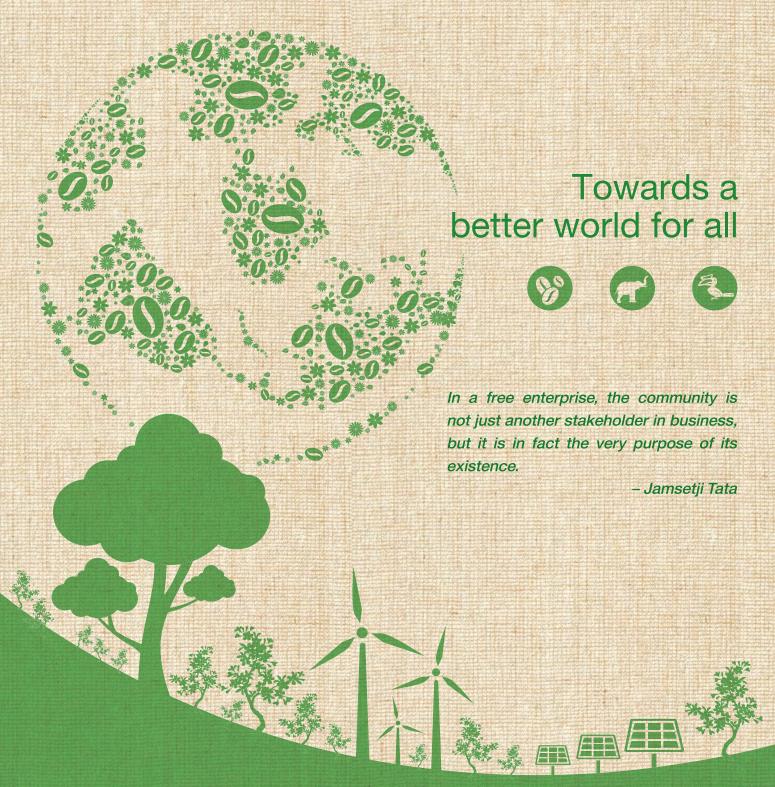


Seventy-First Annual Report and Financial Statements 2013–2014





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Chairman's Message

Dear Shareholders,

I am delighted to introduce the theme of this Annual Report - Sustainability in Tata Coffee. Your Company is a proud, prosperous and progressive institution. As we grow from strength to strength in the world of coffee, we are also committed to ensuring that such growth is sustainable, and significantly improves the quality of life of all the communities in which we operate.

Many decades ago, the founder of the Tata Group, Jamsetji Tata, said - "In a free enterprise, the community is not just another stakeholder in business, but it is in fact the very purpose of its existence." Tata Coffee has held deep conviction in this simple but powerful philosophy of sustainability, which has guided its approach to business at all times.

Across all its operating units, in the plantations business as well as in the instant coffee business, you will see exemplary initiatives that are driven by the need to create a positive impact in the lives of people and communities. You will read, in the pages of this Annual Report, stories of how your Company has contributed to areas as wide-ranging as biodiversity and ecology, water conservation, reduction of carbon emissions and optimizing energy usage. You will, through these pages, get a glimpse of your Company's deep and abiding commitment to sustainability.





At the root of all these initiatives is a recognition that while the future of our business lies in the excellence of our products and our financial performance, it also resides in how good our social and environmental bottomlines are. By living in harmony with our environment and society, we create long-term value and happiness for all our stakeholders. Our customers, across the world, also recognize and value the fact that the coffee, tea and pepper we market to them are products of a responsible and good business that is committed to people and the environment.

Some aspects of Tata Coffee make our sustainability efforts unique. Most of our business operations are located across the Western Ghats of India, an area known for its rich biodiversity. Your Company has therefore made it a mission to preserve and enhance the ecological wealth of this area. Our vast coffee estates are triple certified — Utz, Rainforest Alliance and SA 8000 — thereby reinforcing our commitment to producing this wonderful bean in a socially and environmentally responsible manner.

We are also very proud of the efforts we have made towards community development, through Swastha, a center for special education and rehabilitation of differently abled children of the South Coorg region. Conceived under the aegis of the Coorg Foundation, Swastha has today grown into a school with over 120 students and it passionately pursues the objective of rehabilitating these students into the mainstream of society through education and skills training. This is a mark of our commitment to the Coorg region, which is the home of your Company.

We recognize that sustainability is an ongoing voyage and we have many more promises to keep in the years and decades ahead of us. Even as we continue to focus on profitably growing our business, we will ensure that sustainable development always takes center stage in our efforts.

I am sure you will feel proud and happy that for your Company how growth and profits are achieved is as important as how much growth and profits are achieved. Please join me, therefore, in celebrating our commitment to sustainability.

- Harish Bhat Chairman



Board of Directors



Harish Bhat Chairman

Date of Appointment: 27.07.2012

Qualifications: BTech, MBA from IIM, Ahmedabad

Mr. Harish Bhat is a member of the Group Executive Council (GEC) of Tata Sons. He joined the Tata Group in 1987 as an officer in the Tata Administrative Service. Prior to being appointed as a member of the GEC, he led Tata Global Beverages as the Managing Director and CEO.

Mr. Bhat is an alumnus of BITS Pilani and IIM Ahmedabad, graduating at the top of his class in both institutions and winning the IIM Ahmedabad Gold Medal for scholastic excellence. He is a prolific writer and his first book 'Tata Log' was published by Penguin in 2012.



