sustainably.

The Company with sustainable certifications such as UTZ, RA and SA8000 is driving all its cultivation packages to be sustainable and is heading towards connecting with the customer directly instead of doing so through intermediaries. Focus is to identify the customers who value our sustainable approaches and efforts. Both the production and marketing team has aligned itself to meet the customer's requirement.

C. RISKS, CONCERNS AND THREATS

There are multiple threats that a global company like ours faces on a continuous basis. The swings on commodity prices, the volatility of several currencies across the world, the vagaries of weather, the economic conditions of countries where our partners operate from and intercountry trade issues are some of the uncertainties that we face frequently. The company mitigates these risks by timely managerial intervention and by carefully diversifying our portfolios – so as to reduce concentration risk from one or two sources of business.

New entities posing competition are taking shape on a global circuit. To overcome this risk, the Company strives to keep its feet grounded on its core values and satisfy customers' taste buds. The Company believes that if it keeps its customers happy in each cuppa, then it can deal with any competition.

Since instant coffee is a highly competitive market, the Company is prone to risks from price sensitive markets, geographic dependencies and limited customer segments. The Company tries to counter these risks by forging long term relationships with clients that again results from meeting customer expectations consistently. The Company innovates new blends to excite these customers and to keep them interested in every sip. The Company is trying to leave its footprints in uncharted territories to develop a fresh, new blend of customer base.

The coffee plantation industry is heavily dependent on weather conditions. Optimal amount of rainfall, right temperature, humidity and intensity are indispensable to give customers that overriding sense of aroma and taste. Often, the yield gets hampered by unpredictable weather conditions. To overcome these limitations, the Company has excavated reservoirs to store excess rainwater. At present, the Company is well equipped to artificially irrigate its total area of Robusta coffee and mechanically water its pepper plantations as well. Pests are a huge threat to Arabica coffee plantations. In order to keep pests in check, the Company undertook various initiatives and trials with external agencies, Tata Group Companies and in-house R&D to combat the infestation of this pest. Selectively, chemical control is also advocated to manage the beetle.

The Company, at present, is plagued by two vital challenges – retaining talent and man-animal conflict. To address the talent issue, the Company is taking extra steps to provide better working conditions for its employees, conducting skill development trainings at regular intervals and introducing machines in places that were primarily operated manually. To address the issue of man-animal conflict, the Company has formed a Wild Life Cell to conduct awareness sessions regularly to track animal movements and prevent workers from lurking danger. Further, the Company ensures that animals are not killed for sport and takes initiatives to protect endangered species in the surrounding areas of plantations.

Management Discussion & Analysis Report continued

D. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Major Product-wise Turnover

	FY 2018-19		FY 2017-18	
	Qty (MT)	₹ in Lacs	Qty (MT)	₹ in Lacs
Green Bean	**5417**	**10282**	6463	12153
Pepper	**757**	**2428**	621	2875
Tea	**5730**	**6648**	6081	6631
Instant Coffee	**8046**	**38173**	7531	36018
R & G	**542**	**2348**	515	1984
Domestic Marketing / Allied Divisions / Others		**10412**		10882
Total Revenue from Operations		**70291**		**70543**

E. OUTLOOK

Green Coffee

The plantation division of the company has followed scientifically sustainable cultural practices with focus on premium differentiated coffees. The micro lot coffee is unique to its ecosystem on account of its exclusivity achieved by a perfect mix of flora and fauna and distinctive soil conditions, influencing the intrinsic quality of the beans.

The company continues to pursue its strategy to sustain its assets by:

- Rejuvenation of assets (replanting and consolidation of Arabica and Robusta) so as to narrow down biennial variations.
- Efforts to augment water resources to mitigate inadequate blossom and backing showers are addressed by excavating/de-silting irrigation tanks.
- To maintain high quality of produce with maximum premium grades, by harvesting at the right time both in case of coffee and pepper.
- Skill competency mapping and development along with sourcing of repeat workers to enhance labour productivity.
- Upgradation of processing equipment with better capacity utilization with standardization of man day and materials usage, an important cost optimization initiative.
- All social and environmental certifications were sustained aligning to our commitment in safeguarding and protecting the ecosystem we operate in.

Instant Coffee

The Global Coffee Market continues to grow globally on the back of demographics, rapid conversion of non-traditional markets to coffee, emergence of new formats of product and distribution in developed markets. Tata Coffee with its full chain presence from bean to instant coffee and augmented capacity is well poised to participate in this growth.

Tea

CTC Tea markets for plain and medium liquor teas remain weak. However, teas that are of good quality still find high demand and the outlook for such teas in the ensuing season will continue to be firm. Orthodox teas are also expected to find better acceptance, especially with the export market, though demand for and prices of orthodox teas remain subdued.

Pepper

Black pepper produced by the company is of premium quality. The Company has taken additional initiatives to make its cultivation practices more sustainable, upgrade processing centers, receive EIA certifications, and implement traceability practices. With introduction of modern pepper nurseries to grow different varieties of pepper specific to estates based on location, rainfall pattern and altitude, we shall continue to increase pepper production. A separate vertical is exclusively working on:

- Increased focus on pepper cultivation practices with short and long-term plans
- Increased focus on irrigation capacity and efficiency
- Upgradation of the processing and grading unit
- Targeting customers directly in the domestic and international market

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's Internal Financial Control framework is commensurate with the size and the nature of its operations. These have been designed to provide reasonable assurance about recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of Corporate Policies.

The Company has laid down procedures and policies to guide the operations of the business. The Company has a well-defined delegation of power with authority limits to approve revenue as well as expenditure. Unit/functional heads are responsible to ensure compliance with the policies and procedures laid down by the management.

The operating management assessed the effectiveness of the Company's internal controls over financial reporting as of 31st March 2019. M/s. Deloitte Haskins & Sells LLP, the Statutory Auditors of the Company audited the financial statements included in this Annual Report and issued a report on the internal controls over financial reporting (as defined in Section 143 of the Companies Act, 2013).

The Company has appointed reputed firms of Chartered Accountants to carry out internal audits. The audit is based on focused and risk based internal audit plan, which is reviewed each year after consulting the Audit Committee. In line with international practice, the conduct of internal audit is oriented towards the review of internal controls and risks in its operations of its business units such as Plantations (coffee, tea and pepper), Instant Coffee Division, Estates Supply Division, Curing Works, Accounting and Finance, Procurement and Human Resources, among others.

The internal audit function endeavors to make meaningful contributions to the organization's overall governance, risk management and internal controls. The Audit Committee reviews reports submitted by internal auditors. Suggestions to improve any process are considered by the management and the audit committee follows up on corrective actions taken by the management. The Audit Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors informed of its major observations periodically.

Based on its evaluation (as provided under Section 177 of the Companies Act, 2013 and Clause 18 of SEBI Listing Regulations), the Audit Committee has concluded that as of 31st March 2019, the Internal Financial Controls were adequate and operating effectively.

G. BUSINESS EXCELLENCE

The Company continues to practice principles of Business Excellence (BE) across its operations and took a step forward to assess BE maturity. The Company participated in Tata Business Excellence assessment during financial year 2017-18 and the assessment team assessed our Business Excellence journey in the higher end of "Good Performance" overall score band. The assessment team appreciated various practices such as leadership commitment to drive excellence in operations and customers, efforts taken to meet customers' requirements, focus to improve operational effectiveness. To keep up with the continuous quest for excellence, the Company has developed and implemented comprehensive action plans to augment customer centricity, strengthening risk management processes, improve cost focus, increase reach for innovation practices across locations, thereby taking its business excellence journey forward. To gauge the maturity of the Company's excellence journey, the Company plans to participate in Tata Business Excellence Model (TBEM) external assessment during financial year 2019-20. A team of qualified assessors will assess the Company post employee interactions and inputs from various and across different hierarchies.

To strengthen culture of Innovation and Continual Improvement, the Company participated in Tata Innovista (a Tata Group initiative to harness culture of Innovation within Tata Group Companies) through 15 innovative practices across the Company. These practices were assessed by the SMEs across Tata Group and five of the practices have qualified for regional rounds.

For taking Company's BE journey to higher levels, the Company continues to develop a pool of BE Champions across the Company. The Company currently has 34 BE Champions, out of which 4 are certified to participate in Tata Group level TBEM external assessments. The Company continues to provide exposure to qualified assessors to other Tata Group companies. Three assessors participated in recently concluded TBEM External Assessments. The contribution of one assessor from the Company has been recognized during Annual Business Excellence Convention held in December 2018.

H. MISSION/VALUES

The Company's Mission/Values are as under:

Mission : Create distinctive long-term value for all stakeholders with Coffee and Allied Plantation products embracing sustainable practices.

Values : Customer focus; Responsibility; Innovation & Agility; People centric; Transparency.

I. FINANCIAL AND OPERATIONAL PERFORMANCE

The Total Income for the current year is ₹757 Crores as compared to ₹762 Crores in the previous year. The Profit before Tax for the year under review is ₹98 Crores as against ₹81 Crores in the previous year. Profit after Tax during FY 2018-19 stood at ₹72 Crores as against ₹63 Crores in the previous year.

Management Discussion & Analysis Report continued

J. SIGNIFICANT CHANGES IN FINANCIAL RATIOS

During the year, on a standalone basis, there was no significant change in the financial ratios compared to the previous year. However, on a consolidated basis, the significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:

Financial Ratio	Consolidated		Change (%)	Reason for change
	FY 2018-19	FY 2017-18		
Interest Coverage Ratio	**5.31**	7.64	-30.49%	Higher interest cost and exchange rate impact
Net Profit Margin (%)	**6%**	12%	-50.34%	Overseas subsidiaries' lower profitability and one-time tax reversal in the previous year
Return on Net worth	**9%**	17%	- 45.90%	Overseas subsidiaries' lower profitability and one-time tax reversal in the previous year

K. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT AND NUMBER OF PEOPLE EMPLOYED

The manpower strength of the Company as on 31st March 2019 was 5951 permanent employees including 155 Management Staff across different locations.

The Company continued to build capabilities for the workforce by adopting specific and targeted interventions for different categories of the workforce. With respect to the management staff cadre, the Company organized development programs in partnership with Tata Management Development Centre in Pune. In addition to this, the Company implemented a development center in partnership with SHL where the Company incorporated its best talents to build leadership pipeline for the future. For the junior officer and staff cadre, the Company conducted several in-house programs at specific locations with both internal and external faculty. The Company adopted various governmental skill developmental programs to build and enhance plantation and shop-floor related skills. The Company has implemented an online Human Resource Information System (HRIS) that automated several human resource processes and led to better data management. The Company continues its efforts to build further on reward and recognition practices by capitalizing on an online portal "Blending Excellence" across the Company to encourage and foster employee engagement. The Company addressed training and development needs of its workforce in technical and behavioral areas by deploying internal and external faculty. The Company maintained harmonious industrial relations in all units of the Company during the financial year 2018-19.

L. CAUTIONARY STATEMENT

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's Operations. These include climatic and economic conditions affecting demand and supply, government regulations, taxation, and natural calamities over which the Company does not have any direct control.

Independent Auditor's Report

To The Members of Tata Coffee Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Tata Coffee Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's Response
1	**Valuation of Agricultural Produce** Produce of coffee, tea, pepper and other minor crops growing on the bearer plants ("growing produce") are considered as agricultural produce and are measured at fair value based on their biological transformation. The fair valuation of the growing produce and at the point of harvest is significant to our audit on account of the significant management judgements applied in determining estimated quantity and transformation based on factors like stage of growth (determined based on the visible growth and systematic crop estimation) and harvesting cycle of the crops and their fair values less costs to sell which is based on factors like established conversion norms and the published rates. Refer to Note 8 of the standalone financial statements for the fair value measurement and Note 2.2 (h) for accounting policies.	1. Evaluated the design of internal controls relating the management judgments and estimates relating to quantity, biological transformation, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls. 2. Obtained an understanding of the significant management judgements applied in determination of the quantity, biological transformation of the growing produce and their fair value less costs to sell and assessed and tested the reasonableness of these judgements. 3. Compared the actual harvest data after the year end to assess the reasonableness of the growing produce that was estimated and recorded by the management. 4. Compared the estimated costs to sell to the actual cost incurred as at the year end. 5. Obtained the market information for the fair values and agreed them with the rates considered by the management in determining the fair values. 6. Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.

Independent Auditor's Report continued

Sl. No.	Key Audit Matter	Auditor's Response
2.	**Net Realizable Value of Finished Goods** Finished goods inventory are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always a volatility in the selling price of green coffee beans, made tea and pepper ("commodities"), which is dependent upon various market conditions, determination of the net realizable value for these commodities involves significant management judgement and therefore has been considered as a key audit matter. The total value of finished goods (commodities) as at 31 March, 2019 is ₹ 11058 lakhs. Also refer to Note 2.2 (h) for the accounting policy on valuation of finished goods.	1. Obtained an understanding of the determination of the net realizable values of the commodities and assessed and tested the reasonableness of the significant judgements applied by the management. 2. Evaluated the design of internal controls relating to the valuation of finished goods (including commodities) and also tested the operating effectiveness of the aforesaid controls. 3. Compared the actual realization after the year end / latest realization to assess the reasonableness of the net realisable value that was estimated and considered by the management. 4. Compared the actual costs incurred to sell after the year end / based on the latest sale transaction to assess the reasonableness of the cost to sell that was estimated and considered by the management. 5. Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value. 6. Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, Corporate Overview, Key Highlights, Board's Report, Report on Corporate Governance, Management Discussion & Analysis Report, Business Responsibility Report, etc., but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report continued

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with Indian Accounting Standards prescribed under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

V Balaji
Partner
(Membership No. 203685)

Place: Bengaluru
Date: 19th April, 2019

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Tata Coffee Limited ("the Company") as of 31 March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Independent Auditor's Report continued

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

V Balaji
Partner
(Membership No. 203685)

Place: Bengaluru
Date: 19 April, 2019

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company / amalgamated companies as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. The Company does not have any unclaimed deposits and therefore the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for manufacturing of coffee and tea. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Excise Duty, and Value Added Tax which have not been deposited as on 31 March, 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ lakhs)	Amount Unpaid (₹ lakhs)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY 2003-04	245.98	8.34
			AY 2004-05	465.99	1.91
		Commissioner of Income Tax (Appeals)	AY 2012-13	1581.29	231.43
			AY 2015-16	2712.69	474.46
Andhra Pradesh VAT & CST Acts	Sales Tax	Appellate Tribunal	FY 2004-05	8.31	4.15
		Appellate	FY 2005-06	2.82	1.40

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have dues to financial institutions, government and to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary company or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

V Balaji
Partner
(Membership No. 203685)

Place: Bengaluru
Date: 19th April, 2019

Balance Sheet

as at March 31, 2019

₹ in Lakhs

Particulars	Note	2019	2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	1	**37795.98**	36371.26
Capital Work-in-progress	1	**4441.38**	3683.74
Investment Property	2	**5095.54**	4967.00
Intangible Assets	3	**203.57**	167.39
Financial Assets			
Investments	4	**22070.95**	19035.35
Loans	5	**32.06**	58.10
Other Financial Assets	6	**821.48**	1722.84
Non-Current Tax Assets	17	**2288.30**	1360.49
Other Non-current Assets	7	**1340.92**	199.86
		74090.18	**67566.03**
Current assets			
Inventories including Biological Assets	8	**25239.89**	24412.54
Financial Assets			
Investments	4	**8541.40**	3155.45
Trade Receivables	9	**9786.45**	10652.60
Cash and Cash Equivalents	10	**210.34**	2560.08
Other Bank Balances	10	**259.55**	217.64
Loans	5	**1735.10**	5804.04
Other Financial Assets	6	**2972.16**	3043.00
Other Current Assets	7	**1738.21**	2150.01
		50483.10	**51995.36**
Non Current Assets held for sale	11	**76.58**	246.09
TOTAL ASSETS		**124649.86**	**119807.48**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12 (a)	**1867.70**	1867.70
Other Equity	12 (b)	**95199.16**	90148.72
Total Equity		**97066.86**	**92016.42**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Other Financial Liabilities	15	**232.01**	291.40
Provisions	16	**3364.13**	3103.74
Deferred Tax Liabilities (Net)	17	**2584.42**	2273.02
		6180.56	**5668.16**
Current liabilities			
Financial Liabilities			
Borrowings	14	**8790.28**	9595.57
Trade Payables:-			
(a) Total outstanding dues of Micro and Small Enterprises	18 (a)	**73.31**	57.96
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	18 (b)	**3958.97**	4529.00
Other Financial Liabilities	15	**6550.36**	6096.11
Provisions	16	**910.72**	961.70
Current Tax Liabilities	17	**189.09**	-
Other Current Liabilities	19	**929.71**	882.56
		21402.44	**22122.90**
TOTAL EQUITY AND LIABILITIES		**124649.86**	**119807.48**

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Place: Bengaluru
Date: 19th April, 2019

R. HARISH BHAT
Chairman

K. VENKATARAMANAN
Executive Director-Finance & CFO

CHACKO PURACKAL THOMAS
Managing Director & CEO

S. SANTHANAKRISHNAN
Director

N. ANANTHA MURTHY
Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2019

₹ in Lakhs

Particulars	Note	2019	2018
INCOME			
Revenue from operations	20	**70290.85**	70543.14
Other Income	21	**5391.97**	5622.75
Total Income		**75682.82**	**76165.89**
EXPENSES			
Cost of materials consumed	22 (a)	**22566.51**	25098.55
Purchases of Stock-in-trade	22 (b)	**5723.14**	5428.43
Changes in Inventories of finished goods, work-in-progress, Stock-in-trade and Biological Assets	22 (c)	**179.67**	(478.43)
Employee benefits expense	23	**18567.14**	17731.92
Finance costs	24	**813.71**	744.17
Depreciation and amortisation expense		**2319.13**	2235.67
Other expenses	25	**17335.05**	17325.08
Total Expenses		**67504.35**	**68085.39**
Profit before exceptional items and tax		**8178.47**	**8080.50**
Exceptional Items	26	**1611.27**	-
Profit before tax		**9789.74**	**8080.50**
Tax Expense			
Current tax		**2513.73**	2416.05
Excess Tax Provision written back		**-**	(179.83)
Deferred tax		**117.93**	(432.10)
Total tax expense		**2631.66**	**1804.12**
Profit for the year		**7158.08**	**6276.38**
Other Comprehensive Income		**28.27**	**(205.05)**
Items that will not be reclassified to profit/ (loss)		**(274.01)**	**181.18**
Remeasurements of the defined benefit plans		**(101.53)**	79.37
Equity instruments through other comprehensive income		**(141.36)**	137.29
Income tax relating to items that will not be reclassified to profit or loss		**(31.12)**	(35.48)
Items that will be reclassified to profit/ (loss)		**302.28**	**(386.23)**
Effective portion of Gains/(Loss) in cash flow hedges		**464.64**	(590.63)
Income tax on items that will be reclassified to profit or loss		**(162.36)**	204.40
Total Comprehensive Income for the year		**7186.35**	**6071.33**
Earnings per equity share			
Basic & Diluted	35	**3.83**	3.36

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Place: Bengaluru
Date: 19th April, 2019

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Executive Director-Finance & CFO

CHACKO PURACKAL THOMAS
Managing Director & CEO

S. SANTHANAKRISHNAN
Director

N. ANANTHA MURTHY
Company Secretary

Statement of Changes in Equity

as at March 31, 2019

₹ in Lakhs

	Equity		Other Equity									Total Other Equity	Total Equity
				Surplus					Items of Other Comprehensive Income				
	Number of Shares	Equity Share Capital	Capital Redemption Reserve	Securities Premium	General Reserves I	General Reserves II	Amalgamation Reserves	Retained Earnings	Equity instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Actuarial Gain/ (Loss)		
Balance as at April 1, 2017	**186770370**	**1867.70**	**10.41**	**14424.27**	**16795.30**	**9671.29**	**832.53**	**46066.46**	**548.07**	**376.78**	**(865.62)**	**87859.49**	**89727.19**
Profit for the year	-	-	-	-	-	-	-	6276.38				6276.38	6276.38
Other Comprehensive Income for the year, net of Income Tax	-	-	-	-	-	-	-		137.29	(386.23)	43.89	(205.05)	(205.05)
Transfer to Retained Earnings	-	-	-	-	-	-	-	26.12	(26.12)			-	
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6302.50**	**111.17**	**(386.23)**	**43.89**	**6071.33**	**6071.33**
Dividends/Tax on Dividend	-	-	-	-	-	-	-	(3933.87)				(3933.87)	(3933.87)
Reversal of Dividend Distribution Tax	-	-	-	-	-	-	-	151.77				151.77	151.77
Transfer from Retained Earnings	-	-	-	-	-	651.00	-	(651.00)				-	-
Balance as at April 1, 2018	**186770370**	**1867.70**	**10.41**	**14424.27**	**16795.30**	**10322.29**	**832.53**	**47935.86**	**659.24**	**(9.45)**	**(821.73)**	**90148.72**	**92016.42**
Profit for the year	-	-	-	-	-	-	-	7158.08				7158.08	7158.08
Other Comprehensive Income for the year, net of Income Tax	-	-	-	-	-	-	-		(141.36)	302.28	(132.65)	28.27	28.27
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7158.08**	**(141.36)**	**302.28**	**(132.65)**	**7186.35**	**7186.35**
Dividends/Tax on Dividend	-	-	-	-	-	-	-	(3377.42)				(3377.42)	(3377.42)
Reversal of Dividend Distribution Tax	-	-	-	-	-	-	-	1241.51				1241.51	1241.51
Transfer from Retained Earnings	-	-	-	-	-	785.00	-	(785.00)		-		-	-
Balance as at March 31, 2019	**186770370**	**1867.70**	**10.41**	**14424.27**	**16795.30**	**11107.29**	**832.53**	**52173.03**	**517.88**	**292.83**	**(954.38)**	**95199.16**	**97066.86**

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Place: Bengaluru
Date: 19th April, 2019

R. HARISH BHAT
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Executive Director-Finance & CFO

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Managing Director & CEO

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Director

N. ANANTHA MURTHY
Company Secretary

Cash Flow Statement

for the year ended March 31, 2019

₹ in Lakhs

Particulars	2019	2018
Cash flows from operating activities		
Profit Before Tax for the year	**9789.74**	8080.50
Adjustments for:		
Depreciation and amortisation	**2319.13**	2235.67
Interest Income	**(291.63)**	(694.34)
Dividend Income from Investments in Subsidiary	**(3548.74)**	(3419.75)
Dividend income from Other Non Current Investments	**(35.17)**	(17.59)
Net gain on Sale of Current Investments	**(334.85)**	(238.35)
Gain on investments carried at fair value through profit or loss	**(180.83)**	(103.27)
Rental Income from Investment Property	**(203.04)**	(226.32)
Finance Costs	**813.71**	744.17
Unrealised foreign exchange (gain)/loss	**199.91**	(167.74)
(Profit)/loss on sale of Investment Property	-	(205.83)
(Profit)/loss on sale of Property, Plant and Equipment	**(1585.73)**	(13.05)
Profit on Sale of Biological Assets - Timber (Net)	**(784.90)**	(650.77)
Sub-Total	**(3632.14)**	**(2757.17)**
Operating Profit Before Working Capital Changes:	**6157.60**	**5323.33**
Movements in working capital:		
Trade Receivables	**672.83**	(1061.85)
Other Financial Assets	**773.51**	535.54
Loans	**94.99**	(47.78)
Other Current and Non-Current Assets	**(413.58)**	(430.74)
Inventories including Biological Assets	**(827.35)**	(190.03)
Trade Payables	**(561.28)**	625.74
Other Financial Liabilities	**362.20**	(67.13)
Other Current Liabilities	**47.40**	257.81
Provisions	**(132.88)**	300.74
Changes in Working Capital	**15.84**	**(77.70)**
Cash Generated from Operations	**6173.44**	**5245.63**
Income taxes paid	**(2011.19)**	(3917.98)
Net Cash Flows from/ (used in) Operating Activities (A)	**4162.25**	**1327.65**

Cash Flow Statement continued

for the year ended March 31, 2019

₹ in Lakhs

Particulars	2019	2018
Cash flows from investing activities		
Interest received	**365.21**	703.07
Dividends received from Subsidiary	**3548.74**	3419.75
Other dividends received	**35.17**	17.59
Payments for property, plant and equipment and Intangibles	**(4589.13)**	(6636.52)
Rental Income from Investment Property	**203.04**	226.32
Proceeds from Sale of property, plant and equipment	**1952.24**	89.84
Profit on Sale of Biological Assets - Timber (Net)	**784.90**	650.77
Inter Corporate Deposits Placed (Net)	**4000.00**	300.00
Net cash (outflow)/inflow on Purchase/Sale of Mutual Funds	**(4870.28)**	7050.00
(Purchase)/Sale of Investment Property	**-**	1895.38
Sale of Non-Current Investments	**-**	46.80
Purchase of Non-Current Investments	**(3176.97)**	(4162.16)
Net Cash Flows from/ (used in) Investing Activities (B)	**(1747.08)**	**3600.84**
Cash flows from financing activities		
Proceeds from / (repayment of) Current Borrowings (Net)	**(805.29)**	2295.69
Proceeds from / (repayment of) Non-Current Borrowings	**-**	(402.86)
Dividend/Dividend Tax	**(3377.42)**	(3933.87)
Finance Cost paid	**(582.20)**	(470.37)
Net Cash Flows from/ (used in) Financing Activities (C)	**(4764.91)**	**(2511.41)**
Net Increase /(Decrease) In Cash and Cash Equivalents (A+B+C)	**(2349.74)**	**2417.08**
Cash and cash equivalents at the beginning of the year	**2560.08**	143.00
Cash and cash equivalents at the end of the year	**210.34**	**2560.08**

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Place: Bengaluru
Date: 19th April, 2019

R. HARISH BHAT
Chairman

K. VENKATARAMANAN
Executive Director-Finance & CFO

CHACKO PURACKAL THOMAS
Managing Director & CEO

S. SANTHANAKRISHNAN
Director

N. ANANTHA MURTHY
Company Secretary

Notes
to the Standalone Financial Statements

1. General Information

Tata Coffee Limited ("the Company") and its subsidiaries (together "the Group") are engaged in the production, trading and distribution of Coffee, Tea and Allied products. The Group has business operations mainly in India, USA and CIS countries, Europe, Africa and Vietnam.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Pollibetta, Kodagu, Karnataka, India. The Company has its listings on BSE Limited and National Stock Exchange of India Limited.

The financial statements for the year ended March 31, 2019 were approved for issue by Company's Board of Directors on April 19, 2019.

2. Preparation and Presentation of Financial Statements

2.1 Basis of preparation and measurement

A) Basis of preparation

The financial statements are prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

B) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product/ activities of the Company and the normal time between acquisition of assets/liabilities and their realisation/settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.2 Significant Accounting Policies:

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Property, Plant and Equipment

i) Recognition and measurement: Property, plant and equipment including bearer assets are carried at historical cost of acquisition or deemed cost less accumulated depreciation and accumulated impairment loss, if any. Historical cost includes its purchase price, including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent expenditure related to an asset is added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All repairs and maintenance are charged to the statement of profit and loss during the financial year in which they are incurred.

ii) Depreciation: Depreciation is provided on assets to get the initial cost down to the residual value. Land is not depreciated. Depreciation is provided on a straight line basis over the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013 or based on a technical evaluation of the asset. Cost incurred on assets under development are disclosed under capital work in progress and not depreciated till asset is ready to use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Estimated useful life of items of Property, Plant and Equipment are as follows:

Type of Asset	Estimated Useful Life
Leasehold Land	Perpetual Lease
Buildings including Water supply System	28-58 Years
Roads/Carpeted/Non-Carpeted	10 Years
Irrigation Systems	10-20 Years
Electrical Installations-	20
Plant & Machinery-Continuous Process	18
Other Plant & Machinery	20
Furniture & Fittings	15
Computers	6
Motor Vehicles	10
Office Equipment	5

The residual values and useful lives for depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or exchange.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the statement of profit and loss.

(b) Biological Assets

Biological assets are classified as Bearer biological assets, and agricultural produce. Bearer Biological Assets which are held to bear agricultural produce are classified as Bearer plants.

Bearer plants are recognised under Property, Plant and Equipment on fulfilment of the following conditions.

1. Is used in the production or supply of agricultural produce;
2. Is expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales

Tea bushes, Coffee bushes, Pepper vines, Cardamom tiller and Shade trees are recognised as Bearer biological assets. These are classified as mature Bearer Plants and Immature Bearer Plants. Mature Bearer Plants are those that have attained harvestable stage. Cost incurred for new plantations and immature areas are capitalised. Cost includes cost of land preparation, new planting and maintenance till maturity. The cost of areas coming into bearing is transferred to mature plantations and depreciated over their estimated useful lives.

Bearer plants relating to Coffee and Tea bushes, Pepper vines and minor produces attain a harvestable stage in about 3-5 years.

Bearer biological assets are carried at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure on bearer assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Mature bearer plants are depreciated over their estimated useful life. Immature bearer plants are tested for impairment / obsolescence. The estimated useful life of mature bearer plants is as follows:

Type of Bearer Biological Assets	Estimated Useful Life
Arabica Coffee Plants	30 Years
Robusta Coffee Plants	58 Years
Tea Bushes	58 Years
Pepper Vines & Cardamom Tillers	35 Years
Silver oak and Shade Management Trees	35 Years

Refer Para 2.2. (h) for accounting of agricultural produce.

(c) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used in the production of goods and services or for the administrative purposes is classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the straight line method over the estimated useful lives. The Company's depreciable investment properties have a useful life of 50 years.

(d) Intangible Assets- Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 5 years.

Notes
to the Standalone Financial Statements

(e) Impairment of tangible and intangible assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest possible levels for which there are independent cash inflows (cash-generating units). Prior impairment of non-financial assets (other than goodwill) are reviewed for possible reversal of impairment losses at each reporting date. Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment.

(f) Non-current assets held for sale

Non-current assets held for sale are presented separately in the balance sheet when the following criteria are met:

- the Company is committed to selling the asset;
- the assets are available for sale immediately;
- an active plan of sale has commenced; and
- sale is expected to be completed within 12 months.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

(g) Financial Instruments

Financial assets

The Company classifies its financial assets in the following categories:

i) Financial assets at amortised cost- Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

These are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently, if maturing after 12 month period, carried at amortised cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances.

ii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI) – All equity investments are measured at fair values. Investments which are not held for trading purposes and where the Company has exercised the option to classify the investment as at FVTOCI, all fair value changes on the investment are recognised in Other Comprehensive Income (OCI). The accumulated gains or losses are recognised in OCI are reclassified to retained earnings on sale of such investment.

iii) Financial assets at Fair Value through Profit and loss (FVTPL) - Financial assets which are not classified in any of the categories above measured at FVTPL. These include surplus funds invested in mutual funds etc.

iv) Impairment of financial assets - The Company assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on Company's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109 – Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs.

Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these investments.

Derivative financial instruments and hedging activities

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

(a) hedges of the fair value of recognised assets or liabilities (fair value hedge); or

(b) hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedge);

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss.

When a hedging instrument expires or swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in statement of changes in equity is recognised in the Statement of Profit and Loss.

When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because the beneficiary fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their applicable fair values.

Fair value measurement

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

i) Level 1: The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.

ii) Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques

Notes
to the Standalone Financial Statements

using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

iii) Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

(h) Inventories including Agricultural Produce

Produce growing on Bearer plant is Biological asset and are fair valued based on the biological transformation, except where on initial recognition quoted market prices are not available and alternate fair value measures are clearly unreliable in which case biological asset is measured at cost less any accumulated depreciation and impairment loss.

Tea, Coffee, Pepper and minor crops are designated as agricultural produce as per Ind AS 41 and are measured at their fair value less cost to sell at the point of harvest. Any changes in fair value are recognised in the Statement of Profit and Loss in the year in which they arise upon harvest. The fair valuation so arrived at becomes the cost of Inventory under Ind AS-2.

Raw materials, work in progress, traded and finished goods are stated at the lower of cost and net realisable value, net realisable value represents the estimated selling price less all estimated cost of completion and selling expenses. Stores and spares are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.

(i) Employee Benefits

The Company operates various post-employment schemes, including both defined benefit and defined contribution plans and post-employment medical plans. Short term employee benefits are recognized on an undiscounted basis whereas Long term employee benefits are recognized on a discounted basis.

i) Post retirement employee benefits:

Contribution to post retirement defined benefit and contribution schemes like Provident Fund (PF) and Superannuation Schemes and other such schemes are accounted for on accrual basis by the Company. With regard to PF contribution made by the Holding Company to a Self-Administered Trust, Company is generally liable for annual contributions and for any shortfall in the fund assets based on the government specified minimum rates of return. Such contributions and shortfalls are recognised as an expense in the year incurred.

Post retirement defined benefits including gratuity, pension and medical benefits (for qualifying executives/whole time directors) as provided by the Company are determined through independent actuarial valuation, at year end and charge recognised in the statement of profit and loss. Interest costs on employee benefit schemes have been classified within finance cost. For schemes, where funds have been set up, annual contributions determined as payable in the actuarial valuation report are contributed. Re-measurements. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently. The Company recognises in the statement of profit and loss, gains or losses on curtailment or settlement of a defined benefit plan as and when the curtailment or settlement occurs.

ii) Other employee benefits:

Other employee benefits are accounted for on accrual basis. Liabilities for compensated absences are determined based on independent actuarial valuation at year end and charge is recognised in the statement of profit and loss.

(j) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is possible.

(k) Income Tax

i) Current Income Tax:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

ii) Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity in which case the deferred tax is recognised in other comprehensive income and equity respectively.

iii) Minimum Alternate Tax:

According to section 115JAA of the Income Tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a subject year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the entity's normal income tax during the specified period.

(iv) Dividend Distribution Tax:

Tax on dividends declared by the Company are recognised as an appropriation of Profit.

(l) Foreign currency translations

Foreign currency transactions and balances:

Transactions in foreign currencies are recorded at the exchange rate that approximates the prevalent exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are translated at the year-end rate. Any resultant exchange differences are taken to the statement of profit and loss, except

a) When deferred, in Other Comprehensive Income as qualifying cash flow hedges; and

b) exchange difference arising from translation of external commercial borrowing is capitalized in terms of para D13AA of Ind AS 101.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(m) Revenue Recognition

(i) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

(ii) Interest and dividend income

Interest income is recognised using the effective interest method.

When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

Dividend income is recognised when the right to receive payment is established. Income from investments are accounted on an accrual basis.

(n) Government Grants

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognised as expenses.

Government grants related to property, plant and equipment are presented at fair value and grants are recognised as deferred income.

(o) Leases

As a lessee

Lease of assets, where the Company, as a lessee, has substantially assumed all the risks and rewards of ownership are classified as finance leases. Assets acquired on finance lease are capitalised and depreciated as per Company's policy on Property, Plant and Equipment. Finance lease are measured at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in the statement of profit and loss on a straight- line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(p) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

(q) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount.

(r) Earnings per share

The Company presents basic and diluted earnings per share data for its equity shares. Basic and diluted earnings per share is calculated by dividing the profit or loss attributable to owners of the equity shares of the Holding Company by the weighted average number of equity shares outstanding during the year.

(s) Segment Reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

(t) Cash and cash equivalents:

Cash and cash equivalents for the purpose of presentation in the statement of cash flows comprises of cash at bank and in hand, bank overdraft and short term highly liquid investments/ bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(u) Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(v) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

2.3 Key accounting judgement, estimates and assumptions

The preparation of the financial statements required the Management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

The areas involving critical estimates or judgements are:

i. Depreciation and amortisation

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

Notes
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ii. Employee Benefits

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using various assumptions. The assumptions used in determining the net cost/(income) includes the discount rate, wage escalation and employee attrition. Any changes in these assumptions will impact the carrying amount of obligations. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

iii. Fair valuation

All financial instruments are required to be fair valued as at the balance sheet date, as provided in Ind AS 109 and Ind AS 113. Being a critical estimate, judgement is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc., as applicable.

iv. Valuation of Agricultural Produce

Valuations of agricultural produce are derived based on the market rates published by the industrial body for various grades.

2.4 Changes in Accounting Standards and other recent accounting pronouncements

Ind AS 116, Leases: The Ministry of Corporate Affairs has notified the Ind AS 116, Leases which will be effective from April 1, 2019. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Company is currently evaluating the requirements of Ind AS 116 on the financial statements. The Company believes that the definition of lease under Ind AS 116 would not significantly change the scope of contracts that meet the definition of a lease.

Amendment to Ind AS 12 'Income Taxes': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Amendment to Ind AS 19 'Employee Benefits': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Note No. 1-Property, Plant and Equipment

₹ in Lakhs

Particulars	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Machinery	Furniture & Fixtures	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Gross Carrying Value as at April 1, 2017	**6906.77**	**829.99**	**7131.60**	**944.77**	**1405.42**	**17539.18**	**237.36**	**203.22**	**112.07**	**1025.23**	**35.56**	**36371.17**	**304.59**	**1711.87**	**2016.46**
Additions	-	-	1100.32	515.23	497.56	2662.39	53.94	57.92	108.60	185.47	67.76	5249.19	253.42	1481.62	1735.04
Disposals	-	-	(0.28)	(0.31)	(5.28)	(19.98)	(3.41)	-	(0.51)	(119.95)	-	(149.72)	-	-	-
Transfers/Adjustments	(150.12)	-	(42.35)	-	-	-	-	-	-	-	-	(192.47)	-	(67.76)	(67.76)
Gross Carrying Value as at April 1, 2018	**6756.65**	**829.99**	**8189.30**	**1459.69**	**1897.70**	**20181.59**	**287.89**	**261.14**	**220.16**	**1090.75**	**103.32**	**41278.18**	**558.01**	**3125.73**	**3683.74**
Additions (Refer Note (e))	446.24	-	1368.52	183.83	205.11	809.87	12.11	62.50	33.00	278.07	414.33	3813.58	(263.67)	1435.64	1171.97
Disposals	-	-	(1.33)	(1.48)	(0.69)	(181.31)	(1.05)	(5.26)	(4.42)	(311.26)	-	(506.80)	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	(414.33)	(414.33)
Gross Carrying Value as at March 31, 2019	**7202.89**	**829.99**	**9556.49**	**1642.04**	**2102.12**	**20810.15**	**298.95**	**318.38**	**248.74**	**1057.56**	**517.65**	**44584.97**	**294.34**	**4147.04**	**4441.38**

Accumulated Depreciation	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Equipment	Furniture & Fixtures	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Accumulated Depreciation as at April 1, 2017	**-**	**-**	**499.27**	**61.84**	**145.09**	**2025.68**	**37.92**	**62.04**	**25.12**	**159.48**	**1.18**	**3017.62**	**-**	**-**	**-**
Depreciation expenses	-	-	259.58	41.67	99.20	1362.78	31.35	43.91	30.30	117.75	3.44	1989.98	-	-	-
Deductions/Adjustments	-	-	(27.81)	(0.47)	(3.32)	(18.57)	(3.30)	0.02	(0.50)	(46.73)	-	(100.68)	-	-	-
Accumulated Depreciation as at April 1, 2018	**-**	**-**	**731.04**	**103.04**	**240.97**	**3369.89**	**65.97**	**105.97**	**54.92**	**230.50**	**4.62**	**4906.92**	**-**	**-**	**-**
Depreciation expenses	-	-	299.76	53.93	122.99	1470.14	23.81	42.56	40.98	116.59	16.30	2187.06	-	-	-
Deductions/Adjustments	-	-	(0.61)	(1.72)	(1.13)	(172.18)	(0.98)	(5.16)	(4.26)	(118.95)	-	(304.99)	-	-	-
Accumulated Depreciation as at March 31, 2019	**-**	**-**	**1030.19**	**155.25**	**362.83**	**4667.85**	**88.80**	**143.37**	**91.64**	**228.14**	**20.92**	**6788.99**	**-**	**-**	**-**

Net Carrying Value	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Equipment	Furniture & Fixtures	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Net Carrying Value as at April 1, 2017	**6906.77**	**829.99**	**6632.33**	**882.93**	**1260.33**	**15513.50**	**199.44**	**141.18**	**86.95**	**865.75**	**34.38**	**33353.55**	**304.59**	**1711.87**	**2016.46**
Net Carrying Value as at April 1, 2018	**6756.65**	**829.99**	**7458.26**	**1356.65**	**1656.73**	**16811.70**	**221.92**	**155.17**	**165.24**	**860.25**	**98.70**	**36371.26**	**558.01**	**3125.73**	**3683.74**
Net Carrying Value as at March 31, 2019	**7202.89**	**829.99**	**8526.30**	**1486.79**	**1739.29**	**16142.30**	**210.15**	**175.01**	**157.10**	**829.42**	**496.73**	**37795.98**	**294.34**	**4147.04**	**4441.38**

(a) Additions/Adjustments include ₹ Nil (PY ₹ (-) 0.42 Lakhs) towards Buildings and ₹ Nil (₹ (-) 2.06 Lakhs) towards Plant & Equipment on account of exchange differences on Long Term Foreign Currency Loans (as permitted by Para D13AA of Ind AS 101)

(b) The following assets are jointly owned/held with the Holding Company :-

Freehold Land and Development	₹ 103.78 Lakhs (Previous Year - ₹ 103.78 Lakhs)
Buildings	₹ 56.78 Lakhs (Previous Year - ₹ 56.78 Lakhs)
Water and Sanitary Installations	₹ 8.15 Lakhs (Previous Year - ₹ 8.15 Lakhs)
Electrical installations	₹ 22.07 Lakhs (Previous Year - ₹ 22.07 Lakhs)

(c) Title Deeds of Freehold land of a Coffee Estate has been hypothecated for financing part of the Working Capital facilities.

(d) The Additions in Bearer Plants represents capitalisation of Coffee, Pepper and Tea plants which have attained maturity during the year.

(e) In relation to acquisition of certain Tea and Coffee estates made by the Company in the past, the Concerned jurisdictional officers have assessed the market value of these properties in current year. Based on this, the Company has paid differential Stamp Duty of ₹ 774 Lakhs and the Registration fee of ₹97 Lakhs and these have been shown as additions during the current year.

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to the Standalone Financial Statements

Note No. 2 - Investment Property

₹ in Lakhs

Particulars	Land	Buildings	Total
Gross Carrying Value as at April 1, 2017	1.05	7080.30	**7081.35**
Disposal		(1797.08)	**(1797.08)**
Gross Carrying Value as at April 1, 2018	1.05	5283.22	**5284.27**
Additions/ Transfers	219.86		**219.86**
Gross Carrying Value as at March 31, 2019	**220.91**	**5283.22**	**5504.13**
Accumulated Depreciation as at April 1, 2017	-	283.20	**283.20**
Depreciation	-	141.60	**141.60**
Disposal	-	(107.53)	**(107.53)**
Accumulated Depreciation as at April 1, 2018	-	317.27	**317.27**
Depreciation	-	91.32	**91.32**
Accumulated Depreciation as at March 31, 2019	-	**408.59**	**408.59**
Net Carrying Value as at April 1, 2017	**1.05**	**6797.10**	**6798.15**
Net Carrying Value as at April 1, 2018	**1.05**	**4965.95**	**4967.00**
Net Carrying Value as at March 31, 2019	**220.91**	**4874.63**	**5095.54**

The amount recognised in the Statement of Profit and Loss for investment property:

₹ in Lakhs

	2019	2018
Rental Income	**232.38**	226.32
Direct Operating Expenses	**29.34**	54.20
Profit from investment property before depreciation	**203.04**	**172.12**
Depreciation for the year	**91.32**	141.60
Profit from investment property	**111.72**	**30.52**

(a) As at March 31, 2019, the fair value of the Land was at ₹ 9442 Lakhs. The current year fair value of land factors current prevailing market rates and is net of estimated land usage conversion costs.

(b) As at March 31, 2019, the fair value of the Building was at ₹ 5394 Lakhs.

(c) These fair values are based on independent valuations.

Operating Lease:-

The Company has leased out part of its investment property for minimum periods upto three years.

Minimum lease receipts under Non-cancellable Operating Lease:

₹ in Lakhs

	2019	2018
Within one year	**82.86**	186.47
Later than one year and not later than three years	-	86.08

Notes
to the Standalone Financial Statements

Note No. 3 - Intangible Assets

₹ in Lakhs

Particulars	Capitalized Software
Gross Carrying Value as at April 1, 2017	**587.17**
Additions	31.94
Gross Carrying Value as at April 1, 2018	**619.11**
Additions	76.93
Disposals	(5.83)
Gross Carrying Value as at March 31, 2019	**690.21**
Accumulated Depreciation as at April 1, 2017	347.63
Amortisation	104.09
Accumulated Depreciation as at April 1, 2018	**451.72**
Amortisation	40.75
Deductions/Adjustments	(5.83)
Accumulated Depreciation as at March 31, 2019	**486.64**
Net Carrying Value as at April 1, 2017	**239.54**
Net Carrying Value as at April 1, 2018	**167.39**
Net Carrying Value as at March 31, 2019	**203.57**

Note No. 4 - Investments

₹ in Lakhs

Particulars	Face Value of Each (₹)	Number of Shares	2019		2018	
			Current	Non Current	Current	Non Current
A. Investments Carried at Cost						
Unquoted Investments (all fully paid)						
Investments in Equity Instruments-Subsidiaries						
Consolidated Coffee Inc.	USD 0.01	300	-	**14065.36**	-	14065.36
Tata Coffee Vietnam Company Limited ^			-	**7053.29**	-	3876.74
Aggregate Amount of Unquoted Investments-Subsidiaries			-	**21118.65**	-	**17942.10**
B. Investments Carried at Fair Value through OCI						
Investments in Quoted Equity Instruments						
Tata Chemicals Limited	10.00	160000	-	**942.08**	-	1083.44
Aggregate Amount of Quoted Investments			-	**942.08**	-	**1083.44**
Total cost of Quoted Investments ₹424.21 Lakhs (PY ₹424.21 Lakhs) and market value ₹ 942. 08 Lakhs (PY ₹ 1083.44 lakhs)						
Investments in Unquoted Equity Instruments						
Southern Scribe Instruments Private Limited *	100.00	7280	-	**7.28**		7.28
Armstrong Power Private Limited *	100.00	600	-	**0.60**		0.60
Armstrong Power Systems Private Limited *	100.00	900	-	**0.90**		0.90
K.T.V. Oil Mills Private Limited * (includes 415 equity shares acquired during the year)	100.00	1450	-	**1.44**		1.03
Coorg Orange Growers Co-Operative Society Ltd. **	100.00	4	-	-	-	-
Tata Coffee Co-operative Stores Limited **	5.00	20	-	-	-	-
Coorg Cardamom Co-operative Marketing Society Limited **	100.00	1	-	-	-	-
Aggregate Amount of Unquoted Investments			-	**10.22**	-	**9.81**

Notes
to the Standalone Financial Statements

₹ in Lakhs

Particulars	Face Value of Each (₹)	Number of Shares	2019		2018	
			Current	Non Current	Current	Non Current
C. Investments designated as Fair Value Through Profit and Loss						
Investments in Mutual Funds			**8541.40**	-	3155.45	-
Cost of Investments in Mutual Funds ₹ 8257.30 Lakhs (PY ₹ 3052.18 Lakhs)						
			8541.40	**22070.95**	**3155.45**	**19035.35**

^ During the year, the Company has made an additional Equity investment of Vietnamese Dong (VND) 104.355 Billion (USD 4.5 Million).

(PY Vietnamese Dong (VND) 135 Billion) (USD 6 Million) in Tata Coffee Vietnam Company Limited which is a single member limited liability Company.