S Santhanakrishnan Director

Date of Appointment: 13.10.2008

Qualifications: Graduate in Science, Degree in Law, Fellow Member of the Institute of Chartered Accountants of India.

Mr. S. Santhanakrishnan, FCA, is a partner in PKF Sridhar & Santhanam, Chartered Accountants, and has more than 30 years of experience in Finance, Accounts, including IFRS, Strategy & Planning, Global Assurance, Corporate Laws and Consulting. He is a member of the Central Council of the Institute of Chartered Accountants of India (ICAI) and is actively involved in numerous industry-oriented initiatives of the Reserve Bank of India and Ministry of Corporate Affairs.





Venu Srinivasan Director

Date of Appointment: 13.10.2008 Qualifications: BTech, PGDM (IIM)

Expertise in Specific functional area: Overall

Business Management

Mr. Venu Srinivasan is an Indian industrialist, the Chairman and Managing Director of Sundaram Clayton Ltd and TVS Motor Company -- the third largest two-wheeler manufacturer in India. He has also served as the President of Confederation of Indian Industry for 2009-10. He was also President of the Manufacturers. Currently, he is the Honorary Consul General of Republic of Korea and a Member of the Prime Minister's Council on Trade & Industry.



D R Kaarthikeyan Director

Date of Appointment: 02.07.2013 Qualifications: BSc and LLB

Prior to getting selected to Indian Police Service, Mr. D. R. Kaarthikeyan practiced as a lawyer for 3 years. In the Police Department, he held several positions in different parts of India, including Director-General of Central Reserve Police Force, Director of Central Bureau of Investigation and Director-General of National Human Rights Commission. He is on the Board of several Companies and a member of several leading International and Domestic Forums. He has participated in important national and international events. He was conferred the Padma Shri by the Government of India in 2010.



Board of Directors



Arun Monappa Director

Date of Appointment: 31.03.2006

Qualifications: M.A. Political Science & Public

Administration, M.Sc, Industrial Relations, J.N. Tata
School at L.S.E.

A former professor of Personnel Management of Industrial Relations at IIM Ahmedabad, Prof. Arun Monappa has worked for Personnel Development of Organisations in Sweden, USA and India.



Hameed Huq Managing Director

Date of Appointment: 03.01.2010 Qualifications: BA (Hons)

Mr. Hameed Huq has been the Managing Director of Tata Coffee since 2010. He joined Tata Coffee in 1999 as Vice President (Plantations) and was promoted to Executive Director (Plantations) in 2005. Prior to this, Mr. Huq was in Tata Tea since 1972 and held various senior positions in the company. He also had a stint in Plantations in Sri Lanka from 1994 to 1997.





M Deepak Kumar Executive Director - Finance

Date of Appointment: 25.10.2010 Qualifications: BCom, ACA, Diploma in Computer Applications Mr. Deepak Kumar joined Tata Coffee in 1999 and was Vice President (Finance) till he was promoted to the position of Executive Director (Finance) in 2010. Prior to this, he was in Tata Tea since 1980. He was also directly involved in the acquisition of Eight O' Clock Coffee (EOC) in 2006 and is currently on the Board of Directors of EOC.



T Radhakrishnan Executive Director -ICD Operations

Date of Appointment: 26.07.2013 Qualifications: B.Tech (Chemical)

A Chemical Engineer from Sri Venkateswara University, Mr. T. Radhakrishnan started his career with Tata Chemicals in 1982 and then moved to Tata Coffee In January 2010 as Vice President - ICD Operations. He was subsequently elevated as Executive Director - ICD Operations.



N S Suryanarayanan Company Secretary

Date of Appointment: 27.06.2012 Qualifications: FCS, CWA

Mr. N. S. Suryanarayanan worked as Company Secretary with WS Industries Ltd., Empee Distilleries Ltd. and Auro Mira Energy Company Private Ltd. before joining Tata Coffee in 2012. He has over 30 years of industrial experience in the manufacturing sector.



Carbon Footprint

Tata Coffee has strong practices in place and is committed to protect the environment by aligning to its mission of preserving and enhancing ecological wealth.

The Plantations area has enormous green cover, with diversity in tree species which sequestrates a lot of carbon. A recent carbon footprint assessment showed a negative of 1.71 lakh tonnes CO_2 equivalent per annum, an enormous source of carbon sink which is being sustained through eco-friendly plantation business practices.



Living Organisms' Group	Species	Native Species	Percent Nativity
Plants	5,916	3,049	51.5
Mammals	140	18	12.9
Birds	458	35	7.6
Reptiles	267	174	65.2
Amphibians	178	130	73.0
Freshwater Fishes	191	139	72.8



Sustainability Initiative 2013–2014



Plantation Coffee

- Augmented water-holding capacity of irrigation tanks to 11046 ha. inch through rainwater harvesting
- 2.22 lakh shade plants added
- Bio-gas plant introduced to treat waste water
- Horizontal deployment of globally benchmarked processing technology using only 30% water



Instant Coffee Division

- Effluent Treatment Plant usage capacity increased from 240 to 640 kiloliters per day
- Usage of spent coffee as a source of boiler fuel has led to the plant being a Zero-Discharge Plant
- This has also led to 12 acres of land earmarked for spent coffee dumping being developed as a green belt with 4,400 saplings