* Relating to Power Purchase Agreement entered by the Company

**Represent Amount less than ₹ 1000

Note No. 5 - Loans

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non- Current	Total
Unsecured Considered Good						
Employee Loans and Advances	**235.10**	**32.06**	**267.16**	304.04	58.10	362.14
Inter Corporate Deposits to related parties	**1500.00**	-	**1500.00**	5500.00	-	5500.00
Loans Receivables which have significant increase in Credit Risk	-	-	-	-	-	-
Loans Receivables-credit impaired	-	-	-	-	-	-
	1735.10	**32.06**	**1767.16**	**5804.04**	**58.10**	**5862.14**

Note No. 6 - Other Financial Assets

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non- Current	Total
Security Deposits						
- Secured, considered good	-	**71.34**	**71.34**	-	72.70	72.70
	-	**71.34**	**71.34**	**-**	**72.70**	**72.70**
Other Deposits						
- Unsecured, considered good	**517.31**	**750.14**	**1267.45**	471.29	1650.14	2121.43
- Doubtful	**38.00**	**3.84**	**41.84**	38.00	3.84	41.84
Less: Provision for Doubtful Deposits	**(38.00)**	**(3.84)**	**(41.84)**	(38.00)	(3.84)	(41.84)
	517.31	**750.14**	**1267.45**	**471.29**	**1650.14**	**2121.43**
Interest Accrued (includes from Related Parties ₹31.06 Lakhs (PY ₹59.42 Lakhs)	**77.74**	-	**77.74**	151.32	-	151.32
Export Incentive Receivables	**1400.54**	-	**1400.54**	1536.46	-	1536.46
Advances to Related Parties	-	-	-	193.09	-	193.09
Other Financial Assets	**976.57**	-	**976.57**	690.84	-	690.84
	2972.16	**821.48**	**3793.64**	**3043.00**	**1722.84**	**4765.84**

Notes
to the Standalone Financial Statements

₹ in Lakhs

Movements in Provision for Financial Assets	
As at April 1, 2017	**41.84**
Provision during the year	
As at April 1, 2018	**41.84**
Provision during the year	-
As at March 31, 2019	**41.84**

Note No. 7 - Other non-current and current assets

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non- Current	Total
Capital Advances	-	**116.85**	**116.85**	-	175.87	175.87
Advances to suppliers						
Unsecured, considered good	**655.44**	-	**655.44**	533.49	-	533.49
Doubtful	**60.75**	**2.99**	**63.74**	60.75	2.99	63.74
Less: Provision for Doubtful Deposits	**(60.75)**	**(2.99)**	**(63.74)**	(60.75)	(2.99)	(63.74)
Other Receivables	**586.04**	**1202.41**	**1788.45**	1391.83	-	1391.83
Advances to Related Parties	**156.95**	-	**156.95**	15.91	-	15.91
Prepayments	**339.78**	**21.66**	**361.44**	208.78	23.99	232.77
	1738.21	**1340.92**	**3079.13**	**2150.01**	**199.86**	**2349.87**

₹ in Lakhs

Movements in Provision for Other Non-Current and Current Assets	
As at April 1, 2017	**63.74**
Provision for Doubtful Advances	-
As at April 1, 2018	**63.74**
Provision for Doubtful Advances	-
As at March 31, 2019	**63.74**

Note No. 8 - Inventories including Biological Assets

₹ in Lakhs

Particulars	2019	2018
	Current	Current
Stores and spares	**1907.17**	1700.18
Raw materials	**3222.71**	2467.49
Raw materials in Transit	**1698.21**	1653.40
Finished Goods	**15198.35**	15952.09
Work-in-progress including Growing Produce of ₹ 445.38 Lakhs (PY ₹ 575.38 Lakhs)	**445.38**	594.74
Stock-in-trade	**2768.07**	2044.64
	25239.89	**24412.54**

The mode of valuation of Inventories has been stated in Note No. 2.2(h) of Significant Accounting Policies.

Inventories hypothecated as Security for part of the Working Capital facilities.

Notes
to the Standalone Financial Statements

Note No. 9 - Trade Receivables

₹ in Lakhs

Particulars	2019 Current	2018 Current
Trade Receivables		
Secured, considered good	**1857.57**	1593.61
Unsecured, considered good	**7438.93**	8136.04
Trade Receivables which have significant increase in Credit Risk	**-**	-
Trade Receivables-credit impaired	**-**	-
Trade Receivables from Related Parties	**489.95**	922.95
	9786.45	**10652.60**

Trade Receivables hypothecated as Security for part of the Working Capital facilities.

The credit worthiness of trade debtors and the credit terms set are determined on a case to case basis. Adequate insurance cover has been taken on export debts. Based on the above, there is a low credit risk on Trade Receivables.

The fair values of trade receivables are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when they become overdue.

Note No. 10 - Cash and Cash Equivalents/Bank Balances

₹ in Lakhs

Particulars	2019	2018
Unrestricted Balances with banks		
in current accounts	**204.71**	140.50
in deposit accounts with original maturity less than 3 months	**0.70**	2415.70
Cash in hand	**4.90**	3.86
Remittances in Transit	**0.03**	0.02
Cash and Cash Equivalents	**210.34**	**2560.08**
Unpaid Dividend/Debenture/Debenture Interest	**259.55**	217.64
Other Bank Balances	**259.55**	**217.64**

Note No. 11 - Non Current Assets Held for Sale

₹ in Lakhs

Particulars	Timber	Property, Plant & Equipment	Total
As at April 1, 2017	**60.34**	**-**	**60.34**
Additions	170.66	164.71	335.37
Disposals	(149.62)	-	(149.62)
As at April 1, 2018	**81.38**	**164.71**	**246.09**
Additions	66.42	-	66.42
Disposals	(71.22)	(164.71)	(235.93)
As at March 31, 2019	**76.58**	**-**	**76.58**

The Company intends to dispose off certain Non-Current assets, it no longer utilises in the next 12 months. No impairment loss was recognised on reclassification of the assets as held for sale, as the Company expects that the fair value less costs to sell is higher than the carrying amount.

Notes
to the Standalone Financial Statements

Note No. 12 (a) - Equity Share Capital

₹ in Lakhs

Particulars	2019	2018
Authorised:		
250000000 (PY 250000000) Equity shares of ₹1 each with voting rights	**2500.00**	2500.00
Issued, Subscribed and Fully Paid:		
186770370 (PY 186770370) Equity shares of ₹1 each with voting rights	**1867.70**	1867.70
	1867.70	**1867.70**

A. Details of Shares held by Parent Company/Subsidiaries/Associates:

Name of Share holder	2019 No of Shares	2018 No of Shares
Tata Global Beverages Limited - Parent Company	**107359820**	107359820
% of Holding	**57.48%**	57.48%

B. Details of Shareholders holding more than 5% shares:

Name of Share holder	2019 No of Shares	2018 No of Shares
Tata Global Beverages Limited - Parent Company	**107359820**	107359820
% of Holding	**57.48%**	57.48%

C. Reconciliation of number of shares:

Name of Share holder	2019 No of Shares	2018 No of Shares
Number of shares as at 1st April	**186770370**	186770370
Add: Shares issued during the year	-	-
Number of shares as at 31st March	**186770370**	186770370

D. Dividends Paid:

Particulars	2019	2018
Dividend paid (₹ in Lakhs)	**2801.56**	3268.48
Dividend per share (₹)	**1.50**	1.75

E. Rights, Preferences and restrictions of Equity Shares:

The Company has one class of equity shares having a par value of ₹1 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

The Board of Directors, in its meeting on April 19, 2019, have recommended a dividend of ₹1.50 per share (face value of ₹1/- each) for the year ended 31st March, 2019. The proposal is subject to the approval of shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

Notes
to the Standalone Financial Statements

Note No. 12 (b) - Other Equity

₹ in Lakhs

Particulars	2019	2018
Capital Redemption Reserve	**10.41**	10.41
Securities Premium	**14424.27**	14424.27
General Reserves I	**16795.30**	16795.30
General Reserves II	**11107.29**	10322.29
Amalgamation Reserves	**832.53**	832.53
Retained Earnings	**52173.03**	47935.86
Equity instruments through Other Comprehensive Income	**517.88**	659.24
Effective portion of Cash Flow Hedges	**292.83**	(9.45)
Actuarial Gain/(Loss)	**(954.38)**	(821.73)
	95199.16	**90148.72**

Note No. 13 - Nature and purpose of Reserves

Capital Redemption Reserve

A statutory reserve created to the extent of sum equal to the nominal value of the share capital extinguished on buyback of Company's own shares pursuant to Section 69 of the Companies Act, 2013.

Securities Premium

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

General Reserves II

Capital profits on sale value of own timber are transferred to General Reserve II through the Retained Earnings

Amalgamation Reserves

Amalgamation Reserves pertains to the scheme of amalgamation of the Company with erstwhile Asian Coffee Limited, Coffee Lands Limited and SIFCO Limited.

Note No. 14 - Borrowings

₹ in Lakhs

Particulars	2019 Current	2018 Current
Secured Borrowings:		
From Banks:		
Working Capital Facilities	**8790.28**	4500.00
Unsecured Borrowings:		
Loans from Banks	-	5095.57
	8790.28	**9595.57**

1. Working Capital Facilities are secured by hypothecation of Coffee crop, inventories, finished/semi-finished goods/ receivables of the company. Part of the working capital facilities is also secured by deposit of title deeds of a coffee estate. The Working Capital is repayable on demand. The coupon rate is linked to Marginal Cost Fund based lending rates (MCLR).

2. Unsecured Loans from Banks were towards Working Capital facilities and repayable on demand. The coupon rate was based on MCLR linked rates.

Notes
to the Standalone Financial Statements

Note No. 15 - Other Financial Liabilities

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non- Current	Total
Deposits received	**102.56**	**37.03**	**139.59**	-	141.41	141.41
Unpaid Dividends/Debenture/Debenture Interest	**259.55**	-	**259.55**	217.64	-	217.64
Interest Accrued but not due	-	-	-	9.25	-	9.25
Employee Benefits	**2713.13**	-	**2713.13**	2370.76	-	2370.76
Other Payables	**3475.12**	**194.98**	**3670.10**	3498.46	149.99	3648.45
	6550.36	**232.01**	**6782.37**	**6096.11**	**291.40**	**6387.51**

Note No. 16 - Provisions

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non- Current	Total
Provision for employee benefits	**910.72**	**3364.13**	**4274.85**	961.70	3103.74	4065.44
	910.72	**3364.13**	**4274.85**	**961.70**	**3103.74**	**4065.44**

Details of Movement in Provisions:

₹ in Lakhs

Particulars	Current Employee Benefits	Non-Current Employee Benefits	Total Employee Benefits
Balance at April 1, 2017	**1320.91**	**3244.77**	**4565.68**
Additions/utilised (net)	(359.21)	(141.03)	(500.24)
Balance at April 1, 2018	**961.70**	**3103.74**	**4065.44**
Additions/utilised (net)	(50.98)	260.39	209.41
Balance at March 31, 2019	**910.72**	**3364.13**	**4274.85**

Note No. 17 - Tax Provision

₹ in Lakhs

Particulars		2019	2018
a)	**Tax charge in the Statement of Profit and Loss :**		
	Current tax		
	Current year	**2513.73**	2416.05
	Less : Tax reversal of earlier years	-	(179.83)
	Deferred tax		
	Deferred Tax expenses for the year	**117.93**	(432.10)
	Income Tax expense for the year	**2631.66**	**1804.12**

₹ in Lakhs

		2019	2018
b)	**Reconciliation of effective tax rate**		
	Profit before Tax	**9789.74**	8080.50
	Tax using Domestic tax rate (Current year : 34.944% and Previous year 34.608%)	**3420.93**	2796.50
	Tax effect of :		
	Income tax @ different rate	**(918.05)**	(668.21)
	Non-deductible tax expenses	**177.70**	233.63
	Tax-exempt income	**(48.92)**	(377.97)
	Tax reversal of earlier years	**0.00**	(179.83)
		2631.66	**1804.12**

Notes
to the Standalone Financial Statements

₹ in Lakhs

		2019	2018
c)	**Current/Non-Current Tax Assets/Liabilties**		
	Current Tax Liabilities	**189.09**	-
	Non-Current Tax Assets	**2288.30**	1360.49
		2099.21	**1360.49**

₹ in Lakhs

		2019	2018
d)	**The analysis of Deferred Tax Assets and Deferred Tax Liabilities is as follows**		
	Deferred Tax Asset		
	Deferred Tax Liabilities	**656.71**	840.18
	Net Deferred Tax Liabilities	**3241.13**	3113.20
		2584.42	**2273.02**

₹ in Lakhs

Particulars		Depreciation	Other Liabilities	Provision for Doubtful Debts	Employee Benefits	Other Assets	Total
e)	**The movement in deferred income tax assets and (liabilities) during the year is as follows**						
	As at April 1, 2017	**(3184.41)**	**12.70**	**21.03**	**352.69**	**(76.05)**	**(2874.04)**
	(Charged) / credited						
	- to Statement of Profit and Loss	213.44	64.94	0.32	219.58	(66.18)	432.10
	- to Other Comprehensive Income	-	168.92	-	-	-	168.92
	As at April 1, 2018	**(2970.97)**	**246.56**	**21.35**	**572.27**	**(142.23)**	**(2273.02)**
	(Charged) / credited						
	- to Statement of Profit and Loss	(95.58)	(8.38)	-	18.39	(32.36)	(117.93)
	- to Other Comprehensive Income	-	(193.48)	-	-	-	(193.48)
	As at March 31, 2019	**(3066.55)**	**44.70**	**21.35**	**590.66**	**(174.58)**	**(2584.42)**

Note No. 18 (a) - Trade Payables to Micro and Small Enterprises

₹ in Lakhs

Particulars	2019 Current	2018 Current
Trade payables for goods & services		
Total outstanding dues of Micro and Small Enterprises ($)	**73.31**	57.96
	73.31	**57.96**

Note No. 18 (b) - Trade Payables to Others

₹ in Lakhs

Particulars		2019 Current	2018 Current
Trade payables for goods & services			
	Total outstanding dues of creditors other than Micro and Small Enterprises	**3941.56**	4394.47
Trade Payable to Related Parties		**17.41**	134.53
		3958.97	**4529.00**
$ includes amounts due beyond the applicable period of ₹ 3.82 Lakhs (₹ Nil) and interest ₹ 0.61 Lakhs (₹ Nil) is paid or payable.			
(i)	Principal amount due remaining unpaid to Micro and Small Enterprises	**72.70**	57.96
(ii)	Interest due remaining unpaid to Micro and Small Enterprises	-	-
(iii)	Interest due and payable to Micro and Small Enterprises	**0.61**	-

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes
to the Standalone Financial Statements

Note No. 19 - Other Current Liabilities

₹ in Lakhs

Particulars	2019 Current	2018 Current
Statutory Liabilities	**363.57**	-
Advances from Customers	**566.14**	882.56
	929.71	**882.56**

Note No. 20 - Revenue from Operations

₹ in Lakhs

Particulars	2019	2018
Revenue from contract with customers:-		
Sale of goods	**61219.80**	61056.68
Sale of Traded Goods	**5674.53**	5384.07
Rendering of services	**410.37**	581.46
Revenue from contract with customers	**67304.70**	**67022.21**
Other Operating Revenues:-		
Sale of Scrap/waste	**180.23**	215.71
Export Incentives	**2475.52**	1940.49
Exchange Fluctuation (Net)	-	1018.09
Miscellaneous Income	**330.40**	346.64
Other Operating Revenues	**2986.15**	**3520.93**
Revenue from Operations	**70290.85**	**70543.14**

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 does not have any material impact on the financial statements of the Company.

Note No. 21 - Other Income

₹ in Lakhs

Particulars	2019	2018
Interest Income		
On Advances and Deposits at amortised cost	**291.63**	694.34
Dividend Income		
Dividend Income from Investments in Subsidiary at amortised cost	**3548.74**	3419.75
Dividend income from Other Non Current Investments at fair value through Other Comprehensive Income	**35.17**	17.59
Net Gain On sale of Current investments at fair value through Other Comprehensive Income	**334.85**	238.35
Gain on investments carried at fair value through profit or loss	**180.83**	103.27
Profit on Sale of Biological Assets - Timber (Net)	**784.90**	650.77
Rental income from Investment property	**203.04**	226.32
Operating lease rental income	**12.81**	53.48
Profit on sale of Property, Plant and Equipment/Investment Property (net)	-	218.88
	5391.97	**5622.75**

Notes
to the Standalone Financial Statements

Note No. 22 (a) - Cost of materials consumed

₹ in Lakhs

Particulars	2019	2018
Coffee	**16804.93**	18926.75
Tea	**602.70**	674.22
Others	**1179.24**	1278.53
Packing Materials	**3979.64**	4219.05
	22566.51	**25098.55**

Note No. 22 (b) - Purchases of Stock-in-trade

₹ in Lakhs

Particulars	2019	2018
Coffee	**2491.98**	2243.68
Others	**3231.16**	3184.75
	5723.14	**5428.43**

Note No. 22 (c) - Changes in Inventories of finished goods, work-in-progress, Stock-in-trade and Biological Assets

₹ in Lakhs

Particulars	2019	2018
Opening Inventories as at April 1		
Finished Goods	**15952.09**	16420.94
Work-in-progress including Growing Produce	**594.74**	180.21
Stock in Trade	**2044.64**	1511.89
	18591.47	**18113.04**
Closing Inventories as at March 31		
Finished Goods	**15198.35**	15952.09
Work-in-progress including Growing Produce	**445.38**	594.74
Stock in Trade	**2768.07**	2044.64
	18411.80	**18591.47**
	179.67	**(478.43)**

Notes
to the Standalone Financial Statements

Note No. 23 - Employee Benefits Expense

₹ in Lakhs

Particulars	2019	2018
Salaries and wages, including bonus	**15894.30**	14938.16
Contribution to provident and other funds	**1756.12**	1878.92
Workmen and Staff Welfare	**916.72**	914.84
	18567.14	**17731.92**

Note No. 24 - Finance Costs

₹ in Lakhs

Particulars	2019	2018
Interest Expense		
On Fixed Loans	-	3.01
On Working Capital Loans	**508.86**	395.05
Interest on Defined Benefit Plans	**240.77**	270.09
Bank Charges	**64.08**	76.02
	813.71	**744.17**

Note No. 25 - Other Expenses

₹ in Lakhs

Particulars	2019	2018
Contract/Processing Charges	**2239.82**	2094.19
Consumption of Stores and Spare Parts	**2799.33**	2841.25
Power and Fuel	**4736.77**	5038.19
Repairs and Maintenance	**1165.36**	1508.04
Rent including Lease Rentals	**137.76**	133.01
Rates and Taxes	**333.31**	327.38
Advertisement and Sale Charges	**314.78**	511.74
Selling Expenses	**1251.44**	1139.07
Freight	**1101.40**	1011.08
Insurance	**219.74**	266.05
Exchange Fluctuation (Net)	**613.03**	-
Expenditure on Corporate Social Responsibility	**191.65**	220.99
Payment to Statutory Auditors	**96.49**	100.69
Professional Charges	**700.92**	538.36
Miscellaneous Expenses	**1407.72**	1595.04
Loss on sale of Property, Plant and Equipment	**25.53**	-
	17335.05	**17325.08**

Notes
to the Standalone Financial Statements

Note No. 26 - Exceptional Items

₹ in Lakhs

Particulars	2019	2018
Income		
Sale of Property	**1611.27**	-
	1611.27	-

Note No. 27 - Estimated amounts of Contracts remaining to be executed:

₹ in Lakhs

Particulars	2019	2018
Estimated amounts of contracts remaining to be executed on capital account and not provided for	**300.05**	826.73

Note No. 28 - Contingent Liabilities:

₹ in Lakhs

Particulars	2019	2018
Claims under adjudication not acknowledged as debts:		
i) Demands raised by Income Tax, Excise & Sales Tax Authorities	**1520.56**	1217.55
ii) Labour disputes under adjudication	**94.00**	94.00
iii) Claims by Customers/ Suppliers	**67.14**	67.14
Note No. 29 - The Company has provided corporate guarantees to lending banks on behalf of its overseas wholly owned subsidiary. As on Balance Sheet date, the subsidiary has drawn an amount of ₹ 39277 Lakhs (PY ₹ 24960 Lakhs) from the lending Banks.	**50247.81**	42914.45

Note No. 30 - Litigations

The litigation relating to Stamp Duty claim pertaining to acquisition of cetain Tea and Coffee estates made by the Company in the past period was finalised on payment of differential duty during the current year . (Refer Note 1.(e))

Note No. 31 - R & D Expenditure

₹ in Lakhs

Particulars	2019	2018
Capital Expenditure	**4.57**	38.68
Revenue Expenditure	**99.59**	83.30
Total	**104.16**	**121.98**
Total R & D Expenditure as a % of Revenue	**0.15%**	**0.17%**

Note No. 32 - Payment to Statutory Auditors

₹ in Lakhs

Particulars	2019	2018
Audit Fees	**40.00**	40.00
Tax Audit Fees	**12.00**	12.00
Other Services $$	**41.43**	48.00
For reimbursement of expenses	**3.06**	0.69
Total	**96.49**	**100.69**

$$ Other services includes Quarterly and Half yearly Audit attestation, Taxation & Other matters

Notes
to the Standalone Financial Statements

Note No. 33 - Leases

₹ in Lakhs

Particulars	2019	2018
Operating Leases		
Minimum lease payments:		
Within 1 Year	**72.45**	69.84
1 to 2 Years	**14.79**	72.45
2 to 5 Years	**-**	18.11
Over 5 Years	**-**	-
Total	**87.24**	**160.40**

Note No. 34 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 ('Act), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Healthcare including Preventive healthcare, providing Safe drinking water, sanitation facility, promoting education, Old Age Home maintenance, Environmental sustainability and promotion and development of traditional art and handicrafts. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Gross amount required to be spent by the company during the year is ₹ 180.00 Lakhs. (PY 219.14 Lakhs)

b) Amount spent during the year on: ₹ 191.65 Lakhs (PY ₹ 220.99 Lakhs)

₹ in Lakhs

The amounts expended are as follows:	2019	2018
(i) Construction/acquisition of any asset	**3.38**	43.90
(ii) For purposes other than (i) above	**188.27**	177.09

Note No. 35 - Basic and Diluted Earnings per share

₹ in Lakhs

Particulars	2019	2018
Profit for the year attributable to owners of the Company (₹ in Lakhs)	**7158.08**	6276.38
Weighted average number of equity shares	**186770370**	186770370
Nominal Value per equity share (₹)	**1.00**	1.00
Earnings per share from continuing operations - Basic and Diluted (₹)	**3.83**	3.36

Notes
to the Standalone Financial Statements

Note No 36 - Financial Instruments-Accounting Classification and fair values

Financial Instruments

A. Accounting Classification and Fair Values

₹ in Lakhs

March 31, 2019		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Quoted Equity Investments	Non-Current	-	942.08	-	942.08	942.08	-	-	942.08
Unquoted Equity Investments-Subsidiaries	Non-Current	-		21118.65	21118.65	-	-	-	-
Unquoted Equity Investments-Others	Non-Current	-	10.22	-	10.22	-	10.22	-	10.22
Loans	Non-Current	-	-	32.06	32.06	-	-	-	-
Other Financial Assets	Non-Current	-	-	821.48	821.48	-	-	-	-
Investment in Mutual Funds	Current	8541.40	-	-	8541.40	8541.40	-	-	8541.40
Trade Receivables	Current	-	-	9786.45	9786.45	-	-	-	-
Cash and Cash Equivalents & Other Bank Balances	Current	-	-	469.89	469.89	-	-	-	-
Loans	Current	-		1735.10	1735.10	-	-	-	-
Other Financial Assets	Current	50.02	402.22	2519.92	2972.16	-	452.24	-	452.24
Total Financial Assets		**8591.42**	**1354.52**	**36483.55**	**46429.49**	**9483.48**	**462.46**	**-**	**9945.94**
Financial Liabilities:									
Other Financial Liabilities	Non-Current	-	-	232.01	232.01	-	-	-	-
Borrowings	Current	-	-	8790.28	8790.28	-	-	-	-
Trade payables	Current	-	-	4032.28	4032.28	-	-	-	-
Other Financial Liabilities	Current	-	-	6550.36	6550.36	-	-	-	-
Total Financial Liabilities		**-**	**-**	**19604.93**	**19604.93**	**-**	**-**	**-**	**-**

₹ in Lakhs

March 31, 2018		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Quoted Equity Investments	Non-Current	-	1083.44	-	1083.44	1083.44	-	-	1083.44
Unquoted Equity Investments-Subsidiaries	Non-Current	-		17942.10	17942.10	-	-	-	-
Unquoted Equity Investments-Others	Non-Current	-	9.81	-	9.81	-	9.81	-	9.81
Loans	Non-Current	-	-	58.10	58.10	-	-	-	-
Other Financial Assets	Non-Current	-	-	1722.84	1722.84	-	-	-	-
Investment in Mutual Funds	Current	3155.45	-	-	3155.45	3155.45	-	-	3155.45
Trade Receivables	Current	-	-	10652.60	10652.60	-	-	-	-
Cash and Cash Equivalents & Other Bank Balances	Current	-	-	2777.72	2777.72	-	-	-	-
Loans	Current	-	-	5804.04	5804.04	-	-	-	-
Other Financial Assets	Current	-	-	3043.00	3043.00	-	-	-	-
Total Financial Assets		**3155.45**	**1093.25**	**42000.40**	**46249.10**	**4238.89**	**9.81**	**-**	**4248.69**
Financial Liabilities:									
Other Financial Liabilities	Non-Current	-	-	291.40	291.40	-	-	-	-
Borrowings	Current	-	-	9595.57	9595.57	-	-	-	-
Trade payables	Current	-	-	4586.96	4586.96	-	-	-	-
Other Financial Liabilities	Current	-	-	6096.11	6096.11	-	-	-	-
Total Financial Liabilities		**-**	**-**	**20570.04**	**20570.04**	**-**	**-**	**-**	**-**

B. Measurement of fair values

The basis of measurement in respect to each class of financial asset and financial liability is disclosed in Note 2.2 (g) of Significant Accounting Policies.

Notes
to the Standalone Financial Statements

Note No. 37 - Financial Risk Management

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit which regularly reviews risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to Credit, Liquidity and Market risks arising from financial instruments:

A. CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

Trade and other receivables:-

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for Creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer and reviewed periodically.

At the end of the reporting period, there are no significant concentrations of credit risk. The carrying amount reflected above represents the maximum exposure to credit risk.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 210.34 Lakhs at March 31, 2019 (March 31, 2018: ₹ 2560.08 Lakhs).

B. LIQUIDITY RISK:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Maturities of Financial Liabilities: ₹ in Lakhs

	2019					2018				
	Within 1 year	**Due from 1 to 2 years**	**Due from 2 to 5 years**	**After 5 years**	**Total**	**Within 1 year**	**Due from 1 to 2 years**	**Due from 2 to 5 years**	**After 5 years**	**Total**
Borrowings	**8790.28**	-	-	-	**8790.28**	9595.57	-	-	-	9595.57
Trade Payables	**4032.28**	-	-	-	**4032.28**	4586.96	-	-	-	4586.96
Other Financial Liabilities	**6550.36**	**71.43**	**160.58**	-	**6782.37**	6096.11	198.00	93.40	-	6387.51
Total	**19372.92**	**71.43**	**160.58**	**-**	**19604.93**	**20278.64**	**198.00**	**93.40**	**-**	**20570.04**

C. MARKET RISK:

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

The Plantation Industry is dependent on nature, making it susceptible to climate vagaries. The major weather factors that influence coffee yield are rainfall, temperature, light intensity and relative humidity. To mitigate the risk of drought conditions, the Company has invested significantly on augmentation of irrigation capacities rain water harvesting to improve the water table and enhance the water storage capacity. With regard to Plantation Operations, borer infestation is a continuous threat being faced . The Company, in addition to regular tracing and chemical control, has taken rigorous initiatives to curb pest incidence. It is also working closely with various R&D cells for developing effective measures in this regard.

Commodity Price Risk

Tata Coffee exposure to Market risk for commodity prices can result in changes to realisation for its Plantation products and Cost of Production for its value added products. The risk associated is actively monitored for mitigation actions. The other mitigants includes strict implementation of Board mandated Commodity policy and also the natural hedge arising on export of Plantation produce vis a vis import of Coffee for value added segment.

Currency Risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date. The Company does not use derivative financial instruments for trading or speculative purposes. Following is the derivative financial instruments to hedge the foreign exchange rate risk as of March 31, 2019:

Type of Derivative	Currency Pair	2019			2018		
		No. of Contracts	Amount Hedged Mm	Fair Value ₹ Lakhs	No. of Contracts	Amount Hedged Mm	Fair Value ₹ Lakhs
Forward exchange contracts	USD INR	**56**	**12.50**	**333.36**	94	31.05	(63.70)
Option contracts	USD INR	**18**	**4.35**	**88.37**	-	-	-
Forward exchange contracts	EUR INR	**5**	**0.50**	**30.51**	6	0.77	1.29

The carrying amount of the company's foreign currency denominated monetary Assets and Liabilities at the end of reporting period is as below

Amount in Mm

Currency	Monetary assets		Monetary Liabilities	
	2019	2018	**2019**	2018
USD	**10.72**	11.62	**0.16**	1.22
EUR	**0.08**	0.18	**-**	-

Following Table summarises approximate gain/(loss) on the Company's Profit before tax and pre-tax equity on account of appreciation/depreciation of underlying foreign currencies of the above table.

₹ in Lakhs

Currency	Effect on Profit before tax		Effect on Pre Tax Equity	
	2019	2018	**2019**	2018
Average USD rate	**69.72**	64.45	**69.72**	64.45
Average EUR rate	**77.66**	75.42	**77.66**	75.42
5% appreciation	**371**	342	**(607)**	(1030)
5% depreciation	**(371)**	(342)	**607**	1030

Notes
to the Standalone Financial Statements

Exposure to Interest Rate Risk

Company's interest rate risk arises from borrowings.

The following Table demonstrates the sensitivity on the Company's profit before tax, to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant:

₹ in Lakhs

Currency	2019 Effect on Profit before tax	2018 Effect on Profit Before Tax
50 basis Points increase	**(45.96)**	(42.24)
50 basis Points decrease	**45.96**	42.24

Capital Management:

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirement are met through equity , borrowings and operating cash flows.

The Company's Debt Equity ratio is as follows:

₹ in Lakhs

	2019	2018
Total Debt	**8790.28**	9595.57
Total Equity	**97066.86**	92016.42
Debt Equity Ratio	**0.09:1**	0.10:1

Note No. 38 - Employee Benefits Obligation

(i) Defined Contributions

Amount of ₹ 996.89 Lakhs (PY ₹1470.40 Lakhs) is recognised as an expense and included in employee benefit expense to the following defined contribution plans:

₹ in Lakhs

	2019	2018
Provident Fund	**421.61**	633.20
Superannuation Fund	**120.94**	132.39
Pension Fund	**454.34**	704.81
	996.89	**1470.40**

(ii) Defined Benefits:

Gratuity, Post Retiral Medical Benefits and Pension :

The Company operates defined benefit schemes like retirement gratuity, defined superannuation benefits and post retirement medical benefits. There are superannuation benefits and medical benefits restricted to certain categories of employees/directors in the form medical and pension, The defined benefit schemes offer specified benefits to the employees on retirement. The gratuity benefit provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 / 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

Changes in the Defined Benefit obligation

₹ in Lakhs

	Gratuity		Medical		Pension	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**
Opening Defined Benefit Obligation	**6499.39**	5950.13	**1156.33**	1108.27	**1825.51**	1873.67
Current Service Cost	**389.67**	383.13	**42.88**	49.10	**-**	-
Past Service cost	**-**	2.17	**-**	-	**-**	-
Interest on Defined Benefit Obligation	**482.94**	429.72	**88.78**	81.27	**138.59**	135.49
Actuarial changes arising from changes in Experience	**195.36**	281.38	**(190.52)**	11.74	**(89.67)**	3.02
Actuarial changes arising from changes in Financial assumption	**113.67**	(219.71)	**30.98**	(59.75)	**28.44**	(63.58)
Actuarial changes arising from changes in demographic assumption	**0.26**	-	**(15.94)**	-	**11.16**	-
Benefits Paid	**(456.51)**	(327.43)	**(34.78)**	(34.30)	**(132.79)**	(123.09)
Closing Defined Benefit Obligation	**7224.78**	**6499.39**	**1077.73**	**1156.33**	**1781.24**	**1825.51**

Changes in the Fair Value of Plan assets during the Year

₹ in Lakhs

	Gratuity	
	2019	**2018**
Opening Fair value of Plan Assets	**6079.81**	4989.94
Employers Contribution	**476.45**	1008.38
Interest on Plan Assets	**469.54**	376.45
Actual return on Plan Assets less interest on Plan Assets	**(17.77)**	32.47
Benefits paid	**(456.52)**	(327.43)
Closing Fair Value of Plan Assets	**6551.51**	**6079.81**

Net Asset/(Liability) recognised in Balance Sheet

₹ in Lakhs

	Gratuity		Medical		Pension	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**
Present Value of Funded Defined Benefit Obligation at the year end	**7224.78**	6499.39	**-**	-	**-**	-
Fair Value of Plan Assets at the end of the year	**6551.51**	6079.81	**-**	-	**-**	-
	673.27	419.58	**-**	-	**-**	-
Present Value of Unfunded Defined Benefit Obligation at the year end	**-**	-	**1077.73**	1156.33	**1781.24**	1825.51
Amount recognised in Balance Sheet	**673.27**	**419.58**	**1077.73**	**1156.33**	**1781.25**	**1825.51**

Expense recognised in the Statement of Profit and Loss for the year:

₹ in Lakhs

	Gratuity		Medical		Pension	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**
Current Service Cost	**389.67**	383.13	**42.88**	49.10	**-**	-
Interest Cost on Defined Benefit Obligation (net)	**13.40**	53.26	**88.78**	81.27	**138.59**	135.49
Past Service Cost	**-**	2.17	**-**	-	**-**	-
Total recognised in the Statement of Profit and Loss	**403.07**	**438.56**	**131.66**	**130.37**	**138.59**	**135.49**

Notes
to the Standalone Financial Statements

Amount recognised in Other Comprehensive for the year:

₹ in Lakhs

	Gratuity		Medical		Pension	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**
Actuarial changes arising from changes in financial assumptions	**113.67**	(219.71)	**30.98**	(59.75)	**28.44**	(63.58)
Actuarial changes arising from changes in demographic assumptions	**0.26**	-	**(15.94)**	-	**11.17**	-
Actuarial changes arising from changes in experience assumption	**195.36**	281.38	**(190.52)**	11.74	**(89.67)**	3.02
Actual return on plan assets less interest on plan assets	**17.78**	(32.47)	-	-	-	-
Adjustment to recognise the effect of asset ceiling	**327.07**	**29.20**	**(175.48)**	**(48.01)**	**(50.06)**	**(60.56)**

Maturity Profile of Defined Benefit Obligation:

₹ in Lakhs

	Gratuity		Medical		Pension	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**
Within next 12 months	**1021.97**	772.45	**37.04**	65.08	**134.46**	142.18
Between 2 and 5 years	**2315.65**	2176.60	**169.06**	259.50	**565.99**	575.48
Between 6 and 9 years	**3031.91**	2659.13	**204.88**	258.37	**630.36**	614.61
10 Years and above	**9471.12**	9230.38	**1795.37**	1640.87	**2602.58**	3031.70

₹ in Lakhs

Principal Actuarial assumptions used:	2019	2018
Discount Rate	**7.70%**	7.90%
Salary escalation rate	**8.00%**	8.00%
Pension escalation rate (SRB)	**18% after every 3rd year**	18% after every 3rd year
Annual increase in Health Costs	**8.00%**	**8.00%**

Quantitative sensitivity analysis for significant assumptions is as below:

₹ in Lakhs

Impact on Defined Benefit Obligation	Gratuity	Medical	Pension
	2019	**2019**	**2019**
Impact of increase in 50 basis point in discount rate	**(278)**	**(75)**	**(70)**
Impact of decrease in 50 basis point in discount rate	**298**	**84**	**75**
Impact of increase in 50 basis point in salary escalation	**296**	-	-
Impact of decrease in 50 basis point in salary escalation	**(279)**	-	-
Impact of increase in 100 basis point in health care cost	-	**177**	-
Impact of decrease in 100 basis point in health care cost	-	**(142)**	-
Impact of increase in 100 basis point in pension rate	-	-	**65**
Impact of decrease in 100 basis point in pension rate	-	-	**(65)**

Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Major Categories of Plan Assets:

₹ in Lakhs

	2019	2018
Govt. of India Securities	-	-
PSU bonds	-	-
Insurance managed Funds	**6551.51**	6079.81
Others	-	-
Total	**6551.51**	**6079.81**

The Company contributes all its ascertained liabilities towards gratuity to the Trust set up for the same. Trustees administer the contributions made to the trust. As at March 31, 2019 and March 31, 2018, the plan assets have been primarily invested in insurance managed funds.

Expected contribution over the next financial year:

The Company is expected to contribute ₹ 730 Lakhs to defined benefit obligations funds for the year ending March 31, 2019.

(iii) Provident Fund

The Company operates Provident Fund Schemes and the contributions are made to recognised funds maintained by the Company and for certain categories contributions are made to State Plans. The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered rates on an annual basis. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumption there is no shortfall as on March 31, 2019 and March 31, 2018.

The details of fund and plan asset position are given below:

₹ in Lakhs

	Provident Fund	
	2019	2018
Plan Assets as at period end	**7387**	6588
Present Value of Funded Obligations at period end	**7387**	6588
Amount Recognised in the Balance Sheet	**-**	**-**

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

₹ in Lakhs

	Provident Fund	
	2019	2018
Guaranteed Rate of Return	**8.55%**	8.55%
Discount Rate for remaining term to Maturity of Investment	**7.70%**	7.50%
Expected Rate of Return on Investment	**8.91%**	8.82%

Notes
to the Standalone Financial Statements

Note No. 39 - Fair Value Measurement

A. Fair Value Measurement-Agricultural Produce

Agricultural produce is the harvested produce of the entity's Biological Assets (Bearer Plants) at the point of Harvest. Green Bean in Fruit form, Green Pepper and Green Tea at the point of plucking falls within the definition of Agricultural Produce at the point of Harvest.

The Company uses a Valuation technique that is appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs. Accordingly, the Company follows a Market Approach as permitted under Indian Accounting Standard Ind AS-113- 'Fair Value Measurement'.

Particulars		Fair value hierarchy	Valuation technique(s) and key input(s)
1)	Arabica	Level 2 input	Market Approach
2)	Robusta	Level 2 input	Market Approach
3)	Pepper	Level 2 input	Market Approach
4)	Tea	Level 2 input	Market Approach

(i) Fair Valuation of Coffee

The Coffee on reporting dates are available in (a) Fruit Form (b) Dried Uncured form and (c) at Cured Coffee level.

There is no active quoted market for Green Bean in Fruit Form. Hence, Level 1 inputs (unadjusted quoted prices in active markets for identical assets or liabilities) are not available for valuation.

The Coffee Board publishes Daily Market Prices of Arabica Parchment, Arabica Cherry, Robusta Parchment and Robusta Cherry at Dried Uncured Coffee level.

Based on the well established conversion norms and the Coffee Board prices, the cured equivalent of fair valuation of Fruit Coffee are arrived at based on Level 2 observable inputs.

The Valuation is carried out at the Fruit Coffee Level, while the the quoted prices are available at the Dried Coffee level. Hence, the fair value measurement is satisfying the conditions for applying Level 2 of the Fair Value hierarchy.

Suitable adjustments based on conversion norms applicable for the dried uncured Coffee and Cured Coffee are carried out to arrive at the corresponding Fair Value at these stages.

(ii) Fair Valuation of Pepper:-

The Spices Board of India publishes the average market rates for Pepper MG1 Grade. Since the Company produces and markets Pepper in various grades, apart from MG1, the quoted Prices for MG1 are considered as Level 2 inputs being quoted prices of Various Grades. The MG1 rate is applied to the Company's estimated grade % for black pepper production and the composite weighted average fair value is arrived at and after making adjustments for subsequent processes.

The fair value so arrived at becomes the Ind AS 2 Inventory rate /value and thereafter regular inventory accounting process is followed.

(iii) Fair Valuation of Tea:-

The tea leaves at the point of plucking are designated as Agricultural Produce at the point of harvest. The fair valuations are based on the auction prices of Made Tea and are suitably adjusted based on conversion norms to arrive at the fair valuation of green leaves.

B. Fair Value of Equity

The Fair value of equity investments except investments in subsidiaries are based on Quoted prices available on last reporting ratewhich is a Level 1 input.

Note No. 40 - Disclosure under Section 186 of the Companies Act, 2013

Particulars of Loans and Deposits as at the year end

₹ In Lakhs

Sl. No.	Name of the Entity	2019	2018	Nature of Loans/Deposits	Purpose for which Loan/Guarantee is proposed to be utilised by recipient
1	Tata Housing Development Company Limited	1500	5500	Inter Corporate Loan	Short Term Working Capital
		1500	5500		

Note No. 41 - Related Party Transactions

In accordance with Ind AS 24, the disclosures required are given below:

₹ in Lakhs

Sl. No.	Nature of transaction		Promoter		Parent Company		Subsidiaries		Key Management Personnel		Fellow Subsidiaries/JVs		Subsidiaries/JVs of Promoter		Post Employment Benefit Plans		Total	
			For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018
1	Sale of Goods		-	-	**2825.61**	3363.03	-	-	-	-	**1668.79**	1693.95	-	-	-	-	**4494.40**	5056.98
2	Rendering of Services		-	-	-	-	-	-	-	-	-	-	**31.89**	29.85	-	-	**31.89**	29.85
3	Purchase of Goods		-	-	**16.80**	65.99	-	-	-	-	**77.17**	-	**2203.38**	1973.75	-	-	**2297.35**	2039.74
4	Director Remuneration*		-	-	-	-	-	-	**749.68**	714.13	-	-	-	-	-	-	**749.68**	714.13
5	Receiving of Services		**129.10**	134.18	**383.54**	468.69	-	-	-	-	-	-	**485.47**	129.97	-	-	**998.11**	732.84
6	Reimbursement of expenses / (income) - Net		-	-	**(179.59)**	(125.22)	-	-	-	-	-	-	-	-	-	-	**(179.59)**	(125.22)
7	Dividend Paid		-	-	**1610.33**	1878.72	-	-	-	-	-	-	-	-	-	-	**1610.33**	1878.72
8	Dividend received (Inclusive of TDS)		-	-	-	-	**3548.74**	3419.75	-	-	-	-	-	-	-	-	**3548.74**	3419.75
9	Contribution to Post Retirement Benefit Plans		-	-	-	-	-	-	-	-	-	-	-	-	**777.54**	1304.29	**777.54**	1304.29
10	Guarantee balance at the year end		-	-	-	-	**50247.81**	42914.45	-	-	-	-	-	-	-	-	**50247.81**	42914.45
11	Inter Corporate Deposits at the year end		-	-	-	-	-	-	-	-	-	-	**1500.00**	5500.00	-	-	**1500.00**	5,500.00
12	Interest Received/ Accrued on Inter Corporate Loans		-	-	-	-	-	-	-	-	-	-	**256.13**	470.59	-	-	**256.13**	470.59
13	Investment in Wholly Owned Subsidiary		-	-	-	-	**3176.55**	3876.74	-	-	-	-	-	-	-	-	**3176.55**	3876.74
14	Outstanding at the year end	Credit	**129.10**	114.93	**12.50**	15.76	-	-	-	-	-	-	**4.81**	3.84	-	-	**146.41**	134.53
		Debit	-	-	**409.86**	806.57	-	-	-	-	**79.77**	115.71	**1688.34**	5769.09	-	-	**2177.97**	6691.37

The above information is excluding taxes and duties except Outstanding Balances at the year end.

* Includes contribution towards Provident Fund and Superannuation Fund

Details of material transactions with related parties are disclosed in the consolidated Related Party Transactions (refer Note No. 39 (b) of the consolidated financial statements).

Notes
to the Standalone Financial Statements

Names of related parties and description of relationship

1.	Promoter Company	Tata Sons Limited
2.	Parent Company	Tata Global Beverages Limited
3.	Subsidiaries	Consolidated Coffee Inc.,
		Eight O Clock Holdings Inc.
		Eight O Clock Coffee Company
		Tata Coffee Vietnam Company Limited
4.	Key Management Personnel	Mr Sanjiv Sarin, Managing Director & CEO (upto 31st March, 2019)
		Mr Chacko Purackal Thomas, Executive Director and Deputy CEO (Managing Director & CEO with effect from 1st April, 2019)
		Mr K Venkataramanan, Executive Director Finance & CFO
		Mr T Radhakrishnan, Executive Director (upto 7th November, 2017).
5.	Fellow Subsidiaries/JVs	OOO Sunty LLC (Ceased to be a related party with effect from 4th November, 2017).
		Tata Global Beverages GB Ltd
		Tata Starbucks Private Limited
		Tata Global Beverages Australia Pty. Ltd.
		Earth Rules Pty. Ltd.
6.	Subsidiaries/JVs of Promoter	Tata Consultancy Services Limited
		Tata Housing Development Company Limited
		Tata Teleservices Limited
		Taj Air Limited
		Tata Uganda Limited
		Tata Communications Limited
		Tata AIG General Insurance Company Limited
7.	Post Retirement Benefit Plans	Tata Coffee Staff Provident Fund Trust
		Tata Coffee Superannuation Scheme
		Tata Coffee Employees Gratuity Fund

R. HARISH BHAT
Chairman

CHACKO PURACKAL THOMAS
Managing Director & CEO

K. VENKATARAMANAN
Executive Director-Finance & CFO

S. SANTHANAKRISHNAN
Director

N. ANANTHA MURTHY
Company Secretary

Place: Bengaluru
Date: 19th April, 2019

Independent Auditor's Report

To The Members of Tata Coffee Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Tata Coffee Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31 March 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's Response
1	**Valuation of Agricultural Produce** Produce of coffee, tea, pepper and other minor crops growing on the bearer plants ("growing produce") are considered as agricultural produce and are measured at fair value based on their biological transformation. The fair valuation of the growing produce and at the point of harvest is significant to our audit on account of the significant management judgements applied in determining estimated quantity and transformation based on factors like stage of growth (determined based on the visible growth and systematic crop estimation) and harvesting cycle of the crops and their fair values less costs to sell which is based on factors like established conversion norms and the published rates. Refer to Note 8 of the consolidated financial statements for the fair value measurement and Note 2.2 (h) for accounting policies.	1. Evaluated the design of internal controls relating the management judgments and estimates relating to quantity, biological transformation, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls. 2. Obtained an understanding of the significant management judgements applied in determination of the quantity, biological transformation of the growing produce and their fair value less costs to sell and assessed and tested the reasonableness of these judgements. 3. Compared the actual harvest data after the year end to assess the reasonableness of the growing produce that was estimated and recorded by the management. 4. Compared the estimated costs to sell to the actual cost incurred as at the year end. 5. Obtained the market information for the fair values and agreed them with the rates considered by the management in determining the fair values. 6. Assessed the appropriateness of the disclosure in the consolidated financial statements in accordance with the applicable financial reporting framework.