Tea Plantation

- Focused on increased usage of bio-briquettes
- Factories have achieved 79% usage, up from 64% leading to saving of 3,800 trees



Rainwater Harvesting

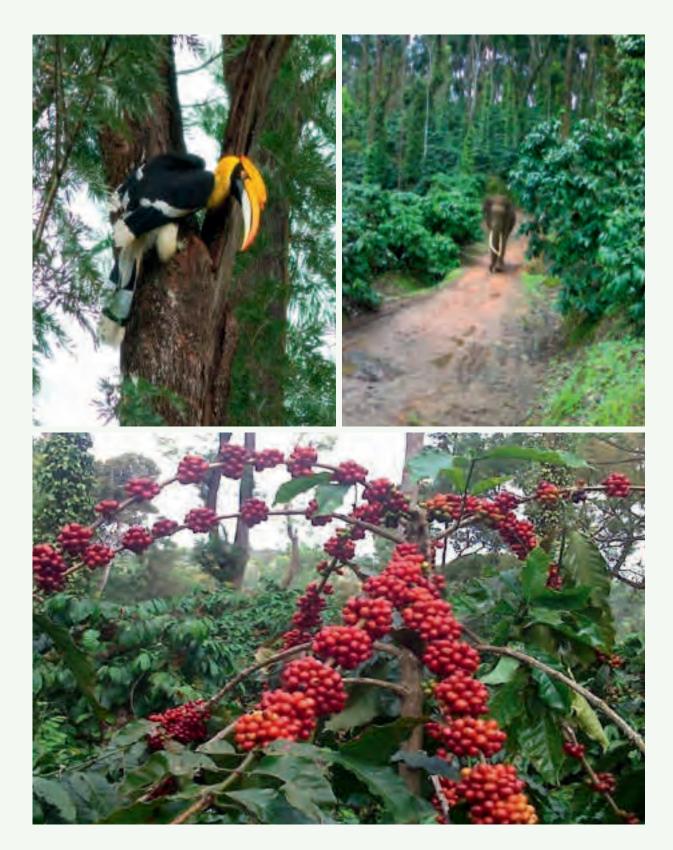
Rainwater harvesting is the accumulation and deposition of rainwater for reuse before it reaches the aquifer. Uses include water for garden, livestock, irrigation and indoor heating for houses etc. In many places, the water collected is just redirected to a deep pit with percolation. The harvested water can be used as drinking water as well as for storage and other purposes like irrigation.

In Plantations, TCL has developed 272 acre hectares of Reservoir area with a water-holding capacity of 588 million gallons. Ground water is not used for irrigation. Rainwater in Theni is collected through rainwater harvesting pits and collected in bore wells. Around 12 KL per day savings accrue from this.











Greening the Business

Traditionally, firewood has been the fuel of choice for the manufacture of tea. **Anamallai Plantations** requires around **25,000 cubic meters annually**, equaling to **10,000 trees** being felled.

Realizing the impact on the environment, TCL has increased its sourcing of bio-mass briquettes. In addition to briquettes being 20% cheaper than firewood, they also have a higher thermal value than firewood.

TCL, since last year, has increased its use of briquettes to 79% of its total fuel needs, thereby saving around 3,500 trees.



ICD FDC unit requires 7 lakh units of power annually, of which only 70% is supplied through TNEB. 2 lakh units of power are generated through captive power.

By sourcing wind energy, carbon emission has been brought down from 12.45 to 9.52 kg CO₂e per kg produced.







The desire for reducing non-renewable energy usage led to the search for and adoption of Horizontal Triplex Power (HTP) Sprayers in the tea plantations. The usage of this machinery not only reduces the electrical energy consumed but also ensures optimization of agricultural activities.



Columbian processing technology (Penagos) was introduced to four of its identified large coffee estates in 2010-11. Penagos is an eco-friendly dry coffee processing unit with very low water consumption (700 ml per kg) and higher output. Coffee processed and quality rating is of global standard, leading to increased specialty coffee production. TCL's coffee has been adjudged by the international jury as the best coffee at the National level 'Flavour of India Fine Cup Award' in 2013.



Human-elephant conflict mitigation project

Tata Coffee Ltd. in South Kodagu is currently spread over 3,000 Ha of prime coffee growing areas in and around Pollibetta. It shares a 5-kilometer forest boundary with the Thithimathi Elephant Camp as well as portions of Pysari Forest, tiger reserves and the Western Ghats.

Granted in the 20th century by the erstwhile Coorg Government, these coffee estates did not become an elephant corridor till 1990. Over the last decade, we have seen herds of elephants wandering into the estates and their surroundings, posing a threat to lives of estate dwellers and causing a lot of crop damage. With increasing competition for space between humans and elephants, the management formulated strategies to mitigate this elephant menace in July 2010. However, despite various elephant management measures such as a fully-operational solar fence along the estate boundaries, elephant drives and reports to the Forest Department, 686 elephants have been sighted over the last 12 months.

Hence, a wildlife cell has been created in all TCL estates to mitigate Human-Elephant conflict. Some of its roles and responsibilities are:

- Record elephant presence on the estate on a daily basis
- Involve the Chief Safety Officer and estate management staff
- Conduct elephant safety awareness program for all permanent and migrant workers



Elephant trackers training session at Mathigudu

- Use visual aids to educate about elephant behavior and their characteristics in order to avoid unexpected accidents
- Conduct elephant safety mock drill for workers and laborers
- Train elephant trackers to monitor elephant movement in the fields
- Modifying and improving their current habitat and creating feeding sites by planting lure plants inside the reserve forest
- Create and circulate Dos and Don'ts for elephant safety across all estates
- Share elephant presence information with neighboring estates to avoid accident



The Hornbill Foundation





June 5, 2013. According to the IUCN Red List, The Great Indian Hornbill has been identified as a near-threatened species. Therefore, the institution aims to save them in their natural habitat while monitoring across populations to determine the magnitude of decline and rate of range contraction.