Sl. No.	Key Audit Matter	Auditor's Response
2.	**Net Realizable Value of Finished Goods** Finished goods inventory are valued at lower of cost and net realizable value (estimated selling price less estimated cost to sell). Considering that there is always a volatility in the selling price of green coffee beans, made tea and pepper ("commodities"), which is dependent upon various market conditions, determination of the net realizable value for these commodities involves significant management judgement and therefore has been considered as a key audit matter. The total value of finished goods (commodities) as at 31 March, 2019 is ₹ 11058 lakhs. Also refer to Note 2.2 (h) for the accounting policy on valuation of finished goods.	1. Obtained an understanding of the determination of the net realizable values of the commodities and assessed and tested the reasonableness of the significant judgements applied by the management. 2. Evaluated the design of internal controls relating to the valuation of finished goods (including commodities) and also tested the operating effectiveness of the aforesaid controls. 3. Compared the actual realization after the year end / latest realization to assess the reasonableness of the net realisable value that was estimated and considered by the management. 4. Compared the actual costs incurred to sell after the year end / based on the latest sale transaction to assess the reasonableness of the cost to sell that was estimated and considered by the management. 5. Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value. 6. Assessed the appropriateness of the disclosure in the consolidated financial statements in accordance with the applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for other information. The other information comprises the information included in the Annual Report, for example, Corporate Overview, Key Highlights, Board's Report, Report on Corporate Governance, Management Discussion & Analysis Report, Business Responsibility Report, etc., but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the

Independent Auditor's Report continued

assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business

activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial information of 4 subsidiaries whose financial statements reflect total assets of ₹ 215340 lakhs as at 31 March, 2019, total revenues of ₹110107 lakhs and net cash outflows amounting to ₹ 1113 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit report, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on 31 March, 2019 taken on record by the Board of Directors of the Parent, none of the directors of the Parent is disqualified as on

Independent Auditor's Report continued

31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' report of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

   ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

V Balaji
Partner
(Membership No. 203685)

Place: Bengaluru
Date: 19th April, 2019

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated IND AS financial statements of the Group as of and for the year ended 31 March, 2019, we have audited the internal financial controls over financial reporting of Tata Coffee Limited (hereinafter referred to as "Parent"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, which is incorporate in India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Parent's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, which is incorporated in India, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

V Balaji
Partner
(Membership No. 203685)

Place: Bengaluru
Date: 19th April, 2019

Consolidated Balance Sheet

as at March 31, 2019

₹ in Lakhs

Particulars	Note	2019	2018
ASSETS			
Non-current Assets			
Property, Plant and Equipment	1	**52561.48**	47622.01
Capital Work-in-progress	1	**39117.77**	11041.95
Investment Property	2	**5095.54**	4967.00
Goodwill	3	**119719.57**	112820.99
Other Intangible Assets	3	**14135.85**	14797.61
Financial Assets			
Investments	4	**952.30**	1093.25
Loans	5	**32.06**	58.10
Other Financial Assets	6	**835.79**	1814.74
Non-Current Tax Assets	17	**2288.30**	1360.49
Other Non-current Assets	7	**4706.28**	18664.94
		239444.94	**214241.08**
Current Assets			
Inventories including Biological Assets	8	**37046.83**	32334.01
Financial Assets			
Investments	4	**8541.40**	3155.45
Trade Receivables	9	**17151.38**	19423.82
Cash and Cash Equivalents	10	**4805.23**	8061.10
Other Bank Balances	10	**259.55**	217.64
Loans	5	**1735.10**	5804.04
Other Financial Assets	6	**7367.86**	4773.13
Other Current Assets	7	**2442.06**	2744.00
		79349.41	**76513.19**
Non Current Assets held for sale	11	**76.58**	246.09
TOTAL ASSETS		**318870.93**	**291000.36**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12 (a)	**1867.70**	1867.70
Other Equity	12 (b)	**116160.31**	110375.87
		118028.01	**112243.57**
Non-controlling interests		**36241.95**	34696.48
TOTAL EQUITY		**154269.96**	**146940.05**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	14	**99650.86**	85148.34
Other Financial Liabilities	15	**579.84**	637.43
Provisions	16	**3364.13**	3103.74
Deferred Tax Liabilities (Net)	17	**12863.52**	12010.64
		116458.35	**100900.15**
Current liabilities			
Financial Liabilities			
Borrowings	14	**13410.46**	12692.22
Trade Payables			
(a) Total outstanding dues of Micro and Small Enterprises	18 (a)	**73.31**	57.96
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	18 (b)	**11223.92**	11762.28
Other Financial Liabilities	15	**20515.45**	16462.62
Provisions	16	**910.72**	961.70
Current Tax Liabilities	17	**1079.05**	340.82
Other Current Liabilities	19	**929.71**	882.56
		48142.62	**43160.16**
TOTAL EQUITY AND LIABILITIES		**318870.93**	**291000.36**

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Place: Bengaluru
Date: 19th April, 2019

R. HARISH BHAT
Chairman

K. VENKATARAMANAN
Executive Director-Finance & CFO

CHACKO PURACKAL THOMAS
Managing Director & CEO

S. SANTHANAKRISHNAN
Director

N. ANANTHA MURTHY
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2019

₹ in Lakhs

Particulars	Note	2019	2018
INCOME			
Revenue from operations	20	**180398.18**	156732.35
Other Income	21	**1843.23**	2203.00
Total Income		**182241.41**	**158935.35**
EXPENSES			
Cost of materials consumed	22 (a)	**59280.52**	60743.05
Purchases of Stock-in-trade	22 (b)	**33348.59**	14241.50
Changes in Inventories of finished goods, work-in-progress, Stock-in-trade and Biological Assets	22 (c)	**(1765.40)**	(2116.78)
Employee benefits expense	23	**31030.07**	30364.53
Finance costs	24	**4581.15**	3459.89
Depreciation and amortisation expense		**5698.72**	5491.30
Other expenses	25	**34186.71**	27076.68
Total Expenses		**166360.36**	**139260.17**
Profit before exceptional items and tax		**15881.05**	**19675.18**
Exceptional Items	26	**1127.49**	(1081.30)
Profit before tax		**17008.54**	**18593.88**
Tax Expense			
Current tax		**5760.34**	6127.18
Excess Tax Provision written back		-	(179.83)
Deferred tax		**558.98**	(6053.34)
Total tax expense		**6319.32**	**(105.99)**
Profit for the year		**10689.22**	**18699.87**
Attributable to:			
Owners of the Holding Company		**6877.45**	**10663.36**
Non-controlling interests		**3811.77**	8036.51
Net Profit for the year		**10689.22**	**18699.87**
Other Comprehensive Income		**2295.07**	**(261.12)**
Items that will not be reclassified to profit/(loss)		**(274.01)**	**181.18**
Remeasurements of the defined benefit plans		**(101.53)**	79.37
Equity instruments through other comprehensive income		**(141.36)**	137.29
Income tax relating to items that will not be reclassified to profit or loss		**(31.12)**	(35.48)
Items that will be reclassified to profit/(loss)		**2569.08**	**(442.30)**
Exchange differences on translation of foreign operations		**4475.98**	1338.55
Effective portion of Gains/(Loss) in cash flow hedges		**(1744.54)**	(1985.25)
Income tax on items that will be reclassified to profit or loss		**(162.36)**	204.40
Total Comprehensive Income for the year		**12984.29**	**18438.75**
Total comprehensive income for the year attributable to:			
Owners of the Holding Company		**7901.85**	10298.57
Non-controlling interests		**5082.44**	8140.18
Earnings per equity share			
Basic & Diluted	33	**3.68**	5.71

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Place: Bengaluru
Date: 19th April, 2019

R. HARISH BHAT
Chairman

K. VENKATARAMANAN
Executive Director-Finance & CFO

CHACKO PURACKAL THOMAS
Managing Director & CEO

S. SANTHANAKRISHNAN
Director

N. ANANTHA MURTHY
Company Secretary

Consolidated Statement of Changes in Equity

as at March 31, 2019

₹ in Lakhs

	Equity		Other Equity										Total Other Equity	Total Owners' Equity
			Surplus						Items of Other Comprehensive Income					
	Number of Shares	Equity Share Capital	Capital Redemption Reserve	Securities Premium	General Reserves I	General Reserves II	Amalgamation Reserves	Retained Earnings	Equity instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Foreign Currency Translation Reserve	Actuarial Gain/ (Loss)		
Balance as at April 1, 2017	**186770370**	**1867.70**	**10.41**	**14424.27**	**23827.79**	**9671.29**	**832.53**	**53874.70**	**548.07**	**564.10**	**955.89**	**(865.62)**	**103843.43**	**105711.13**
Profit for the year	-	-	-	-	-	-	-	10663.36	-	-	-	-	10663.36	10663.36
Other Comprehensive Income for the year, net of Income Tax	-	-	-	-	-	-	-	-	137.29	(1231.67)	246.69	43.89	(803.80)	(803.80)
Transfer to Retained Earnings	-	-	-	-	-	-	-	26.12	(26.12)	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	**10689.48**	**111.17**	**(1231.67)**	**246.69**	**43.89**	**9859.56**	**9859.56**
Dividends/Tax on Dividend	-	-	-	-	-	-	-	(3933.87)	-	-	-	-	(3933.87)	(3933.87)
Reversal of Dividend Distribution Tax	-	-	-	-	-	-	-	151.77	-	-	-	-	151.77	151.77
Transfer from Retained Earnings	-	-	-	-	-	651.00	-	(651.00)	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-	-	454.98	-	-	-	-	454.98	454.98
Balance as at April 1, 2018	**186770370**	**1867.70**	**10.41**	**14424.27**	**23827.79**	**10322.29**	**832.53**	**60586.06**	**659.24**	**(667.57)**	**1202.58**	**(821.73)**	**110375.87**	**112243.57**
Profit for the year	-	-	-	-	-	-	-	6877.45	-	-	-	-	6877.45	6877.45
Other Comprehensive Income for the year, net of Income Tax	-	-	-	-	-	-	-	-	(141.36)	(1006.48)	2323.39	(132.65)	1042.90	1042.90
Total Comprehensive Income for the year	-	-	-	-	-	-	-	**6877.45**	**(141.36)**	**(1006.48)**	**2323.39**	**(132.65)**	**7920.35**	**7920.35**
Dividends/Tax on Dividend	-	-	-	-	-	-	-	(3377.42)	-	-	-	-	(3377.42)	(3377.42)
Reversal of Dividend Distribution Tax	-	-	-	-	-	-	-	1241.51	-	-	-	-	1241.51	1241.51
Transfer from Retained Earnings	-	-	-	-	-	785.00	-	(785.00)	-	-	-	-	-	-
Balance as at March 31, 2019	**186770370**	**1867.70**	**10.41**	**14424.27**	**23827.79**	**11107.29**	**832.53**	**64542.60**	**517.88**	**(1674.05)**	**3525.97**	**(954.38)**	**116160.31**	**118028.01**

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Place: Bengaluru
Date: 19th April, 2019

R. HARISH BHAT
Chairman

K. VENKATARAMANAN
Executive Director-Finance & CFO

CHACKO PURACKAL THOMAS
Managing Director & CEO

S. SANTHANAKRISHNAN
Director

N. ANANTHA MURTHY
Company Secretary

Consolidated Cash Flow Statement

for the year ended March 31, 2019

₹ in Lakhs

Particulars	2019	2018
Cash flows from operating activities		
Profit Before Tax for the year	**17008.54**	18593.88
Adjustments for:		
Depreciation and amortisation	**5698.72**	5491.30
Interest Income	**(291.63)**	(694.34)
Dividend income from Other Non Current Investments	**(35.17)**	(17.59)
Net gain on Sale of Current Investments	**(334.85)**	(238.35)
Gain on investments carried at fair value through profit or loss	**(180.83)**	(103.27)
Rental Income from Investment Property	**(203.04)**	(226.32)
Finance Costs	**4581.15**	3459.89
Unrealised foreign exchange loss/(gain)	**199.91**	(167.74)
(Profit)/loss on sale of Investment Property	-	(205.83)
(Profit)/loss on sale of Property, Plant and Equipment	**(1585.73)**	(13.05)
Profit on Sale of Biological Assets - Timber (Net)	**(784.90)**	(650.77)
Sub-Total	**7063.63**	**6633.93**
Operating Profit Before Working Capital Changes:	**24072.17**	**25227.81**
Movements in working capital:		
Trade Receivables	**2659.79**	(3175.08)
Other Financial Assets	**(1794.39)**	1242.70
Loans	**94.99**	(47.78)
Other Current and Non-Current Assets	**(727.72)**	(3141.01)
Inventories including Biological Assets	**(3758.65)**	(1418.19)
Trade Payables	**(607.39)**	1364.72
Other Financial Liabilities	**(1716.49)**	(784.06)
Other Current Liabilities	**1233.79**	257.81
Provisions	**(132.88)**	300.74
Changes in Working Capital	**(4748.95)**	**(5400.15)**
Cash Generated from Operations	**19323.22**	**19827.66**
Income taxes paid	**(4836.19)**	(7395.27)
Net Cash Flows from/ (used in) Operating Activities (A)	**14487.03**	**12432.39**

Consolidated Cash Flow Statement continued

for the year ended March 31, 2019

₹ in Lakhs

Particulars	2019	2018
Cash flows from investing activities		
Interest received	**365.21**	703.07
Other dividends received	**35.17**	17.59
Payments for property, plant and equipment and Intangibles	**(19497.58)**	(29474.68)
Rental Income from Investment Property	**203.04**	226.32
Proceeds from Sale of property, plant and equipment	**1952.19**	89.84
Profit on Sale of Biological Assets - Timber (Net)	**784.90**	650.77
Inter Corporate Deposits Placed (Net)	**4000.00**	300.00
Net cash (outflow)/inflow on Purchase/Sale of Mutual Funds	**(4870.28)**	7050.00
Sale of Investment Property	-	1895.38
Sale of Non-Current Investments	-	46.80
Purchase of Non-Current Investments	**(0.42)**	(285.43)
Net Cash Flows from/ (used in) Investing Activities (B)	**(17027.77)**	**(18780.34)**
Cash flows from financing activities		
Proceeds from / (repayment of) Current Borrowings (Net)	**310.54**	(434.58)
Proceeds from / (repayment of) Non-Current Borrowings (Net)	**10114.25**	20959.95
Dividend/Dividend Tax	**(6866.42)**	(7288.73)
Finance Cost paid	**(4480.62)**	(3038.74)
Net Cash Flows from/(used in) Financing Activities (C)	**(922.25)**	**10197.90**
Net Increase /(Decrease) In Cash and Cash Equivalents (A+B+C)	**(3462.99)**	**3849.95**
Cash and cash equivalents at the beginning of the year	**8061.10**	4216.79
Effects of exchange rate changes on the balance of cash held in foreign currencies	**207.12**	(5.64)
Cash and cash equivalents at the end of the year	**4805.23**	**8061.10**

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Place: Bengaluru
Date: 19th April, 2019

R. HARISH BHAT
Chairman

K. VENKATARAMANAN
Executive Director-Finance & CFO

CHACKO PURACKAL THOMAS
Managing Director & CEO

S. SANTHANAKRISHNAN
Director

N. ANANTHA MURTHY
Company Secretary

Notes

to the Consolidated Financial Statements

1. General Information

Tata Coffee Limited ("the Holding Company") and its subsidiaries (together "the Group") are engaged in the production, trading and distribution of Coffee, Tea and Allied products. The Group has business operations mainly in India, USA, CIS countries, Europe, Africa and Vietnam.

The Holding Company is a public limited company incorporated and domiciled in India and has its registered office at Pollibetta, Kodagu, Karnataka, India. The Holding Company has its listings on BSE Limited and National Stock Exchange of India Limited.

The financial statements for the year ended March 31, 2019 were approved for issue by Company's Board of Directors on April 19, 2019.

2. Preparation and Presentation of Consolidated Financial Statements

2.1 Basis of preparation and measurement

a) Basis of preparation

The consolidated financial statements are prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act. The presentation of the Consolidated Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

b) Basis of measurement

The consolidated financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on nature of product/activities of the Company and the normal time between acquisition of assets/liabilities and their realisation/settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

c) Basis of consolidation

The consolidated financial statements have been prepared on the following basis:

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and ceases to be consolidated when the Group loses control of the subsidiary. Fully consolidated means recognition of like items of assets, liabilities, equity, income and expense. Thereafter the portion of net profit and equity is segregated between the Group's share and share of non-controlling stake holders.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated.

Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

Subsidiaries included in Consolidation

Name of the Enterprise	Country of Incorporation	Nature of Business	Shareholding/ Controlling interest
Consolidated Coffee Inc.	USA	Investment	50.08%
Eight O'Clock Holdings Inc.	USA	Investment	50.08%
Eight O'Clock Coffee Company	USA	Roasted Coffee Beans and R&G Powder	50.08%
Tata Coffee Vietnam Company Limited	Vietnam	Instant Coffee	100%

2.2 Significant Accounting Policies:

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Business Combination

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary comprises of the,

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill. If the consideration is lower, the gain is recognised directly in equity as capital reserve. In case, business acquisition is classified as bargain purchase, the aforementioned gain is recognised in the other comprehensive income and accumulated in equity as capital reserve. The Group recognises any non-controlling interest in the acquired entity at fair value.

Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss or other comprehensive income, as appropriate.

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified asset and liabilities, must be made within the 'measurement period' where they reflect new information obtained about facts and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date and no adjustments are permitted after one year except to correct an error.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the statement of profit and loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

(b) Property, Plant and Equipment

i) **Recognition and measurement:** Property, plant and equipment including bearer assets are carried at historical cost of acquisition or deemed cost less accumulated depreciation and accumulated impairment loss, if any. Historical cost includes its purchase price, including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent expenditure related to an asset is added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All repairs and maintenance are charged to the statement of profit and loss during the financial year in which they are incurred.

ii) **Depreciation:** Depreciation is provided on assets to get the initial cost down to the residual value. Land is not depreciated. Depreciation is provided on a straight line basis over the estimated useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 or based on a technical evaluation of the asset. Cost incurred on assets under development

Notes
to the Consolidated Financial Statements

are disclosed under capital work in progress and not depreciated till asset is ready to use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Estimated useful life of items of Property, Plant and Equipment are as follows:

Type of Asset	Estimated Useful Life
Leasehold Land	Perpetual Lease
Buildings including Water supply System	28-58 Years
Roads/Carpeted/Non-Carpeted	10 Years
Irrigation Systems	10-20 Years
Electrical Installations	20
Plant & Machinery-Continuous Process	18
Other Plant & Machinery	20
Furniture & Fittings	15
Computers	6
Motor Vehicles	10
Office Equipment	5

The residual values and useful lives for depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or exchange.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the statement of profit and loss.

(c) Biological Assets

Biological assets are classified as Bearer biological assets and agricultural produce. Bearer Biological Assets which are held to bear agricultural produce are classified as Bearer plants.

Bearer plants are recognised under Property, Plant and Equipment on fulfilment of the following conditions.

1. Is used in the production or supply of agricultural produce;
2. Is expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales

Tea bushes, Coffee bushes, Pepper vines, Cardamom tiller and Shade trees are recognised as Bearer biological assets. These are classified as mature Bearer Plants and Immature Bearer Plants. Mature Bearer Plants are those that have attained harvestable stage. Cost incurred for new plantations and immature areas are capitalised. Cost includes cost of land preparation, new planting and maintenance till maturity. The cost of areas coming into bearing is transferred to mature plantations and depreciated over their estimated useful lives.

Bearer plants relating to Coffee and Tea bushes, Pepper vines and minor produces attain a harvestable stage in about 3-5 years.

Bearer biological assets are carried at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure on bearer assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Mature bearer plants are depreciated over their estimated useful life. Immature bearer plants are tested for impairment / obsolescence. The estimated useful life of mature bearer plants is as follows:

Type of Bearer Biological Assets	Estimated Useful Life
Arabica Coffee Plants	30 Years
Robusta Coffee Plants	58 Years
Tea Bushes	58 Years
Pepper Vines & Cardamom Tillers	35 Years
Silver oak and Shade Management Trees	35 Years

Refer Para 2.2. (h) for accounting of agricultural produce.

(d) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used in the production of goods and services or for the administrative purposes is classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Investment properties are depreciated using the straight line method over the estimated useful lives. The Group's depreciable investment properties have a useful life of 50 years.

Intangible Assets

(i) Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the fair value of consideration over the identifiable net asset acquired. Fair value of consideration represents the aggregate of the consideration transferred, a reliable estimate of contingent consideration payable, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree on the acquisition date. Net assets acquired represents the fair value of the identifiable assets acquired and liabilities assumed.

Goodwill is not amortised but is tested for impairment. Goodwill impairment reviews are generally undertaken annually. The carrying value of the Cash Generating Unit containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed. Goodwill is subsequently measured at cost less amounts provided for impairment.

(ii) Brands and Trademarks

Brands / trademarks acquired as part of a business combination is recognised outside goodwill, at deemed cost on transition date.

Amortisation is charged on a straight-line basis over a period of 20-35 years. The carrying values of brands/trademarks are reviewed annually or more frequently for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

(iii) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 5 years.

(e) Impairment of tangible and intangible assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest possible levels for which there are independent cash inflows (cash-generating units). Prior impairment of non-financial assets (other than goodwill) are reviewed for possible reversal of impairment losses at each reporting date. Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment.

(f) Non-current assets held for sale

Non-current assets held for sale are presented separately in the balance sheet when the following criteria are met:

- the Group is committed to selling the asset;
- the assets are available for sale immediately;
- an active plan of sale has commenced; and
- sale is expected to be completed within 12 months.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

(g) Financial Instruments

Financial assets

The Group classifies its financial assets in the following categories:

i) Financial assets at amortised cost- Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. These are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently, if maturing after 12 months period, using the effective interest method, less any impairment loss.

   Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances.

ii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI) - All equity investments are measured at fair values. Investments which are not held for trading purposes and where the Group has exercised the option to classify the investment as at FVTOCI, all fair value changes on the investment are recognised in Other Comprehensive Income (OCI). The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.

iii) Financial assets at Fair Value through Profit and loss (FVTPL) - Financial assets which are not classified in any of the categories above are measured at FVTPL.

iv) Impairment of financial assets - The Group assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on Group's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109 – Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs.

Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these investments.

Derivative financial instruments and hedging activities

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

(a) hedges of the fair value of recognised assets or liabilities (fair value hedge); or

(b) hedges of a particular risk associated with a firm commitment or a highly probable forecasted transaction (cash flow hedge);

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss.

When a hedging instrument expires or swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in statement of changes in equity is recognised in the Statement of Profit and Loss.

When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the statement of profit and loss.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because the beneficiary fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their applicable fair values.

Fair value measurement

The Group classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

i) **Level 1:** The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.

ii) **Level 2:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

iii) **Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

(h) Inventories including Agricultural Produce

Produce growing on Bearer plant is Biological asset and are fair valued based on the biological transformation, except where on initial recognition quoted market prices are not available and alternate fair value measures are clearly unreliable in which case biological asset is measured at cost less any accumulated depreciation and impairment loss.

Tea, Coffee, Pepper and minor crops are designated as agricultural produce as per Ind AS 41 and are measured at their fair value less cost to sell at the point of harvest. Any changes in fair value are recognised in the Statement of Profit and Loss in the year in which they arise upon harvest. The fair valuation so arrived at becomes the cost of Inventory under Ind AS-2.

Raw materials, work in progress, traded and finished goods are stated at the lower of cost and net realisable value, net realisable value represents the estimated selling price less all estimated cost of completion and selling expenses. Stores and spares are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.

(i) Employee Benefits

The Group operates various post-employment schemes, including both defined benefit and defined contribution plans and post-employment medical plans. Short term employee benefits are recognized on an undiscounted basis whereas Long term employee benefits are recognized on a discounted basis.

i) Post retirement employee benefits:

Contribution to post retirement defined benefit and contribution schemes like Provident Fund (PF) and Superannuation Schemes and other such schemes are accounted for on accrual basis by the Group. With regard to PF contribution made by the Group to a Self-Administered Trust, the Group is generally liable for annual contributions and for any shortfall in the fund assets based on the government specified minimum rates of return. Such contributions and shortfalls are recognised as an expense in the year incurred.

Post retirement defined benefits including gratuity, pension and medical benefits (for qualifying executives/whole time directors) as provided by the Group are determined through independent actuarial valuation, at year end and charge recognised in the statement of profit and loss. Interest costs on employee benefit schemes have been classified within finance cost. For schemes, where funds have been set up, annual contributions determined as payable in the actuarial valuation report are contributed. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently. The Group recognises in the statement of profit and loss, gains or losses on curtailment or settlement of a defined benefit plan as and when the curtailment or settlement occurs.

ii) Other employee benefits:

Other employee benefits are accounted for on accrual basis. Liabilities for compensated absences are determined based on independent actuarial valuation at year end and charge is recognised in the statement of profit and loss.

(j) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are

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to the Consolidated Financial Statements

not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is possible.

(k) Income Tax

i) Current Income Tax:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Group operates.

ii) Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive Income or equity in which case the deferred tax is recognised in Other Comprehensive Income and equity respectively.

iii) Minimum Alternate Tax:

According to section 115JAA of the Income Tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a subject year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the relevant entities' normal income tax during the specified period.

(iv) Dividend Distribution Tax:

Tax on dividends declared by the Group are recognised as an appropriation of Profit.

(l) Foreign currency and translations

i) Functional and presentation currency

Items included in the consolidated financial statements of the Group's subsidiaries are measured using the currency of the primary economic environment in which each entity operates ("functional currency"). The consolidated financial statements are presented in Indian Rupees (INR), which is the functional currency of the Holding Company.

ii) Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate that approximates the prevalent exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are translated at the year-end rate. Any resultant exchange differences are taken to the statement of profit and loss, except a) when deferred, in Other Comprehensive Income as qualifying cash flow hedges; and b) exchange difference arising from translation of external commercial borrowing is capitalized in terms of para D13AA of Ind AS 101.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

iii) Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency of the Group are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit and loss are translated at monthly exchange rates and
- all resulting exchange differences are recognized in other comprehensive income.

Notes
to the Consolidated Financial Statements

On disposal of a foreign operation, the associated exchange differences are reclassified to the statement of profit and loss, as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income

(m) Revenue from contracts with customer

(i) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

ii) Interest and dividend income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

Dividend income is recognised when the right to receive payment is established. Income from investments are accounted on an accrual basis.