Our Managing Director, Mr. Hameed Huq, is the Founder President of this initiative.

Surrounded by a long stretch of the Western Ghats, the Great Indian Hornbill is restricted to Central and Southern India, making the Valparai, Pachaimallai and Urlikal estates in the Anamallai Division, most preferred Hornbill sighting areas.

The Wildlife cell is responsible for conservation and research activities, and they undertake the following actions:

- Raising awareness about the species and its status among the workers in TCL and adjoining estates
- Creating a special monitoring team to watch bird movement inside the estates
- Identifying all nesting areas inside the plantations and near forest boundaries
- Modifying and improving their current habitat and creating feeding sites by planting lure plants inside the reserve forest
- Informing the workers around these areas on the importance of saving this bird and elaborating on TCL's initiative



Certifications



Internationally certified since 2007, TCL's coffee estates focus on growing coffee responsibly - in a social and environmental manner. In addition to the above objective, it also audits the traceability from raw cherry coffee to milled coffee.



Since 2009, this international certification has been promoting sustainable crop production by integrating productive agriculture, biodiversity conservation and human development.

Some of its principles include social and environmental management system, ecosystem conservation, wildlife conservation, fair treatment and good working conditions, occupational health and safety, community relations, integrated crop management, soil management and conservation and integrated waste management.



Since 2004, we have been certified with SA 8000 - an international standard primarily focusing on improving the working and living conditions of the workforce. It is based on the conventions of ILO, UCCL and UDHR.



STARBUCKS C.A.F.E PRACTICES Certification:

C.A.F.E PRACTICES Certification is a green coffee sourcing program, developed by STARBUCKS in collaboration with SCS Global Services - a third party evaluation firm dealing with certification and auditing. C.A.F.E Practices seeks to ensure that Starbucks sources sustainably grown and processed coffee by verifying the economic, social and environmental aspects of coffee production against a defined set of evaluation criteria.



COMPANY INFORMATION

Board of Directors

Mr. R.K. Krishna Kumar (Chairman till 18.07.2013)

Mr. Harish Bhat (Chairman w.e.f. 26.07.2013)

Mr. U.M. Rao (till 02.07.2013)

Prof. A. Monappa

Mr. S. Sanathanakrishnan

Mr. Venu Srinivasan

Mr. D.R. Kaarthikeyan (w.e.f 02.07.2013)

Mr. Hameed Huq (Managing Director)

Mr. M. Deepak Kumar (Executive Director – Finance)

Mr. T. Radhakrishnan (Executive Director -

ICD Operations) (w.e.f. 26.07.2013)

Auditors

SNB Associates

Bankers

CITI Bank

Corporation Bank Indian Overseas Bank Standard Chartered Bank Hongkong and Shanghai Banking Corporation Limited ICICI Bank Limited HDFC Bank Limited RABOBANK International

Registered Office

Pollibetta – 571 215 Kodagu, Karnataka State

Corporate Office

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

E-mail: investors@tatacoffee.com Website: www.tatacoffee.com

Registrars

TSR Darashaw Private Limited. 6-10, Haji Mosa Patrawala Ind.Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011

Tel: 022-6656 8484 Fax: 022-6656 8494 E-mail: csg-unit@tsrdarshaw.com Website: www.tsrdarshaw.com

Board Committees

Audit Committee

Mr. S. Santhanakrishnan – Chairman Mr. D.R.Kaarthikeyan Prof. A.Monappa

Stakeholders Relationship Committee

Mr. S. Santhanakrishnan -- Chairman

Mr. Harish Bhat Mr. Hameed Hug

Nomination and Remuneration Committee.

Mr. S.Santhanakrishnan – Chairman.

Mr. Harish Bhat. Prof.A.Monappa. Mr. Venu Srinivasan.

Corporate Social Responsibility Committee:

Mr. S. Santhanakrishnan. Mr. D. R. Kaarthikeyan

Mr. Hameed Hug.

Seventy-first Annual Report 2013-2014

TATA COFFEE LIMITED

CIN No. L01131KA1943PLC000833 Pollibetta – 571 215 Kodagu, Karnataka State

ANNUAL GENERAL MEETING NOTICE

NOTICE is hereby given that the 71st Annual General Meeting of M/s. TATA Coffee Limited will be held at the Registered Office of the Company at Pollibetta, Kodagu, on Monday the 21st July, 2014 at 10.00 AM to transact the following business:

ORDINARY BUSINESS

- 1. To receive, consider and adopt the financial statements of the Company for the year ended 31st March 2014 including Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- 2. To declare a Dividend on Equity Shares.
- 3. To appoint a Director in place of Mr. Harish Bhat (holding DIN: 00478198) who retires by rotation and being eligible offers himself for re-appointment.
- 4. Appointment of Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 224 of the Companies Act, 1956, M/s. SNB Associates, Chartered Accountants Chennai (ICAI Registration No. - 015682N), the retiring Auditors of the Company, be and are hereby re-appointed as Auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on a remuneration to be fixed by the Board of Directors, to audit the accounts of the Company for the financial year 2014-15.