(n) Government Grant

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognised as expenses.

Government grants related to property, plant and equipment are presented at fair value and grants are recognised as deferred income.

(o) Leases

As a lessee

Lease of assets, where the Group, as a lessee, has substantially assumed all the risks and rewards of ownership are classified as finance leases. Assets acquired on finance lease are capitalised and depreciated as per Group's policy on Property, Plant and Equipment. Finance lease are measured at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in the statement of profit and loss on a straight- line basis over the

Notes
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lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(p) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Group incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

(q) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount.

(r) Earnings per share

The Group presents basic and diluted earnings per share data for its equity shares. Basic and diluted earnings per share is calculated by dividing the profit or loss attributable to owners of the equity shares of the Holding Company by the weighted average number of equity shares outstanding during the year.

(s) Segment Reporting

Segments are identified based on the manner in which the Group's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

(t) Cash and cash equivalents:

Cash and cash equivalents for the purpose of presentation in the statement of cash flows comprises of cash at bank and in hand, bank overdraft and short term highly liquid investments/ bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(u) Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(v) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

2.3 Key accounting judgement, estimates and assumptions

The preparation of the consolidated financial statements required Group management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

The areas involving critical estimates or judgements are:

i. **Depreciation and amortisation**

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

ii. **Employee Benefits**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using various assumptions. The assumptions used in determining the net cost/(income) includes the discount rate, wage escalation and employee attrition. Any changes in these assumptions will impact the carrying amount of obligations. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

iii. **Fair valuation**

All financial instruments are required to be fair valued as at the balance sheet date, as provided in Ind AS 109 and Ind AS 113. Being a critical estimate, judgement is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc., as applicable.

Fair valuations of agricultural produce are derived based on the market rates published by the industrial body for various grades.

iv. **Goodwill and Intangibles**

The Group records all intangible assets acquired as part of a business combination at fair value. Goodwill is assigned an indefinite useful life whilst intangible assets are assigned an indefinite or finite useful life. Goodwill and intangible assets assigned an indefinite useful life are as a minimum subject to annual tests of impairment in line with the accounting policy.

v. **Valuation of Agricultural Produce**

Valuations of agricultural produce are derived based on the market rates published by the industrial body for various grades.

2.4 Changes in Accounting Standards and other recent accounting pronouncements

Ind AS 116, Leases: The Ministry of Corporate Affairs has notified the Ind AS 116, Leases which will be effective from April 1, 2019. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Group is currently evaluating the requirements of Ind AS 116 on the financial statements. The Group believes that the definition of lease under Ind AS 116 would not significantly change the scope of contracts that meet the definition of a lease.

Amendment to Ind AS 12 'Income Taxes': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Group is evaluating the effect of the above in the financial statements.

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019. The Group is evaluating the effect of the above in the financial statements.

Amendment to Ind AS 19 'Employee Benefits': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Group is evaluating the effect of the above in the financial statements.

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Note No. 1 - Property, Plant and Equipment

₹ in Lakhs

Particulars	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Machinery	Furniture & Fixtures	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Gross Carrying Value as at April 1, 2017	**6906.77**	**829.99**	**9272.24**	**944.77**	**1405.42**	**29086.63**	**531.76**	**318.13**	**206.47**	**1029.62**	**35.56**	**50567.36**	**2014.30**	**1711.87**	**3726.17**
Additions	-	-	1189.75	515.23	497.56	4316.88	53.94	95.07	108.60	185.47	67.76	7030.26	5901.92	1481.62	7383.54
Disposals	(150.12)	-	(0.28)	(0.31)	(5.28)	(19.98)	(3.41)	-	(59.94)	(119.95)	-	(359.27)	-	-	-
Transfers/Adjustments	-	-	(24.74)	-	-	125.83	3.17	3.09	0.16	0.03	-	107.54	-	(67.76)	(67.76)
Gross Carrying Value as at April 1, 2018	**6756.65**	**829.99**	**10436.97**	**1459.69**	**1897.70**	**33509.36**	**585.46**	**416.29**	**255.29**	**1095.17**	**103.32**	**57345.89**	**7916.22**	**3125.73**	**11041.95**
Additions (Refer Notes (e) & (f))	446.24	-	5651.70	183.83	205.11	971.61	12.11	219.64	47.22	278.07	414.33	8429.87	27054.51	1435.64	28490.16
Disposals	-	-	(1.33)	(1.48)	(0.69)	(181.31)	(1.05)	(5.26)	(4.42)	(311.26)	-	(506.80)	-	-	-
Transfers/Adjustments	-	-	125.78	-	-	1403.44	39.97	37.79	12.72	0.36	-	1620.06	-	(414.33)	(414.33)
Gross Carrying Value as at March 31, 2019	**7202.89**	**829.99**	**16213.12**	**1642.04**	**2102.12**	**35703.10**	**636.49**	**668.46**	**310.81**	**1062.34**	**517.65**	**66889.02**	**34970.73**	**4147.04**	**39117.77**

Accumulated Depreciation	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Equipment	Furniture & Fixtures	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Accumulated Depreciation as at April 1, 2017	**-**	**-**	**1199.59**	**61.84**	**145.09**	**4214.32**	**143.92**	**93.53**	**78.77**	**160.57**	**1.18**	**6098.81**	**-**	**-**	**-**
Depreciation expenses	-	-	674.59	41.67	99.20	2531.73	86.76	79.36	51.57	119.03	3.44	3687.35	-	-	-
Deductions/Adjustments	-	-	(13.10)	(0.48)	(3.32)	52.47	(0.42)	3.12	(53.21)	(47.34)	-	(62.28)	-	-	-
Accumulated Depreciation as at April 1, 2018	**-**	**-**	**1861.08**	**103.03**	**240.97**	**6798.52**	**230.26**	**176.01**	**77.13**	**232.26**	**4.62**	**9723.88**	**-**	**-**	**-**
Depreciation expenses	-	-	758.04	53.93	122.99	2583.83	82.93	91.24	57.72	117.27	16.30	3884.24	-	-	-
Deductions/Adjustments	-	-	148.83	(1.73)	(0.66)	621.97	30.49	30.57	7.92	(117.97)	-	719.42	-	-	-
Accumulated Depreciation as at March 31, 2019	**-**	**-**	**2767.94**	**155.23**	**363.30**	**10004.32**	**343.68**	**297.82**	**142.77**	**231.56**	**20.92**	**14327.54**	**-**	**-**	**-**

Note No. 1 - Property, Plant and Equipment (contd.)

₹ in Lakhs

Net Carrying Value	Freehold Land and Development	Leasehold Land and Development	Buildings	Water and Sanitary Installations	Electrical Installations	Plant & Equipment	Furniture & Fixtures	Computers	Office Equipment	Motor Vehicles	Bearer Plants	Total Property, Plant and Equipment	Capital Work in Progress	Bearer Plants in Progress	Total Capital Work in Progress
Net Carrying Value as at April 1, 2017	**6906.77**	**829.99**	**8072.65**	**882.93**	**1260.33**	**24872.31**	**387.84**	**224.60**	**127.70**	**869.05**	**34.38**	**44468.55**	**2014.30**	**1711.87**	**3726.17**
Net Carrying Value as at April 1, 2018	**6756.65**	**829.99**	**8575.89**	**1356.66**	**1656.73**	**26710.84**	**355.20**	**240.28**	**178.16**	**862.91**	**98.70**	**47622.01**	**7916.22**	**3125.73**	**11041.95**
Net Carrying Value as at March 31, 2019	**7202.89**	**829.99**	**13445.18**	**1486.81**	**1738.82**	**25698.78**	**292.81**	**370.64**	**168.04**	**830.78**	**496.73**	**52561.48**	**34970.73**	**4147.04**	**39117.77**

(a) Additions/Adjustments include ₹ Nil (PY ₹ (-) 0.42 Lakhs) towards Buildings and ₹ Nil (₹ (-) 2.06 Lakhs) towards Plant & Equipment on account of exchange differences on Long Term Foreign Currency Loans (as permitted by Para D13AA of Ind AS 101)

(b) The following assets are jointly owned/held with the Holding Company :-

Freehold Land and Development	₹ 103.78 Lakhs (Previous Year - ₹103.78 Lakhs)
Buildings	₹ 56.78 Lakhs (Previous Year - ₹ 56.78 Lakhs)
Water and Sanitary Installations	₹ 8.15 Lakhs (Previous Year - ₹ 8.15 Lakhs)
Electrical installations	₹ 22.07 Lakhs (Previous Year - ₹ 22.07 Lakhs)

(c) Title Deeds of Freehold land of a Coffee Estate has been hypothecated for financing part of the Working Capital facilities.

(d) The Additions in Bearer Plants represents capitalisation of Coffee, Pepper and Tea plants which have attained maturity during the year.

(e) In relation to acquisition of certain Tea and Coffee estates made by the Company in the past, the Concerned jurisdictional officers have assessed the market value of these properties in current year. Based on this, the Company has paid differential Stamp Duty of ₹ 774 Lakhs and the Registration fee of ₹ 97 Lakhs and these have been shown as additions during the current year.

(f) The Capital Work in Progress includes capital expenditure upto 31st March, 2019 relating to the Plant and Machinery and other equipments of Tata Coffee Vietnam Company Limited. It also includes borrowing costs capitalised of ₹ 2097.85 Lakhs (Previous Year- ₹ 356.96 Lakhs)

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Note No. 2 - Investment Property

₹ in Lakhs

Particulars	Land	Buildings	Total
Gross Carrying Value as at April 1, 2017	1.05	7080.30	**7081.35**
Disposal	-	(1797.08)	**(1797.08)**
Gross Carrying Value as at April 1, 2018	1.05	5283.22	**5284.27**
Additions/ Transfers	219.86	-	**219.86**
Gross Carrying Value as at March 31, 2019	**220.91**	**5283.22**	**5504.13**
Accumulated Depreciation as at April 1, 2017	-	283.20	**283.20**
Depreciation	-	141.60	**141.60**
Disposal	-	(107.53)	**(107.53)**
Accumulated Depreciation as at April 1, 2018	-	317.27	**317.27**
Depreciation	-	91.32	**91.32**
Disposal	-	-	**-**
Accumulated Depreciation as at March 31, 2019	-	**408.59**	**408.59**
Net Carrying Value as at April 1, 2017	**1.05**	**6797.10**	**6798.15**
Net Carrying Value as at April 1, 2018	**1.05**	**4965.95**	**4967.00**
Net Carrying Value as at March 31, 2019	**220.91**	**4874.63**	**5095.54**

The amount recognised in the Consolidated Statement of Profit and Loss for investment property:

₹ in Lakhs

	2019	2018
Rental Income	**232.38**	226.32
Direct Operating Expenses	**29.34**	54.20
Profit from investment property before depreciation	**203.04**	**172.12**
Depreciation for the year	**91.32**	141.60
Profit from investment property	**111.72**	**30.52**

(a) As at March 31, 2019, the fair value of the Land was at ₹ 9442 Lakhs. The current year fair value of land factors current prevailing market rates and is net of estimated land usage conversion costs.

(b) As at March 31, 2019, the fair value of the Building was at ₹ 5394 Lakhs.

(c) These fair values are based on independent valuations.

Operating Lease

The Company has leased out part of its investment property for minimum periods upto three years.

Minimum lease receipts under Non-cancellable Operating Lease:

₹ in Lakhs

	2019	2018
Within one year	**82.86**	186.47
Later than one year and not later than three years	-	86.08

Notes
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Note No. 3 - Goodwill and Other Intangible Assets

₹ in Lakhs

Particulars	Goodwill	Brands / Trademarks	Capitalized Software	Total
Gross Carrying Value as at April 1, 2017	112273.09	16990.83	2818.32	**19809.15**
Additions	-	-	46.64	**46.64**
Deductions/Adjustments	579.23	126.60	17.93	**144.53**
Gross Carrying Value as at April 1, 2018	112852.32	17117.43	2882.89	**20000.32**
Additions	-	-	158.67	**158.67**
Deductions/Adjustments	7292.26	1593.84	211.06	**1804.90**
Gross Carrying Value as at March 31, 2019	**120144.58**	**18711.27**	**3252.62**	**21963.89**
Accumulated Depreciation as at April 1, 2017	-	2119.00	1338.70	**3457.70**
Amortisation	-	1031.12	631.22	**1662.34**
Deductions/Adjustments	31.33	65.47	17.20	**82.67**
Accumulated Depreciation as at April 1, 2018	31.33	3215.59	1987.12	**5202.71**
Amortisation	-	1113.11	610.06	**1723.17**
Deductions/Adjustments	393.68	737.09	165.07	**902.16**
Accumulated Depreciation as at March 31, 2019	**425.01**	**5065.79**	**2762.25**	**7828.04**
Net Carrying Value as at April 1, 2017	**112273.09**	**14871.83**	**1479.62**	**16351.45**
Net Carrying Value as at April 1, 2018	**112820.99**	**13901.84**	**895.77**	**14797.61**
Net Carrying Value as at March 31, 2019	**119719.57**	**13645.48**	**490.37**	**14135.85**

Management reviews the carrying value of goodwill annually to determine whether there has been any impairment. This involves making an assessment of the value of goodwill and comparing it to the carrying value. If the assessed value is lower than the carrying value, then an impairment charge is recognised to reduce the carrying value to this amount.

Value in use i.e. the enterprise value is calculated using cash flow projections over a period of 5 years, with amounts based on medium term strategic plans approved by the Board. Any major variations to strategic plan is based on experience are incorporated in the calculations. Cash flows beyond the 5 year period are extrapolated using a long term growth rate.

Key assumptions in the budgets and plans include future revenue volume/price growth rates, associated future levels of marketing support, cost-base of manufacture and supply and directly associated overheads. These assumptions are based on historical trends and future market expectations and the markets and geographies in which they operate.

Other key assumptions applied in determining value in use are

(a) long term growth rate – Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rate applicable for the geographies, with reference to historical economic growth rates. The growth rate asumed for the current financial year was 2.2%.

(b) discount rate – The discount rate is based on a Weighted Average Cost of Capital (WACC) for comparable companies operating in similar markets and geographies as the Group as the base discount rate. The pre-tax discount rate asumed for the current financial year was 12.8%.

The Group has performed sensitivity analysis around the base assumptions and has concluded that no reasonable possible changes in key assumptions would cause the recoverable amount to be less than the carrying value.

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Note No. 4 - Investments

₹ in Lakhs

Particulars	Face Value of Each (₹)	Number of Shares	2019		2018	
			Current	Non Current	Current	Non Current
A. Investments Carried at Fair Value through OCI						
Quoted Investments						
Investment in Quoted Equity Instruments						
Tata Chemicals Limited	10.00	160000	-	**942.08**	-	1083.44
Aggregate Amount of Quoted Investments			**-**	**942.08**	**-**	**1083.44**
Total cost of Quoted Investments ₹ 424.21 Lakhs (PY ₹ 424.21 Lakhs) and market value ₹ 942. 08 Lakhs (PY ₹ 1083.44 lakhs)						
Investments in Unquoted Equity Instruments						
Southern Scribe Instruments Private Limited *	100.00	7280	-	**7.28**	-	7.28
Armstrong Power Private Limited *	100.00	600	-	**0.60**	-	0.60
Armstrong Power Systems Private Limited *	100.00	900	-	**0.90**	-	0.90
K.T.V. Oil Mills Private Limited * (includes 415 equity shares acquired during the year)	100.00	1450	-	**1.44**	-	1.03
Coorg Orange Growers Co-Operative Society Ltd. **	100.00	4	-	-	-	-
Tata Coffee Co-operative Stores Limited **	5.00	20	-	-	-	-
Coorg Cardamom Co-operative Marketing Society Limited **	100.00	1	-	-	-	-
Aggregate Amount of Unquoted Investments			**-**	**10.22**	**-**	**9.81**
B Investments designated as Fair Value Through Profit and Loss						
Investments in Mutual Funds			**8541.40**	-	3155.45	-
Cost of Investments in Mutual Funds ₹ 8257.30 Lakhs (PY ₹ 3052.18 Lakhs)						
			8541.40	**952.30**	**3155.45**	**1093.25**

* Relating to Power Purchase Agreement entered by the Company

**Represent Amount less than ₹ 1000

Note No. 5 - Loans

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non- Current	Total
Unsecured Considered Good						
Employee Loans and Advances	**235.10**	**32.06**	**267.16**	304.04	58.10	362.14
Inter Corporate Deposits to related parties	**1500.00**	-	**1500.00**	5500.00	-	5500.00
Loans Receivables which have significant increase in Credit Risk	-	-	-	-	-	-
Loans Receivables-credit impaired	-	-	-	-	-	-
	1735.10	**32.06**	**1767.16**	**5804.04**	**58.10**	**5862.14**

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Note No. 6 - Other Financial Assets

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non-Current	Total
Security Deposits						
- Secured, considered good	-	71.34	71.34	-	72.71	72.71
	-	**71.34**	**71.34**	**-**	**72.71**	**72.71**
Other Deposits						
- Unsecured, considered good	1008.13	750.14	1758.27	801.68	1650.14	2451.82
- Doubtful	38.00	3.84	41.84	38.00	3.84	41.84
Less: Provision for Doubtful Deposits	(38.00)	(3.84)	(41.84)	(38.00)	(3.84)	(41.84)
	1008.13	**750.14**	**1758.27**	**801.68**	**1650.14**	**2451.82**
Interest Accrued (includes from Related Parties ₹ 31.06 Lakhs (PY ₹ 59.42 Lakhs)	77.74	-	77.74	151.32	-	151.32
Export Incentive Receivables	1400.54	-	1400.54	1536.46	-	1536.46
Advances to Related Parties	-	-	-	193.09	-	193.09
Other Financial Assets	4881.45	14.31	4895.76	2090.58	91.89	2182.47
	7367.86	**835.79**	**8203.65**	**4773.13**	**1814.74**	**6587.87**

₹ in Lakhs

Movements in Provision for Financial Assets	
As at April 1, 2017	**41.84**
Provision during the year	-
As at April 1, 2018	**41.84**
Provision during the year	-
As at March 31, 2019	**41.84**

Note No. 7 - Other Non-Current and Current assets

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non- Current	Total
Capital Advances	-	282.48	282.48	-	15746.63	15746.63
Advances to suppliers						
- Secured, considered good	12.32	-	12.32	-	-	-
- Unsecured, considered good	655.44	-	655.44	533.50	-	533.50
- Doubtful	60.75	2.99	63.74	60.75	2.99	63.74
Less: Provision for Doubtful Deposits	(60.75)	(2.99)	(63.74)	(60.75)	(2.99)	(63.74)
Other Receivables	1055.91	1202.41	2258.32	1836.65	13.34	1849.99
	-	-		-	-	
Advances to Related Parties	156.95	-	156.95	15.91	-	15.91
Prepayments	561.44	3221.39	3782.83	357.94	2904.97	3262.91
	2442.06	**4706.28**	**7148.34**	**2744.00**	**18664.94**	**21408.94**

₹ in Lakhs

Movements in Provision for Other Non-Current and Current Assets	
As at April 1, 2017	**63.74**
Provision for Doubtful Advances	-
As at April 1, 2018	**63.74**
Provision for Doubtful Advances	-
As at March 31, 2019	**63.74**

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Note No. 8 - Inventories including Biological Assets

₹ in Lakhs

Particulars	2019 Current	2018 Current
Stores and spares	**1907.17**	1700.18
Raw materials	**6617.59**	3921.97
Raw materials in Transit	**1698.21**	1653.40
Finished Goods	**19390.90**	22419.08
Work-in-progress including Growing Produce of ₹ 445.38 Lakhs (PY ₹ 575.38 Lakhs)	**445.38**	594.74
Stock-in-trade	**6987.58**	2044.64
	37046.83	**32334.01**

The mode of valuation of Inventories has been stated in Note No. 2.2(h) of Significant Accounting Policies.

Inventories hypothecated as Security for part of the Working Capital facilities.

Note No. 9 - Trade Receivables

₹ in Lakhs

Particulars	2019 Current	2018 Current
Trade Receivables		
Secured, considered good	**1857.57**	1593.61
Unsecured, considered good	**14570.14**	16745.65
Doubtful	**211.60**	79.50
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables-credit impaired	-	-
Less: Provision for Doubtful Receivables	**(211.60)**	(79.50)
Trade Receivables from Related Parties	**723.67**	1084.56
	17151.38	**19423.82**

Trade Receivables hypothecated as Security for part of the Working Capital facilities.

The credit worthiness of trade debtors and the credit terms set are determined on a case to case basis. Adequate insurance cover has been taken on export debts. Based on the above, there is a low credit risk on Trade Receivables

The fair values of trade receivables are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when they become overdue.

₹ in Lakhs

Movements in Provision for impairment of Trade Receivables	
As at April 1, 2017	**81.71**
Provision Reversal	(2.21)
As at April 1, 2018	**79.50**
Provision for the year	132.10
As at March 31, 2019	**211.60**

Notes
to the Consolidated Financial Statements

Note No. 10 - Cash and Cash Equivalents/Bank Balances

₹ in Lakhs

Particulars	2019	2018
Unrestricted Balances with banks		
in current accounts	**4798.91**	5640.87
in deposit accounts with original maturity less than 3 months	**0.70**	2415.70
Cash in hand	**5.59**	4.51
Remittances in Transit	**0.03**	0.02
Cash and Cash Equivalents	**4805.23**	**8061.10**
Unpaid Dividend/Debenture/Debenture Interest	**259.55**	217.64
Other Bank Balances	**259.55**	**217.64**

Note No. 11 - Non Current Assets Held for Sale

₹ in Lakhs

Particulars	Timber	Property, Plant & Equipment	Total
As at April 1, 2017	**60.34**	**-**	**60.34**
Additions	170.66	164.71	335.37
Disposals	(149.62)	-	(149.62)
As at April 1, 2018	**81.38**	**164.71**	**246.09**
Additions	66.42	-	66.42
Disposals	(71.22)	(164.71)	(235.93)
As at March 31, 2019	**76.58**	**-**	**76.58**

The Holding Company intends to dispose off certain Non-Current assets, it no longer utilises in the next 12 months. No impairment loss was recognised on reclassification of the assets as held for sale, as the Holding Company expects that the fair value less costs to sell is higher than the carrying amount.

Note No. 12(a) - Equity Share Capital

₹ in Lakhs

Particulars	2019	2018
	No. of shares	No. of shares
Authorised:		
250000000 (PY 250000000) Equity shares of ₹1 each with voting rights	**2500.00**	2500.00
Issued, Subscribed and Fully Paid:		
186770370 (PY 186770370) Equity shares of ₹1 each with voting rights	**1867.70**	1867.70
	1867.70	**1867.70**

A. Details of Shares held by Parent Company/Subsidiaries/Associates:

Name of Share holder	2019	2018
	No of Shares	No of Shares
Tata Global Beverages Limited - Parent Company	**107359820**	107359820
% of Holding	**57.48%**	57.48%

Notes
to the Consolidated Financial Statements

B. Details of Shareholders holding more than 5% shares:

Name of Share holder	2019	2018
	No of Shares	No of Shares
Tata Global Beverages Limited - Parent Company	**107359820**	107359820
% of Holding	**57.48%**	57.48%

C. Reconciliation of number of shares:

Particulars	2019	2018
Number of shares as at 1st April	**186770730**	186770730
Add: Shares issued during the year		
Number of shares as at 31st March	**186770730**	186770730

D. Dividends Paid:

Particulars	2019	2018
Dividends Paid (₹ in Lakhs)	**2801.56**	3268.48
Dividend Per Share (₹)	**1.50**	1.75

E. Rights, Preferences and restrictions of Equity Shares:

The Company has one class of equity shares having a par value of ₹1 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

The Board of Directors, in its meeting on April 19, 2019, have recommended a dividend of ₹ 1.50 per share (face value of ₹ 1/- each) for the year ended 31st March, 2019. The proposal is subject to the approval of shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

Note No. 12 (b) - Other Equity

₹ in Lakhs

Particulars	2019	2018
Capital Redemption Reserve	**10.41**	10.41
Securities Premium	**14424.27**	14424.27
General Reserves I	**23827.79**	23827.79
General Reserves II	**11107.29**	10322.29
Amalgamation Reserves	**832.53**	832.53
Retained Earnings	**64542.60**	60586.06
Equity instruments through Other Comprehensive Income	**517.88**	659.24
Effective portion of Cash Flow Hedges	**(1674.05)**	(667.57)
Foreign Currency Translation Reserve	**3525.97**	1202.58
Actuarial Gain/(Loss)	**(954.38)**	(821.73)
	116160.31	**110375.87**

Notes
to the Consolidated Financial Statements

Note No. 13 - Nature and purpose of Reserves

Capital Redemption Reserve

A statutory reserve created to the extent of sum equal to the nominal value of the share capital extinguished on buyback of Company's own shares pursuant to Section 69 of the Companies Act, 2013.