SPECIAL BUSINESS

5. Appointment of Mr. S. Santhanakrishnan as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. S. Santhanakrishanan, (holding DIN: 00032049) a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term from, 21st July, 2014 to 20th July, 2019."

6. Appointment of Mr. D.R. Kaarthikeyan as an Independent Director.

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

"RESOLVED THAT Mr. D.R. Kaarthikeyan, (holding DIN: 00327907), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f 2nd July, 2013, in terms of Section 260 of the Companies Act, 1956 (corresponding to Section 161(1) of the Companies Act, 2013) and Article 101 of the Articles of Association of the Company, and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature to the Office of Director be and is hereby appointed as a non-executive Director of the Company."

"FURTHER RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time, Mr. D.R. Kaarthikeyan, (holding DIN: 00327907), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 21st July, 2014 to 1st October, 2014."

7. Appointment of Mr. Venu Srinivasan as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time, Mr. Venu Srinivasan, (holding DIN: 00051523) a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term, from 21st July, 2014 to 20th July, 2019".

8. Appointment of Prof. Arun Monappa as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time, Prof. Arun Monappa, (holding DIN: 00050840) a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 21st July, 2014 to 9th March, 2017."



9. Appointment of Mr. T. Radhakrishnan as a Director.

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

"RESOLVED THAT Mr. T. Radhakrishnan, (holding DIN: 03527405) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 26th July, 2013 in terms of Section 260 of the Companies Act, 1956 (corresponding to Section 161(1) of the Companies Act, 2013 and Article 101 of the Articles of Association of the Company, and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature to the Office of Director, be and is hereby appointed as a Director of the Company."

10. Appointment of Mr. T. Radhakrishnan as an Executive Director- ICD Operations.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the appointment of Mr. T. Radhakrishnan (holding DIN: 03527405) as an Executive Director – ICD Operations, for a period of three years effective from 26th July, 2013 upon the terms and conditions, including the remuneration to be paid in the event of inadequacy of profit in any financial years, as set out in the Explanatory Statement Annexed to the notice convening this meeting, with liberty Directors of the Company to alter and vary the terms and conditions of the said appointment in such a manner as may be agreed to between the Board of Directors and Mr. T. Radhakrishnan.

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

11. Appointment of Mr. Hameed Huq as Managing Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the appointment of and terms of remuneration payable to Mr. Hameed Huq (holding DIN:00042737) as Managing Director for the period from 3rd January, 2014 to 31st March, 2015 upon the terms and conditions, including the remuneration to be paid in the event of inadequacy of profits in any financial year, as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Directors of the Company to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Hameed Huq."

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

12. Appointment of Mr. M. Deepak Kumar as Executive Director- Finance.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and any other applicable provisions, of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the appointment of Mr. M. Deepak Kumar (holding DIN:00519827) as Executive Director- Finance for the period from 25th October, 2013 to 24th October, 2014 upon the terms and conditions, including the remuneration to be paid in the event of inadequacy of profits in any financial year, as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Directors of the Company to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Deepak Kumar."

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

13. Payment of Commission to Non-executive Directors.

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

"RESOLVED THAT pursuant to the provisions of Sections 197 and 198 and all other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and in supersession of the resolution previously passed by the shareholders at the Annual General Meeting held on 23rd July, 2010, the Directors of the Company (other than Managing Director and/or the Wholetime Directors) be paid, remuneration (including profit related commission) in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in the aggregate 1% of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act."

"RESOLVED FURTHER THAT the Board of Directors of the Company, (including its Committees thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

14. Approval of borrowing limits of the Company.

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

"RESOLVED THAT in supersession of the Resolution passed at the Annual General Meeting of the Company held on 29th July 2006 and pursuant to Section 180(1) (c) and other applicable provisions of the Companies Act 2013, consent of the Company be and is hereby accorded to the Board of Directors to borrow such sum or sums of money in any manner from time to time as may be required for the purpose of the business of the Company with or without security and upon such terms and conditions as the Board may deem fit, notwithstanding that monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose provided that the total amounts so borrowed by the Board of Directors and outstanding at any time shall not exceed a sum of ₹ 1,000 Crores (Rupees One Thousand Crores) over and above the aggregate of the paid up capital of the Company and its free reserves.

15. Creation of mortgage/charge on the assets of the Company.

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

"RESOLVED THAT in supersession of the Resolution passed by the Company at the Annual General Meeting held on 29th July, 2006 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company ("the Board") to create such mortgage, charges and hypothecations in addition to the existing mortgages, charges and hypothecations created by the Company, on such movable and immovable assets and properties of the Company, both present and future and in such manner as the Board may deem fit, in favour of all or any Banks, financial institutions, investment institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to as "the lending agencies") and/or Trustees for the holders of debentures/bonds/other instruments to secure borrowings of the Company by way of loans/issue of debentures/bonds/ other instruments which may be issued for a sum not exceeding ₹ 1,000 Crores (Rupees One Thousand Crores) over and above the aggregate of the paid up capital of the Company and its free reserves, which have been/are proposed to be obtained from or privately placed with lending agencies together with interest thereon at the agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company to the Trustees under the Trust Deeds and/or to the lending agencies under their respective agreements/loan agreements/Debenture Trust Deeds entered into/to be entered into by the Company in respect of the said borrowings.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to finalise with the lending agencies/trustees or any of them, the documents for creating the mortgages/charges/hypothecations and to accept or make any alterations/changes/variations to or in the terms and conditions and to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary for the purpose of giving effect to this resolution."