Securities Premium

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

General Reserves II

Capital profits on sale value of own timber are transferred to General Reserve II through the Retained Earnings.

Amalgamation Reserves

Amalgamation Reserves pertains to the scheme of amalgamation of the Company with erstwhile Asian Coffee Limited, Coffee Lands Limited and SIFCO. Limited.

Note No. 14 - Borrowings

₹ in Lakhs

Particulars	2019			2018		
	Current	Non Current	Total	Current	Non Current	Total
Secured Borrowings:						
Term Loans						
From Banks:						
Senior Debt	-	**43392.13**	**43392.13**	-	42954.88	42954.88
External Commercial Borrowing	-	**35513.82**	**35513.82**	-	22643.93	22643.93
Working Capital Facilities	**10124.47**	-	**10124.47**	4500.00	-	4500.00
Unsecured Borrowings:						
Loans from related party	**3285.99**	**20744.91**	**24030.90**	3096.65	19549.53	22646.18
Loan from Banks	-	-	-	5095.57	-	5095.57
	13410.46	**99650.86**	**113061.32**	**12692.22**	**85148.34**	**97840.56**

1. Senior Debt is secured by specific security over the assets of overseas subsidiary. The loan is repayable on quarterly basis. Interest being charged at LIBOR plus margin.

2. External Commercial Borrowing is secured by mortgage of Plant and Machinery of the wholly owned subsidiary company. The loan is repayable on half-yearly instalments starting from Financial Year 2020-21.Interest being charged at LIBOR plus margin.

3. As per the terms of the Senior Debt and External Commercial Borrowing, the overseas subsidiaries are required to comply with various restrictive financial covenants including restriction on capital expenditure, additional indebtedness, acquisition and distributions to stockholders and networth. As at the year end, the overseas subsidiaries are in compliance with the financial covenants.

4. Working Capital facilities of the Holding Company are secured by hypothecation of Coffee crop, inventories, finished/semi-finished goods/receivables of the company. Part of the working capital facilities is also secured by deposit of title deeds of a coffee estate. The Working Capital is repayable on demand. The coupon rate is linked to Marginal Cost Fund based lending rates (MCLR).

   Working Capital facilities of the wholly owned subsidiary are secured by the Corporate Guarantee issued by the Holding Company.

5. Unsecured Loans from Banks were towards Working Capital facilities and repayable on demand. The coupon rate was based on MCLR linked rates.

Notes
to the Consolidated Financial Statements

Note No. 15 - Other Financial Liabilities

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non- Current	Total
Deposits received	102.56	384.86	487.42	-	487.44	487.44
Current maturities of long-term debt	2420.24	-	2420.24	1140.39	-	1140.39
Unpaid Dividends/Debenture/Debenture Interest	259.55	-	259.55	217.64	-	217.64
Interest Accrued but not due	17.98	-	17.98	156.50	-	156.50
Interest payable to Related Parties	13.83	-	13.83	8.47	-	8.47
Employee Benefits	2713.13	-	2713.13	2370.76	-	2370.76
Other Payables	14988.16	194.98	15183.14	12568.86	149.99	12718.85
	20515.45	**579.84**	**21095.29**	**16462.62**	**637.43**	**17100.05**

Note No. 16 - Provisions

₹ in Lakhs

Particulars	2019			2018		
	Current	Non- Current	Total	Current	Non- Current	Total
Provision for employee benefits	910.72	3364.13	4274.85	961.70	3103.74	4065.44
	910.72	**3364.13**	**4274.85**	**961.70**	**3103.74**	**4065.44**

Details of Movement in Provisions:

₹ in Lakhs

Particulars	Current Employee Benefits	Non-Current Employee Benefits	Total Employee Benefits
Balance at April 1, 2017	**1320.91**	**3244.77**	**4565.68**
Additions/utilised (net)	(359.21)	(141.03)	(500.24)
Balance at April 1, 2018	**961.70**	**3103.74**	**4065.44**
Additions/utilised (net)	(50.98)	260.39	209.41
Balance at March 31, 2019	**910.72**	**3364.13**	**4274.85**

Note No. 17 - Tax Provision

₹ in Lakhs

Particulars	2019	2018
a) **Tax charge in the Statement of Profit and Loss :**		
Current tax		
Current year	**5760.34**	6127.18
Less : Tax reversal of earlier years	-	(179.83)
Deferred tax		
Deferred Tax expenses for the year	**558.98**	(6053.34)
Income Tax expense for the year	**6319.32**	**(105.99)**

₹ in Lakhs

		2019	2018
b)	**Reconciliation of effective tax rate**		
	Profit before Tax	**17008.54**	18593.88
	Tax using Domestic tax rate (Current year : 34.944% and Previous year 34.608%)	**5943.47**	6434.97
	Tax effect of :		
	Income tax at different rate	**247.08**	(957.79)
	Non-deductible tax expenses	**177.70**	233.63
	Tax-exempt income	**(48.92)**	(377.97)
	Tax reversal of earlier years	**-**	(5438.83)
		6319.32	**(105.99)**

₹ in Lakhs

		2019	2018
c)	**Current/Non-Current Tax Assets/Liabilities**		
	Current Tax Liabilities	**1079.05**	340.82
	Non-Current Tax Assets	**2288.30**	1360.49

₹ in Lakhs

		2019	2018
d)	**The analysis of Deferred Tax Assets and Deferred Tax Liabilities is as follows**		
	Deferred Tax Asset	**2163.48**	3338.61
	Deferred Tax Liabilities	**15027.00**	15349.25
	Deferred Tax Liabilities (Net)	**12863.52**	12010.64

₹ in Lakhs

Particulars		Depreciation	Other Liabilities	Provision for Doubtful Debts	Employee Benefits	Other Assets	Total
e)	**The movement in deferred income tax (assets) and liabilities during the year is as follows**						
	As at April 1, 2017	**7120.07**	**13464.78**	**(45.67)**	**(511.57)**	**(586.00)**	**19441.61**
	(Charged) / credited	-	-	-	-	-	-
	- to Statement of Profit and Loss	2897.20	(8352.07)	(0.44)	(220.35)	(377.67)	(6053.34)
	- to Other Comprehensive Income	-	(168.92)	-	-	-	(168.92)
	- 'Others	-	-	-	-	(1208.71)	(1208.71)
	As at April 1, 2018	**10017.27**	**4943.79**	**(46.11)**	**(731.92)**	**(2172.38)**	**12010.64**
	(Charged) / credited	-	-	-	-	-	-
	- to Statement of Profit and Loss	(6950.72)	6604.50	24.76	141.26	739.18	558.98
	- to Other Comprehensive Income	-	193.48	-	-	-	193.48
	- Others	-	-	-	-	100.42	100.42
	As at March 31, 2019	**3066.55**	**11741.77**	**(21.35)**	**(590.66)**	**(1332.78)**	**12863.52**

Notes
to the Consolidated Financial Statements

Note No. 18 (a) - Trade Payables to Micro and Small Enterprises

₹ in Lakhs

Particulars	2019 Current	2018 Current
Trade payable for goods & services		
Total outstanding dues of Micro and Small Enterprises ($)	**73.31**	57.96
	73.31	**57.96**
18 (b): Trade Payables to Others		
Total outstanding dues of creditors other than Micro and Small Enterprises	**9551.77**	11240.67
Trade Payable to Related Parties	**1672.15**	521.61
	11223.92	**11762.28**
$ includes amounts due beyond the applicable period of ₹ 3.82 Lakhs (₹ Nil) and interest ₹ 0.66 Lakhs (₹ Nil) is paid or payable.		
(i) Principal amount due remaining unpaid to Micro and Small Enterprises	**72.70**	57.96
(ii) Interest due remaining unpaid to Micro and Small Enterprises	**-**	-
(iii) Interest due and payable to Micro and Small Enterprises	**0.61**	-

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Holding Company.

Note No. 19 - Other Current Liabilities

₹ in Lakhs

Particulars	2019 Current	2018 Current
Statutory Liabilities	**363.57**	-
Advances from Customers	**566.14**	882.56
	929.71	**882.56**

Note No. 20 - Revenue from Operations

₹ in Lakhs

Particulars	2019	2018
Revenue from contract with customers		
Sale of goods	**126252.62**	131834.03
Sale of Traded Goods	**50172.85**	17341.96
Rendering of services	**576.46**	732.10
Revenue from contract with customers	**177001.93**	**149908.09**
Sale of Scrap/waste	**180.23**	215.71
Export Incentives	**2475.52**	1940.49
Royalty Income	**410.10**	3303.33
Exchange Fluctuation (Net)	**-**	1018.09
Miscellaneous Income	**330.40**	**346.64**
Other Operating Revenues	**3396.25**	**6824.26**
	180398.18	**156732.35**

Effective April 1, 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 does not have any material impact on the financial statements of the Group.

Notes
to the Consolidated Financial Statements

Note No. 21 - Other Income

₹ in Lakhs

Particulars	2019	2018
Interest Income		
On Advances and Deposits at amortised cost	**291.63**	694.34
Dividend Income		
Dividend income from Other Non Current Investments at fair value through Other Comprehensive Income	**35.17**	17.59
Net Gain On sale of Current investments at fair value through Other Comprehensive Income	**334.85**	238.35
Gain on investments carried at fair value through profit or loss	**180.83**	103.27
Profit on Sale of Biological Assets - Timber (Net)	**784.90**	650.77
Rental income from Investment property	**203.04**	226.32
Operating lease rental income	**12.81**	53.48
Profit on sale of Property, Plant and Equipment/Investment Property (net)	-	218.88
	1843.23	**2203.00**

Note No. 22 (a) - Cost of materials consumed

₹ in Lakhs

Particulars	2019	2018
Coffee	**48585.71**	50022.07
Tea	**602.70**	674.22
Others	**1179.24**	1278.53
Packing Materials	**8912.87**	8768.23
	59280.52	**60743.05**

Note No. 22 (b) - Purchases of Stock-in-trade

₹ in Lakhs

Particulars	2019	2018
Coffee	**28243.62**	9182.52
Others	**5104.97**	5058.98
	33348.59	**14241.50**

Notes
to the Consolidated Financial Statements

Note No. 22 (c) - Changes in Inventories of finished goods, work-in-progress, Stock-in-trade and Biological Assets

₹ in Lakhs

Particulars	2019	2018
Opening Inventories as at April 1		
Finished Goods	**22419.07**	21249.57
Work-in-progress including Growing Produce	**594.74**	180.21
Stock in Trade	**2044.64**	1511.89
	25058.45	**22941.67**
Closing Inventories as at March 31		
Finished Goods	**23610.40**	22419.07
Work-in-progress including Growing Produce	**445.38**	594.74
Stock in Trade	**2768.07**	2044.64
	26823.85	**25058.45**
	(1765.40)	**(2116.78)**

Note No. 23 - Employee Benefits Expense

₹ in Lakhs

Particulars	2019	2018
Salaries and wages, including bonus	**26652.97**	25818.67
Contribution to provident and other funds	**2235.93**	2351.99
Workmen and Staff Welfare	**2141.17**	2193.87
	31030.07	**30364.53**

Note No. 24 - Finance Costs

₹ in Lakhs

Particulars	2019	2018
Interest expense		
On Fixed Loans	**2026.57**	1281.99
On Working Capital Loans	**2200.35**	1786.03
Interest on Defined Benefit Plans	**240.77**	270.09
Bank Charges	**113.46**	121.78
	4581.15	**3459.89**

Notes
to the Consolidated Financial Statements

Note No. 25 - Other Expenses

₹ in Lakhs

Particulars	2019	2018
Contract/Processing Charges	**2239.82**	2094.19
Consumption of Stores and Spare Parts	**3403.01**	3344.50
Power and Fuel	**4745.06**	5038.19
Repairs and Maintenance	**1699.76**	1872.45
Rent including Lease Rentals	**1107.79**	913.82
Rates and Taxes	**447.18**	437.70
Advertisement and Sale Charges	**6722.66**	3534.73
Selling Expenses	**2872.75**	2526.65
Freight	**7014.72**	4840.35
Insurance	**562.20**	527.07
Exchange Fluctuation (Net)	**585.62**	-
Expenditure on Corporate Social Responsibility	**191.65**	220.99
Payment to Statutory Auditors	**96.49**	100.69
Professional Charges	**1596.95**	1372.90
Miscellaneous Expenses	**875.52**	252.45
Loss on sale of Property, Plant and Equipment	**25.53**	-
	34186.71	**27076.68**

Note No. 26 - Exceptional Items

₹ in Lakhs

Particulars	2019	2018
Income		
Sale of Property	**1611.27**	-
Expenses		
Redundancy Costs Due To Business Restructuring	**483.78**	1081.30
	1127.49	**(1081.30)**

Note No. 27 - Estimated amounts of Contracts remaining to be executed:

₹ in Lakhs

Particulars	2019	2018
Estimated amounts of contracts remaining to be executed on capital account and not provided for	**773.69**	11686.39

Note No. 28. - Contingent Liabilities:

₹ in Lakhs

Particulars	2019	2018
Claims under adjudication not acknowledged as debts:		
i) Demands raised by Income Tax, Excise & Sales Tax Authorities	**1520.56**	1217.55
ii) Labour disputes under adjudication	**94.00**	94.00
iii) Claims by Customers/ Suppliers	**67.14**	67.14

Notes
to the Consolidated Financial Statements

Note No. 29 - Litigations

(i) The litigation relating to Stamp Duty claim pertaining to acquisition of certain Tea and Coffee estates made by the Company in the past period was finalised on payment of differential duty during the current year . (Refer Note 1.(e))

(ii) Holding Company's overseas subsidiary in US along with several other coffee companies that roast, package, market and/or sell coffee in the State of California are defendants in a public interest litigation filed by an organisation named Council of Education and Research on Toxics (CERT). The litigation contends that since coffee contains the chemical acrylamide, warning have to be included for coffee sold in that state pursuant to California state law. Acrylamide is not added to coffee but forms in trace amounts as part of a chemical reaction that occurs in coffee beans when it is roasted. The subsidiary is part of a Joint Defense Group that is arguing the case on behalf of several leading coffee companies as defendants. During the year the California Office of Environmental Health Hazard Assessment (OEHHA) proposed a new regulation clarifying that warnings are not required for coffee under Proposition 65.

Currently the defendants request for a stay of the Trial has been granted and in force. At this stage of the proceedings, the outcome and potential liability, if any, to the subsidiary on account of their sales in the state of California is not determinable at present till the receipt of a judgment, if any, which is appealable in higher courts.

Note No. 30 - R & D Expenditure

₹ in Lakhs

Particulars	2019	2018
Capital Expenditure	**4.57**	38.68
Revenue Expenditure	**99.59**	83.30
Total	**104.16**	**121.98**
Total R & D Expenditure as a % of Revenue	**0.06%**	**0.08%**

Note No. 31 - Payment to Statutory Auditors

₹ in Lakhs

Particulars	2019	2018
Audit Fees	**40.00**	40.00
Tax Audit Fees	**12.00**	12.00
Other Services $$	**41.43**	48.00
For reimbursement of expenses	**3.06**	0.69
Total	**96.49**	**100.69**

$$ Other services includes Quarterly and Half yearly Audit attestation, Taxation & Other matters

Note No. 32 - Leases

₹ in Lakhs

Particulars	2019	2018
Operating Leases		
Minimum lease payments:		
Within 1 Year	**1005.45**	838.18
1 to 2 Years	**873.10**	883.80
2 to 5 Years	**1519.03**	1951.52
Over 5 Years	**2655.46**	2726.86
Total	**6053.04**	**6400.36**

Notes
to the Consolidated Financial Statements

Note No. 33 - Basic and Diluted Earnings per share

₹ in Lakhs

Particulars	2019	2018
Profit for the year attributable to owners of the Holding Company (₹ in Lakhs)	**6877.45**	10663.36
Weighted average number of equity shares	**186770370**	186770370
Nominal Value per equity share (₹)	**1.00**	1.00
Earnings per share from continuing operations - Basic and Diluted (₹)	**3.68**	5.71

Note No. 34 - Financial Instruments-Accounting Classification and fair values

Financial Instruments

A. Accounting Classification and Fair Values

₹ in Lakhs

March 31, 2019		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Quoted Equity Investments	Non-Current	-	942.08	-	942.08	942.08	-	-	942.08
Unquoted Equity Investments	Non-Current	-	10.22	-	10.22	-	10.22	-	10.22
Loans	Non-Current	-	-	32.06	32.06	-	-	-	-
Other Financial Assets	Non-Current	-	-	835.79	835.79	-	-	-	-
Investment in Mutual Funds	Current	8541.40	-	-	8541.40	8541.40	-	-	8541.40
Trade Receivables	Current	-	-	17151.38	17151.38	-	-	-	-
Cash and Cash Equivalents & Other Bank Balances	Current	-	-	5064.78	5064.78	-	-	-	-
Loans	Current	-	-	1735.10	1735.10	-	-	-	-
Other Financial Assets	Current	50.02	402.22	6915.62	7367.86	-	452.24	-	452.24
Total Financial Assets		**8591.42**	**1354.52**	**31734.73**	**41680.67**	**9483.48**	**462.46**	**-**	**9945.94**

₹ in Lakhs

March 31, 2019		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities:									
Borrowings	Non-Current	-	-	99650.86	99650.86	-	-	-	-
Other Financial Liabilities	Non-Current	-	-	579.84	579.84	-	-	-	-
Borrowings	Current	-	-	13410.46	13410.46	-	-	-	-
Trade payables	Current	-	-	11297.23	11297.23	-	-	-	-
Other Financial Liabilities	Current	-	3227.38	17288.07	20515.45	-	3227.38	-	3227.38
Total Financial Liabilities		**-**	**3227.38**	**142226.46**	**145453.84**	**-**	**3227.38**	**-**	**3227.38**

Notes
to the Consolidated Financial Statements

₹ in Lakhs

March 31, 2018		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Quoted Equity Investments	Non-Current	-	1083.44	-	1083.44	1083.44	-	-	1083.44
Unquoted Equity Investments	Non-Current	-	9.81	-	9.81	-	9.81	-	9.81
Loans	Non-Current	-	-	58.10	58.10	-	-	-	-
Other Financial Assets	Non-Current	-	-	1814.74	1814.74	-	-	-	-
Investment in Mutual Funds	Current	3155.45	-	-	3155.45	3155.45	-	-	3155.45
Trade Receivables	Current	-	-	19423.82	19423.82	-	-	-	-
Cash and Cash Equivalents & Other Bank Balances	Current	-	-	8278.74	8278.74	-	-	-	-
Loans	Current	-	-	5804.04	5804.04	-	-	-	-
Other Financial Assets	Current	-	-	4773.13	4773.13	-	-	-	-
Total Financial Assets		**3155.45**	**1093.25**	**40152.57**	**44401.27**	**4238.89**	**9.81**	**-**	**4248.70**

₹ in Lakhs

March 31, 2018		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities:									
Borrowings	Non-Current	-	-	85148.34	85148.34	-	-	-	-
Other Financial Liabilities	Non-Current	-	-	637.43	637.43	-	-	-	-
Borrowings	Current	-	-	12692.22	12692.22	-	-	-	-
Trade payables	Current	-	-	11820.24	11820.24	-	-	-	-
Other Financial Liabilities	Current	-	-	16462.62	16462.62	-	-	-	-
Total Financial Liabilities		**-**	**-**	**126760.85**	**126760.85**	**-**	**-**	**-**	**-**

B. Measurement of fair values

The basis of measurement in respect to each class of financial asset, financial liability is disclosed in Note 2.2 (g) of the Significant Accounting Policies.

Note No. 35 - Financial Risk Management

Risk management framework

The Board of Directors of the respective Companies have the overall responsibility for the establishment and oversight of the their risk management framework. The respective boards have established the Risk Management Committee, which are responsible for developing and monitoring the risk management policies. The committees reports regularly to the Board of Directors on their activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit which regularly reviews risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group has exposure to Credit, Liquidity and Market risks arising from financial instruments:

A. CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

Trade and other receivables:-

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for Creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer and reviewed periodically.

At the end of the reporting period, there are no significant concentrations of credit risk. The carrying amount reflected above represents the maximum exposure to credit risk.

Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 4805.23 Lakhs at March 31, 2019 (March 31, 2018: ₹ 8061.10 Lakhs).

B. LIQUIDITY RISK:

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Maturities of Financial Liabilities: ₹ in Lakhs

	2019					2018				
	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 years	Total	Within 1 year	Due from 1 to 2 years	Due from 2 to 5 years	After 5 years	Total
Borrowings	**31609.20**	**6755.23**	**57309.20**	**17387.69**	**113061.32**	31846.15	1865.17	50077.28	14051.96	97840.56
Trade Payables	**11297.23**	-	-	-	**11297.23**	11820.24	-	-	-	11820.24
Other Financial Liabilities	**20412.89**	**521.82**	**160.58**	-	**21095.29**	16462.62	544.03	93.40	-	17100.05
Total	**63319.32**	**7277.05**	**57469.78**	**17387.69**	**145453.84**	**60129.01**	**2409.20**	**50170.68**	**14051.96**	**126760.85**

Notes
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C. MARKET RISK:

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Group's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

The Plantation Industry is dependent on nature, making it susceptible to climate vagaries. The major weather factors that influence coffee yield are rainfall, temperature, light intensity and relative humidity. To mitigate the risk of drought conditions, the Group has invested significantly on augmentation of irrigation capacities rain water harvesting to improve the water table and enhance the water storage capacity. With regard to Plantation Operations, borer infestation is a continuous threat being faced. The Group, in addition to regular tracing and chemical control, has taken rigorous initiatives to curb pest incidence. It is also working closely with various R&D cells for developing effective measures in this regard.

Commodity Price Risk

The Group's exposure to Market risk for commodity prices can result in changes to realisation for its Plantation products and Cost of Production for its value added products. The risk associated is actively monitored for mitigation options. The other mitigants includes strict implementation of Board mandated Commodity policy and also the natural hedge arising on export of Plantation produce vis a vis import of Coffee for value added segment. The overseas subsidiary to manage the risks associated with commodity prices enters into Coffee Futures and Option Contracts.

Coffee Futures:

The overseas subsidiary uses Coffee future contract to reduce its price risk associated with forecasted purchases of Coffee beans. Throughout the year, the overseas subsidiary enters into coffee futures based on market price and anticipated production requirements. The subsidiary determines the level and timing of coffee futures contract settlements to meet those production requirements throughout the year. These coffee futures have been designated as Cash Flow Hedges.

Option Contracts:

As at March 31, 2019 and 2018, the overseas subsidiary has written put contracts which require the subsidiary to purchase coffee if the spot price falls below the strike price and the option is exercised by the holder. The subsidiary has also open written call contracts which require the subsidiary to sell coffee if the spot price rises above the contract price and the option is exercised by the holder. For these obligations, the overseas subsidiary receives a premium. The overseas subsidiary also has bought put and call options for which the subsidiary pays a premium. The bought puts give the subsidiary the right to sell Coffee if the price falls below the contract strike price. The bought calls give the subsidiary the right to buy coffee if the spot price rises above the contract strike price.