Place: Chennai Date: 13th May, 2014 By Order of the Board N.S.Suryanarayanan Company Secretary

IMPORTANT NOTES:

- The Register of Members of the Company will remain closed from 5th July, 2014 to 21st July, 2014 both days inclusive.
- 2. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his/her stead and the proxy need not be a member 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 Meeting. A person can act as a proxy on behalf of members and exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 3. Dividend, if declared at the Annual General Meeting will be paid within 30 days thereof to those members whose names appear on the Register of Members of the Company, after giving effect to valid transfers in respect of the Shares lodged with the Company on or before the close of business hours on 4th July, 2014 or to their mandates. The dividend in respect of Shares held in electronic form would be payable to the beneficial owners of Shares recorded with the Depositories as of the end of 4th July, 2014 as per details furnished by the Depositories for the purpose.
- 4. Instructions for e-voting:
 - The complete details of the instructions for e-voting is annexed to this Notice.
- 5. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.
- Pursuant to Sections 205A read with Section 205C of the Companies Act, 1956, the unclaimed/unpaid dividend for the financial years ended 31st March, 1999 to 31st March, 2006 has been transferred to the Investor Education and Protection Fund of the Central Government ("the Fund"). The balance lying in the unpaid dividend account for the year ended 31st March, 2007 will be transferred to the Fund shortly. Shareholders are requested to note that once unpaid/unclaimed amounts are transferred to the Fund, no claim shall lie against the Fund or the Company. Shareholders who have not yet en-cashed their dividend warrants are requested to do so sufficiently in advance before the said transfers take place.



Details of Directors seeking appointment/re-appointment /retiring by rotation (In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Harish Bhat	S. Santhanakrishnan	D.R. Kaarthikeyan	Venu Srinivasan	Prof.Arun Monappa	T Radhakrishnan	Hameed Huq	M Deepak Kumar
Date of Birth	08.11.1962	01.11.1950	02.10.1939	11.12.1952	10.03.1942	07.09.1960	31.01.1951	12.07.1952
Date of Appointment	27.07.2012	13.10.2008	02.07.2013	13.10.2008	31.03.2006	26.07.2013	03.01.2005	25.10.2010
Qualifications	BTech, MBA from IIM, Ahmedabad.	Graduate in Science, Degree in Law, Fellow Member of the ICAI	Bachelor of Science, Bachelor of Law	B. Tech. PGDM (IIM)	M.A. (Political Science & Public Administration), M.Sc., Industrial Relations, J.N.Tata School at L.S.E.	B.Tech (Chemical)	B.A. (Hons.)	B.Com, ACA, Dip in Computer Applications
Expertise in specific functional area	Overall Business Management including functional expertise in Sales, Marketing and Corporate Management.	Chartered Accountant	He has held several positions in the Police Department, in different parts of India, including Director-General of Central Reserve Police Force, Director-General in the National Human Rights Commission. He is on the Board of several Companies and members of several leading International and Domestic Forums.	Business	Formerly Professor of Personnel Management & Industrial Relations of IIM, Ahmedabad and worked in the Personnel Departments of Organisations in Sweden, U.S.A. and India besides being a Planter.	32 years experience in the area of Chemical Engineering. He was with Tata Chemicals Ltd. from 1982 to 2009. He joined Tata Coffee in the year 2010 and was Vice President - ICD till he was elevated to the position of Executive Director - ICD with effect from 26th July, 2013.	Plantation General Management function of managing plantations. Overseas experience as CEO of two plantation companies.	34 years experience in the area of Finance. He was in Tata Tea from 1980 to 1998. He joined Tata Coffee in the year 1999 and was Vice President - Finance till he was elevated to the position of Executive Director-Finance with effect from 25th October, 2010
* Chairman/ Director of other Companies	As detailed below (1)	As detailed below (2)	As detailed below (3)	As detailed below (4)	Nil	As detailed below (5)	As detailed below (6)	As detailed below (7)
No. of Shares held in the Company	Nil	Nil	Nil	Nil	Nil	Nil	199	Nil

 $^{{}^*\,} Includes\, Audit, Remuneration\, and\, Shareholders/Investors\, Grievance\, Committees\, only\, for\, other\, companies.$

(1) Directorships in Companies & Memberships in Committees of Mr. Harish Bhat

SI.No.	Name of the Company	Chairmanship	Membership in Com	mittees
			Name of the Committee	Position held
1	Tata Global Beverage Ltd.	Nil	Nil	Nil
2	Mount Everest Mineral Water Ltd	Chairman	Nil	Nil
3	Nourishco Beverages Limited	Nil	Nil	Nil
4	Tata Starbucks Ltd.	Nil	Nil	Nil
5	Infiniti Retail Ltd.	Nil	Nil	Nil

(2) Directorships in Companies & Memberships in Committees of Mr. S. Santhanakrishnan