Type of Commodity	Futures/ Options	2019			2018		
		No. of Contracts	Amount Hedged USD in Mm	Fair Value ₹ Lakhs	No. of Contracts	Amount Hedged USD in Mm	Fair Value ₹ Lakhs
Coffee	Options - Written Puts	**335**	**11.74**	**(247.56)**	33	15.62	(301.74)
Coffee	Options - Purchased Puts	**335**	**(11.31)**	**71.92**	12	(11.23)	58.00
Coffee	Options - Written Calls	**1025**	**55.59**	**(47.02)**	18	30.57	(101.67)
Coffee	Options - Purchased Calls	**1050**	**(51.00)**	**94.74**	46	(28.06)	96.45
Coffee	Futures	**714**	**30.85**	**(2199.65)**	97	14.95	(597.61)

Currency Risk

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date. The Group does not use derivative financial instruments for trading or speculative purposes. Following is the derivative financial instruments to hedge the foreign exchange rate risk as of March 31, 2019:

Type of Derivative	Currency Pair	2019			2018		
		No. of Contracts	Amount Hedged Mm	Fair Value ₹ Lakhs	No. of Contracts	Amount Hedged Mm	Fair Value ₹ Lakhs
Forward exchange contracts	USD INR	**56**	**12.50**	**333.36**	94	31.05	(63.70)
Option contracts	USD INR	**18**	**4.35**	**88.37**	-	-	-
Forward exchange contracts	EUR INR	**5**	**0.50**	**30.51**	6	0.77	1.29

The carrying amount of the Group's foreign currency denominated monetary Assets and Liabilities at the end of reporting period is as below

Amount in Mm

Currency	Monetary assets		Monetary Liabilities	
	2019	2018	2019	2018
USD	**10.72**	11.62	**-**	1.22
EUR	**0.08**	0.18	**0.16**	-

Following Table summarises approximate gain/(loss) on the Group's Profit before tax and pre-tax equity on account of appreciation/depreciation of underlying foreign currencies of the above table.

₹ in Lakhs

Currency	Effect on Profit before tax		Effect on Pre Tax Equity	
	2019	2018	2019	2018
Average USD rate	**69.72**	64.45	**69.72**	64.45
Average EUR rate	**77.66**	75.42	**77.66**	75.42
5% appreciation of USD INR	**371**	342	**(607)**	(1030)
5% depreciation of USD INR	**(371)**	(342)	**607**	1030

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Type of Derivative	Currency Pair	2019			2018	
		No. of Contracts	Amount Hedged USD Mm	Fair Value ₹ Lakhs	Amount Hedged USD Mm	Fair Value ₹ Lakhs
Interest Rate Swap-ECB	USD	**3**	**30.54**	**(717.93)**	30.54	(294.51)
Interest Rate Swap-Senior Debt	USD	**1**	**33.10**	**(181.86)**	33.98	19.55

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Exposure to Interest Rate Risk

Group's interest rate risk arises from borrowings and finance lease obligations. Borrowings issued at fixed rates and finance lease obligations exposes to fair value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

The following Table demonstrates the sensitivity on the Group's profit before tax, to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of Hedge Accounting, with all other variables held constant:

₹ in Lakhs

Details	Effect on Profit before tax	
	2019	**2018**
50 basis Points increase	**(329.80)**	(297.74)
50 basis Points decrease	**329.80**	297.74

Capital Management

The Group's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Group. The Group determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirement are met through equity , borrowings and operating cash flows.

The Group's Debt to equity ratio at March 31, 2019 was as follows.

₹ in Lakhs

	31.03.19	**31.03.18**
Total Debt	**115481.56**	98980.95
Total Equity	**154269.96**	146940.05
Debt Equity Ratio	**0.74:1**	0.67:1

Note No. 36 - Employee Benefits Obligation

Post Retirement Employee Benefits:

Amount of ₹ 996.89 Lakhs (PY ₹1470.40 Lakhs) is recognised as an expense and included in employee benefit expense to the following defined contribution plans:

(a) Defined Contributions:

An amount of ₹ 1529.64 Lakhs (previous year: ₹1999.58 Lakhs) has been charged to the Statement of Profit and Loss towards defined contribution schemes.

(b) Defined Benefits:

The post retirement Defined Benefit Plans are limited to the Holding Company and the disclosures of the same are covered in Note No. 38 of the Standalone Financial Statements.

Note No. 37 - Fair Value Measurement of Agricultural Produce

The Fair Value Measurement disclosures are limited to the Holding Company and disclosures of the same are covered in Note No. 39 of the Standalone Financial Statements.

Notes
to the Consolidated Financial Statements

Note No. 38 - Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products, services, geographic areas and major customers. Based on the 'Management' approach as defined under Ind AS108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance on a periodical basis and allocates resources based on an analysis of the performance of various Business and Geographical Segments. The Group's CODM is the Managing Director and Chief Executive Officer. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the Significant Accounting Policies.

₹ in Lakhs

Primary Segment		PLANTATION		VALUE ADDED PRODUCTS		UNALLOCATED		TOTAL	
		2019	2018	2019	2018	2019	2018	2019	2018
I.	**Segment Revenue**								
	External Sales	**28521.12**	30993.19	**153992.47**	127738.33	**1042.26**	1526.25	**183555.85**	**160257.77**
	Less: Inter-Segment Sales	**1314.44**	1322.42	-	-	-	-	**1314.44**	**1322.42**
TOTAL REVENUE		**27206.68**	**29670.77**	**153992.47**	**127738.33**	**1042.26**	**1526.25**	**182241.41**	**158935.35**
II.	**Segment Results**	**185.38**	(246.03)	**20515.58**	22799.95	-	-	**20700.96**	**22553.92**
	Interest Expense	-	-	-	-	-	-	**(4581.15)**	**(3459.89)**
	Unallocated & Exceptional Income/ (Expense)	-	-	-	-	-	-	**888.73**	**(500.15)**
PROFIT BEFORE TAX		-	-	-	-	-	-	**17008.54**	**18593.88**
III.	**Income Taxes**	-	-	-	-	-	-	**6319.32**	**(105.99)**
IV.	**Net Profit**	-	-	-	-	-	-	**10689.22**	**18699.87**
V.	**Segment Assets**	**48686.07**	44705.20	**249142.30**	225568.88	**21042.56**	20726.28	**318870.93**	**291000.36**
VI.	**Segment Liabilities**	**5884.15**	6137.02	**140277.21**	119240.86	**18439.61**	18682.43	**164600.97**	**144060.31**
VII.	**Additions to Non-Current Assets**	**4028.88**	5409.36	**32548.67**	23944.98	**306.66**	120.34	**36884.21**	**29474.68**
VIII.	**Depreciation and Amortisation**	**907.65**	724.11	**4614.51**	4466.77	**176.56**	300.42	**5698.72**	**5491.30**
IX.	**Material Non-Cash Items other than Depreciation and Amortisation**	-	-	-	-		-	-	-

Notes :

a) Business Segments : The internal business segmentation and the activities encompassed therein are as follows :

i) Plantation : Includes cultivation, manufacture and sale of Coffee and Other Plantation Crops.

ii) Value Added Products : Includes Production and Sale of Roasted & Ground and Instant Coffee Products

iii) Unallocated income includes income from investments & exceptional items and expenditure includes expenses incurred on common services at the Corporate level

b) The Segment wise revenue, results, assets and liabilities figures relate to the respective amounts directly identifiable to each of the segments.

Note No. 38 (a) - Geographical Segment Reporting

Geographical revenues are segregated based on the locations of the customers who are invoiced or in relation to which the revenues is otherwise recognised.

₹ in Lakhs

	2019	2018
Secondary (Geographical) Segments		
CIS Countries *	**5677.82**	14099.24
Rest of the World *	**35168.31**	24268.34
USA	**110107.32**	86189.21
India	**31287.95**	34378.56
Total	**182241.41**	**158935.35**

* includes Direct Exports and exports through third parties and through export houses

Additional Information pertaining to subsidiaries

₹ in Lakhs

Name of the Entity	For the Year ended 31st March, 2019								For the Year ended 31st March, 2018							
	Net Assets		Share in Profit or Loss		Share of Other Comprehensive Income		Share of Total Comprehensive Income		Net Assets		Share in Profit or Loss		Share of Other Comprehensive Income		Share of Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount (Rs in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs in Lakhs)	As a % of Consolidated Net Assets	Amount (Rs in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs in Lakhs)
Holding Company																
Tata Coffee Limited	82.24%	97066.86	52.48%	3609.34	2.76%	28.27	46.03%	3637.61	81.98%	92016.42	26.79%	2856.64	56.21%	(205.05)	25.75%	2651.59
Subsidiaries																
Foreign																
Consolidated Coffee Inc.	61.52%	72605.11	111.03%	7636.28	248.49%	2545.59	128.86%	10181.87	61.93%	69509.28	150.99%	16099.72	(56.94%)	207.69	158.35%	16307.41
Tata Coffee Vietnam Company Limited	4.84%	5716.63	(8.09%)	(556.40)	(27.21%)	(278.78)	(10.57%)	(835.18)	2.99%	3356.51	(2.41%)	(256.49)	72.31%	(263.76)	(5.05%)	(520.25)
Less : Non controlling Interest	(30.71%)	(36241.95)	(55.42%)	(3811.77)	(124.04%)	(1270.67)	(64.32%)	(5082.45)	(30.91%)	(34696.48)	(75.37%)	(8036.51)	28.42%	(103.67)	(79.05%)	(8140.18)
Less : Consolidation Elimination	(17.89%)	(21118.64)	-	-	-	-	-	-	(15.99%)	(17942.16)	-	-	-	-	-	-
TOTAL	100.00%	118028.01	100.00%	6877.45	100.00%	1024.40	100.00%	7901.85	100.00%	112243.57	100.00%	10663.36	100.00%	(364.79)	100.00%	10298.57

Note No. 39 (a) - Related Party Transactions

In accordance with Ind AS 24, the disclosures required are given below:

₹ in Lakhs

Sl. No.	Nature of transaction		Promoter		Parent Company		Key Management Personnel		Fellow Subsidiaries/ JVs		Subsidiaries/JVs of Promoter		Post Employment Benefit Plans		Total	
			For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018
1	Sale of Goods		-	-	**2825.61**	3363.03	-	-	**1775.96**	1736.50	-	-	-	-	**4601.57**	5099.53
2	Rendering of Services		-	-	-	-	-	-	**166.09**	150.64	**31.89**	29.85	-	-	**197.98**	180.49
3	Purchase of Goods		-	-	**16.80**	65.99	-	-	**77.17**	-	**2203.38**	1973.75	-	-	**2297.35**	2039.74
4	Director Remuneration**		-	-	-	-	**749.68**	714.13	-	-	-	-	-	-	**749.68**	714.13
5	Receiving of Services		**298.48**	252.09	**383.54**	468.69	-	-	**4612.34**	4378.84	**708.83**	129.97	-	-	**6003.19**	5229.57
6	Reimbursement of expenses / (income) - Net		-	-	**(179.59)**	(125.22)	-	-	-	-	-	-	-	-	**(179.59)**	(125.22)
7	Interest Payment		-	-	-	-	-	-	**1691.50**	1391.52	-	-	-	-	**1691.50**	1391.52
8	Dividend Paid		-	-	**3932.79**	4114.34	-	-	**1196.42**	1151.68	-	-	-	-	**5129.20**	5266.02
9	Contribution to Post Retirement Benefit Plans		-	-	-	-	-	-	-	-	-	-	**777.54**	1304.29	**777.54**	1304.29
10	Inter Corporate Deposits at the year end		-	-	-	-	-	-	-	-	**1500.00**	5500.00	-	-	**1500.00**	5,500.00
11	Interest Accrued on Inter Corporate Loans		-	-	-	-	-	-	-	-	**256.13**	470.59	-	-	**256.13**	470.59
12	Loan outstanding at the year end - Tata Global Beverages Investments Ltd		-	-	-	-	-	-	**24030.90**	22646.18	-	-	-	-	**24030.90**	22646.18
13	Outstanding at the year end	Credit	**298.48**	117.91	**12.50**	15.76	-	-	**1668.58**	395.55	**33.16**	3.84	-	-	**2012.72**	533.05
		Debit	-	-	**409.86**	806.57	-	-	**313.50**	277.32	**1688.34**	5769.09	-	-	**2411.69**	6852.99

The above information is excluding taxes and duties except Outstanding Balances at the year end

** Includes contribution towards Provident Fund and Superannuation Fund

Notes
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Names of related parties and description of relationship

1.	Promoter Company	Tata Sons Limited
2.	Parent Company	Tata Global Beverages Limited
3.	Key Management Personnel	Mr Sanjiv Sarin, Managing Director & CEO (upto 31st March, 2019)
		Mr Chacko Purackal Thomas, Executive Director and Deputy CEO (Managing Director & CEO with effect from 1st April, 2019)
		Mr K Venkataramanan, Executive Director-Finance & CFO
		Mr T Radhakrishnan, Executive Director (upto 7th November, 2017).
4.	Fellow Subsidiaries/JVs	OOO Sunty LLC (Ceased to be a related party with effect from 4th November, 2017).
		Tata Global Beverages Investments Ltd.
		Tata Global Beverages GB Ltd
		Good Earth Tea Inc.
		Good Earth Corporation
		Tetley USA Inc.
		Tata Global Beverages US Holdings Inc.
		Tata Global Beverages Services Limited
		Tata Global Beverages Capital Limited
		Tata Global Beverages Canada Inc.
		Tata Starbucks Private Limited
		Empirical Group LLC
		Tata Water LLC
		Tea Pigs US LLC
		Tata Global Beverages Australia Pty. Ltd.
		Earth Rules Pty.Ltd.
		Tata Global Beverages Polska Sp.zo.o.
5.	Subsidiaries/JVs of Promoter Company	Tata Consultancy Services Limited
		Tata Housing Development Company Limited
		Tata Teleservices Limited
		Taj Air Limited
		Tata Uganda Limited
		Tata Communications Limited
		Tata AIG General Insurance Company Limited
6.	Post Retirement Benefit Plans	Tata Coffee Staff Provident Fund Trust
		Tata Coffee Superannuation Scheme
		Tata Coffee Employees Gratuity Fund

R. HARISH BHAT
Chairman

CHACKO PURACKAL THOMAS
Managing Director & CEO

K. VENKATARAMANAN
Executive Director-Finance & CFO

S. SANTHANAKRISHNAN
Director

N. ANANTHA MURTHY
Company Secretary

Place: Bengaluru
Date: 19th April, 2019

Notes
to the Consolidated Financial Statements

Note No. 39 (b) -Details of material transactions with Related Parties

₹ Lakhs

Particulars	2019	2018
Sale of Goods		
Parent Company		
Tata Global Beverages Limited	**2825.61**	3363.03
Fellow Subsidiaries/JVs		
Tata Starbucks Private Limited	**1642.30**	1168.37
OOO Sunty LLC	-	506.36
Purchase of Goods		
Subsidiaries/JVs of Promoter		
Tata Uganda Limited	**2203.38**	1973.75
Receiving of Services		
Fellow Subsidiaries/JVs		
Tetley USA Inc.	**2002.64**	1914.90
Empirical Group LLC.	**1086.16**	919.79
Good Earth Tea Inc.	**1275.99**	1318.86
Interest Payment		
Fellow Subsidiaries/JVs		
Tata Global Beverages Investments Ltd.	**1541.20**	1391.52

Statement of Crop particulars of Coffee (Arabica and Robusta Estates) & Tea

	ARABICA			ROBUSTA			TEA		
Name of the Estate	Bearing area in Hectares	Crop M.T.	YPH in Kilos	Bearing area in Hectares	Crop M.T.	YPH in Kilos	Bearing area in Hectares	Crop M.T.	YPH in Kilos
COFFEE:									
KARNATAKA									
Anandapur	15.00	8	539	356.70	627	1758			
Balmany	4.10	3	737	210.60	331	1571			
Cannoncadoo	99.20	76	761	198.50	355	1790			
Cottabetta	6.56	3	452	381.99	537	1406			
Coovercolly	256.60	140	546	204.20	212	1036			
Jumboor	364.9	212	582	0.00	0	0			
Margolly	189.76	124	655	277.42	667	2404			
Nullore	373.06	243	650	80.70	142	1759			
Pollibetta	12.3	8	621	288.06	478	1661			
Sunticoppa	223.6	118	529	0.00	0	0			
Woshully	17.25	13	735	419.95	597	1423			
Yemmigoondi	51.2	26	515	474.40	677	1427			
COORG	**1613.53**	**974**	**603**	**2892.52**	**4624**	**1599**			
Gubgul	3.6	2	444	125.95	178	1413			
Goorghully	149.17	109	728	224.05	352	1571			
Karadibetta	97.8	43	437	254.80	302	1183			
Merthikhan	78.86	36	461	25.25	9	345			
Mylemoney	341.63	232	678	78.90	100	1267			
Ubban	186.9	100	537	206.75	270	1304			
HASSAN	**857.96**	**521**	**607**	**915.70**	**1210**	**1321**			
	2471.49	1495	605	3808.22	5833	1532			
Tamil Nadu									
Valparai	407.99	63	154	233.64	196	839			
TEA:									
KARNATAKA									
Merthikhan							75	199	2635
Glenlorna							245	775	3165
TAMIL NADU									
Pachiamalai							301	537	1789
Pannimade							420	818	1948
Uralikal							430	765	1780
Velonie							384	693	1807
KERALA									
Malakiparai							522	1091	2092
Grand Total	**2879.48**	**1557**	**541**	**4041.86**	**6030**	**1492**	**2375**	**4879**	**2053**
Add : Tea manufactured out of bought leaf at Annamallais								761	
Total made tea production during 2018/19								**5640**	

To,
TSR Darashaw Ltd.
Unit: (Tata Coffee Limited)
6-10 Haji Moosa Patrawala Industrial Estate,
20 Dr. E. Moses Road, Mahalaxmi,
Mumbai 400 011.

Updation of Shareholder Information

I/ We request you to record the following information against our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN/ Registration No.: * (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC: (11 digit)	MICR: (9 digit)
Bank A/c Type:	Bank A/c No.: *
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/ We would not hold the Company/ RTA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that the above details shall be maintained by you till I/ We hold the securities under the above mentioned Folio No./ beneficiary account.

Place:
Date:

Signature of Sole/ First holder

TATA COFFEE LIMITED

Corporate Identity No. L01131KA1943PLC000833
Corporate Office: No. 57, Railway Parallel Road, Kumara Park West, Bengaluru - 560 020
Ph. No.- 080 23560695/97 Fax No.- 080 23341843
Registered Office: Pollibetta 571 215, Kodagu, Karnataka, India
Email ID.: investors@tatacoffee.com Website: www. tatacoffee.com

ATTENDANCE SLIP

(to be presented at the entrance of the Annual General Meeting venue)

I/We hereby record my/our presence at the 76th Annual General Meeting held on Monday, the 3rd June, 2019 at 11.00 AM at the Registered Office of the Company at Pollibetta – 571 215, Kodagu, Karnataka.

Folio No. ....DP ID No.. Client ID No...

Name of the Member.. Signature ....

Name of the Proxyholder .... Signature ....

TATA COFFEE LIMITED

Corporate Identity No. L01131KA1943PLC000833
Corporate Office: No. 57, Railway Parallel Road, Kumara Park West, Bengaluru - 560 020.
Ph. No. 080 23560695/97 Fax No. 080 23341843
Registered Office: Pollibetta 571 215, Kodagu, Karnataka, India
Email ID.: investors@tatacoffee.com Website: www. tatacoffee.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration), Rules, 2014]

Name of the Member(s) :...
Registered address :...
E-mail ID :...
Folio No. / DP ID No. & Client ID No. :...

I/We being a Member(s) of Tata Coffee Limited holding____________shares, hereby appoint:

1. Name : .... Address : ....
   E-mail ID : .... Signature :.. or failing him/her;
2. Name : .... Address : ....
   E-mail ID : .... Signature :.. or failing him/her;
3. Name : .... Address : ....
   E-mail ID : .... Signature : ....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 76th Annual General Meeting held on Monday, the 3rd June, 2019 at 11.00 AM at the Registered Office of the Company at Pollibetta – 571 215, Kodagu, Karnataka and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution
Ordinary Business	
1	To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2019, together with the Reports of the Board of Directors and Auditor's thereon. (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2019, together with the Report of the Auditor's thereon.
2	To declare Dividend on Equity Shares for the Financial Year 2018-19.
3	To appoint a Director in place of Mr. L. Krishnakumar (DIN: 00423616), who retires by rotation, and being eligible, offers himself for re-appointment.
Special Business	
4	Appointment of Mr. Chacko Purackal Thomas, as Managing Director & CEO
5	Ratification of remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditors of the Company

Signed this .... day of 2019

Signature of Shareholder: ....

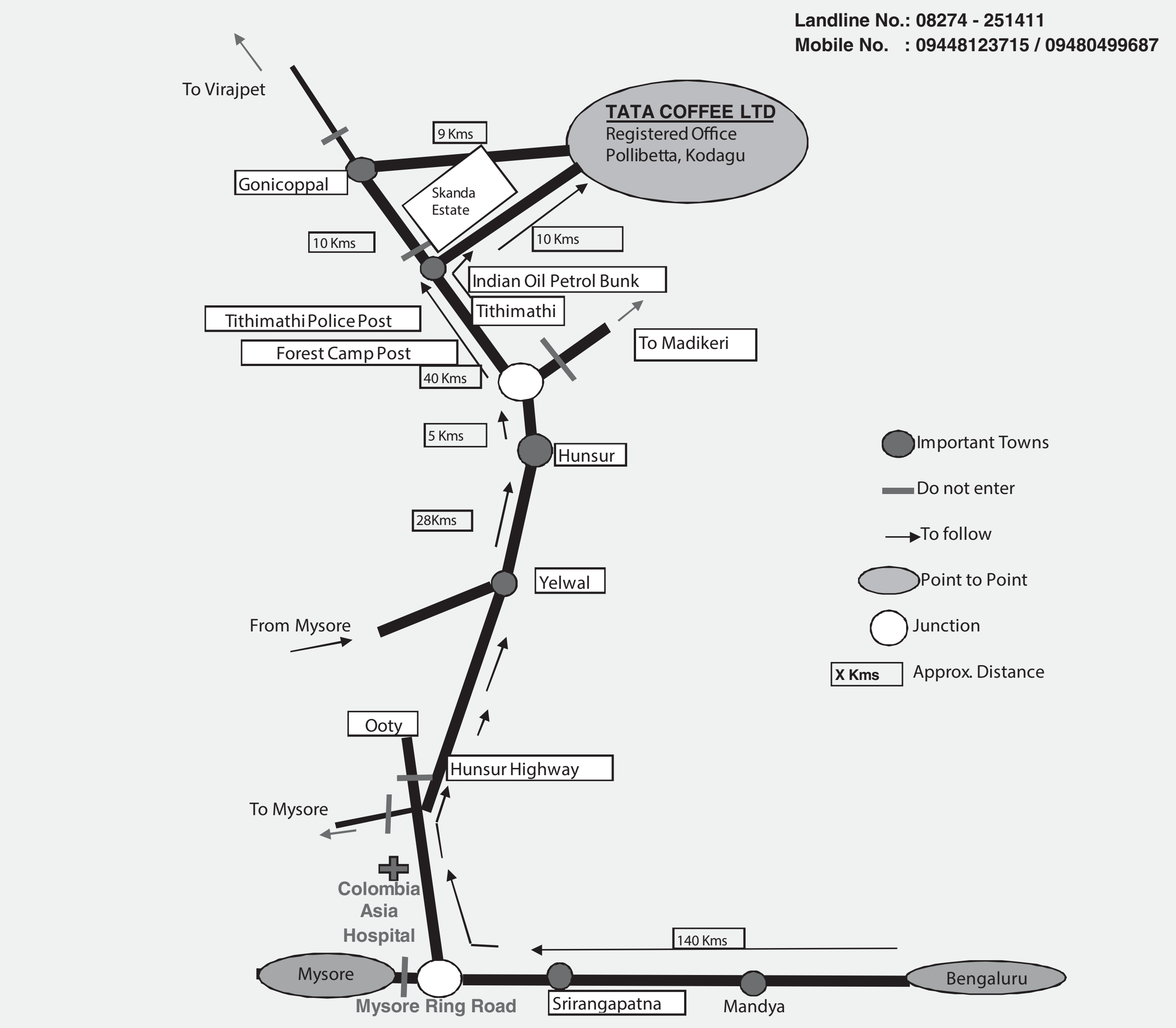
Signature of Proxy holder: ....

Please affix Revenue Stamp

Note:

1. This form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at Pollibetta 571215, Kodagu, Karnataka, India not less than Forty-Eight (48) hours before the commencement of the meeting.
2. A proxy need not be a member of the Company.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annul General Meeting.

Route Map - AGM Venue - Tata Coffee Limited, Pollibetta, Kodagu (Coorg)



Note: Map given above is indicative and the distance is approximate

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TATA

TATA COFFEE LIMITED

CORPORATE OFFICE

No. 57, Railway Parallel Road
Kumara Park West
Bengaluru - 560020
Tel: 080 23560695/ 96/ 97
Fax: 080 23561972

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