SI.No.	Name of the Company	Chairmanship	Membership in Com	mittees
			Name of the Committee	Position held
1	Tata Realty and Infrastructure Ltd.	Nil	Nil	Nil
2	Tata Housing Development Company Ltd.	Nil	Audit Committee	Chairman
3	Tata Global Beverages Ltd.	Nil	Audit Committee	Chairman
			Shareholders' Investors' Grievance Committee	Member
4	The Catholic Syrian Bank ltd.	Nil	Nil	Nil
5	IDBI Federal Life Insurance Co. Ltd.	Nil	Audit Committee	Chairman
6	Sands BKC Properties Pvt. Ltd.	Nil	Nil	Nil
7	Sands Chembur Properties Pvt. Ltd.	Nil	Nil	Nil
8	TMI e2e Academy Pvt. Ltd.	Nil	Nil	Nil
9	XBRL India	Nil	Nil	Nil

(3) Directorships in Companies & Memberships in Committees of Mr. D.R. Kaarthikeyan

SI.No.	Name of the Company	Chairmanship	Membership in Committees		
	·		Name of the Committee	Position held	
1	Benares Hotels Ltd.	Nil	Nil	Nil	
2	Oriental Hotels Ltd.	Nil	Audit Committee /	Member	
			Remuneration Committee		
3	Raj TV Ltd.	Nil	Nil	Nil	
4	TAJGVK- Hotels Ltd.	Nil	Audit Committee /	Member	
			Remuneration Committee		
5	Texmaco Rail & Engineering Ltd.	Nil	Nil	Nil	
6	Syenergy Environics Ltd.	Nil	Nil	Nil	
7	Lotus Eye Care Hospital Pvt. Ltd	Nil	Audit Committee /	Member	
			Remuneration Committee		
8	i-Grandee Software Technologies Pvt. Ltd.	Nil	Nil	Nil	
9	Life Positive Pvt. Ltd.	Nil	Nil	Nil	
10	Roots Industries India Ltd.	Nil	Nil	Nil	
11	Radcliffe Schools Education Ltd.	Nil	Nil	Nil	
12	Star Health and Allied Insurance Company Ltd.	Nil	Audit Committee	Member	
13	Bengaluru International Ltd.	Nil	Nil	Nil	



(4) Directorships in Companies & Memberships in Committees of Mr. Venu Srinivasan.

SI.No.	Name of the Company	Chairmanship	Membership in Com	mittees
			Name of the Committee	Position held
1.	TVS Motor Company Limited	Chairman	Stakeholders Relationship Committee	Member
2.	Sundaram-Clayton Limited	Chairman	Investors Grievance Committee	Member
3.	Harita-NTI Limited	Chairman	Audit Committee	Chairman
4.	TVS Credit Services Limited	Chairman	-	-
5.	Lucas TVS Limited	Nil	-	-
6.	TVS Sundaram lyengar & Sons Limited	Nil	Audit Committee	Member
7.	Southern Roadways Limited	Nil	-	-
8.	Sundaram Fasteners Limited	Nil	-	-
9.	Cummins India Limited	Nil	-	-
10.	Sundaram Non-conventional Energy Systems Limited	Nil	-	-
11.	Sundaram Investment Limited	Nil	-	-
12.	Oriental Hotels Limited	Nil		

(5) Directorships in Companies & Memberships in Committees of Mr. T. Radhakrishnan

SI.No.	Name of the Company	Chairmanship	Membership in Comi	mittees
			Name of the Committee	Position held
1	Alliance Coffee Ltd.	Nil	Nil	Nil

(6) Directorships in Companies & Memberships in Committees of Mr. Hameed Huq

	SI.No.	Name of the Company	Chairmanship	Membership in Comr	nittees
				Name of the Committee	Position held
ĺ	1	Alliance Coffee Ltd.	Nil	Nil	Nil

(7) Directorships in Companies & Memberships in Committees of Mr. Deepak Kumar

SI.No.	Name of the Company	Chairmanship	Membership in Comr	nittees
			Name of the Committee	Position held
1	Alliance Coffee Ltd.	Nil	Nil	Nil

EXPLANATORY STATEMENT Pursuant to Section 102 of the Companies Act, 2013

Item Nos. 5 to 8

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, the Independent Directors shall hold office for a term up to five consecutive years on the Board of a company and are not liable to retire by rotation.

Messers. S. Santhanakrishnan, D.R. Kaarthikeyan, Venu Srinivasan and Prof. Arun Monappa have given declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Messers. S. Santhanakrishnan, D.R. Kaarthikeyan, Venu Srinivasan and Prof. Arun Monappa as Independent Directors was placed before the Nomination & Remuneration Committee, which recommended their appointment as under:

- a. Mr. S.Santhanakrishnan as an Independent Director for five years from 21st July, 2014 to 20th July, 2019.
- b. Mr. D.R.Kaarthikeyan, who was appointed as an Additional Director by the Board with effect from 2nd July, 2013 and who holds office till the ensuing Annual General Meeting, as an Independent Director from 21st July, 2014 to 1st October 2014.
- c. Mr. Venu Srinivasan as an Independent Director for five years from 21st July, 2014 to 20th July, 2019.
- d. Prof. Arun Monappa as an Independent Director from 21st July, 2014 to 9th March, 2017.

In the opinion of the Board, Messers. S. Santhanakrishnan, D.R. Kaarthikeyan, Venu Srinivasan and Prof. Arun Monappa fulfill the conditions specified in the Act and the Rules made there under for appointment as Independent Directors and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Messers. S. Santhanakrishnan, D.R. Kaarthikeyan, Venu Srinivasan and Prof. Arun Monappa as Independent Directors are now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

The Directors recommend the resolutions set out in Item Nos. 5 to 8 of the accompanying notice.

Messers. S. Santhanakrishnan, D.R. Kaarthikeyan, Venu Srinivasan and Prof. Arun Monappa are interested and concerned in the Resolutions mentioned at Item Nos. 5 to 8 in the Notice. No other Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolutions mentioned at Item No. 5 to 8 in the Notice.

Item Nos. 9 & 10

Mr. T. Radhakrishnan was appointed as an Additional Director of the Company by the Board at its Meeting held on 26th July 2013. In terms of Section 161 of the Companies Act, 2013 he holds office till the date of the ensuing AGM and is eligible for re-appointment.

Notice under Section 160 of the Companies Act 2013, along with the requisite deposit has been received from a member signifying his intention to propose the candidature of Mr. T. Radhakrishnan as a Director of the Company.

The Board also appointed Mr. T. Radhakrishnan as Executive Director – ICD Operations of the Company for a period of 3 years with effect from 26th July 2013 on the terms and conditions including remuneration as indicated below. Mr. Radhakrishnan's appointment is subject to the approval of the members in the Annual General Meeting.

Following are the main terms and conditions of the appointment of Mr. T. Radhakrishnan

- 1. **Tenure of appointment:** The appointment of Mr. T. Radhakrishnan is for a period of three years with effect from 26th July 2013.
- 2. **Nature of Duties:** Subject to the supervision and control of the Board and the Managing Director of the Company, Mr. Radhakrishnan shall carry out such duties and exercise such powers as may be entrusted to him from time to time.
- 3. Remuneration:

Basic Salary: ₹ 1,60,000/- per month (currently ₹ 1,90,000/- w.e.f 01.04.2014), with annual increments effective 1st April every year as may be decided by the Board, on the recommendation of the Remuneration Committee based on merit and taking into account the Company's performance; (b) incentive remuneration, if any, and/or commission based on certain performance criteria to be laid down by the Board; (c) benefits, perquisites and allowances as may be determined by the Board from time to time.

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 remuneration to the appointee by way of salary, incentive remuneration, perquisites and allowances, as specified above.



- 4. The terms and conditions of the appointment of the appointee as stated above may be altered or varied from time to time by the Board at its discretion, so as not to exceed the limits specified in Schedule V of the Act or any amendments made thereto.
- 5. All Personnel Polices of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the appointee, unless specifically provided otherwise.
- 6. This appointment may be terminated by either party by giving to the other six months' notice of such termination or the Company paying six months' remuneration in lieu of the notice.
- 7. The appointee shall not become interested or otherwise concerned, directly or through their spouse and/or children, in any selling agency of the Company.
- 8. The appointee is appointed by virtue of his employment in the Company and the appointment is subject to the provisions of Sections 164 and 165 of the Act.
- 9. If and when the Agreement expires or is terminated for any reason whatsoever, the appointee will cease to be the Executive Director and also cease to be a Director.
- 10. If at any time the appointee cease to be a Director of the Company for any reason whatsoever, he shall cease to be the Executive Director of the Company.
- 11. If at any time the appointee cease to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director of the Company.
- 12. 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 associated 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 its subsidiaries or associated companies.

In compliance with provision of Section 196,197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the terms of appointment and remuneration specified above are now being placed before the Members for their approval.

The Directors recommend the resolutions set out in Item Nos. 9 & 10 of the accompanying notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. Radhakrishnan is in any way concerned or interested in the resolution.

Abstract of the terms of appointment of Mr. T Radhakrishnan as Executive Director-ICD Operations has already been circulated to the members pursuant to Section 302 of the Companies Act, 1956.

Item No. 11

The Board of Directors of the Company at its Meeting held on 7th November 2013 reappointed Mr. Hameed Huq as Managing Director from 3rd January 2014 upto 31st March, 2015 and approved the terms and conditions of his appointment including remuneration.

Following are the main terms and conditions of the re-appointment of Mr. Huq

- 1. **Tenure of appointment:** The re-appointment of Mr. Hug is from 3rd January, 2014, upto 31st March, 2015
- 2. **Nature of Duties:** Subject to the supervision and control of the Board, Mr. Huq will be responsible for day-to-day management and operations of the Company and shall carry out such duties and exercise such powers as may be entrusted to him from time to time by the Board.
- 3. **Remuneration:**

Basic Salary: ₹4,25,000/- per month as per existing terms of Remuneration (currently 4,67,500/- p.m w.e.f 01.04.2014) with annual increments effective 1st April every year as may be decided by the Board, on the recommendation of the Remuneration Committee based on merit and taking into account the Company's performance; (b) incentive remuneration, if any, and/or commission based on certain performance criteria to be laid down by the Board; (c) benefits, perquisites and allowances as may be determined by the Board from time to time.

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 remuneration to the appointee by way of salary, incentive remuneration, perquisites and allowances, as specified above.

4. The terms and conditions of the appointment of the appointee as stated above may be altered or varied from time to time by the Board at its discretion, so as not to exceed the limits specified in Schedule V of the Act or any amendments made thereto.

- 5. All Personnel Polices of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the appointee, unless specifically provided otherwise.
- 6. This appointment may be terminated by either party by giving to the other six months' notice of such termination or the Company paying six months' remuneration in lieu of the notice.
- 7. The appointee shall not become interested or otherwise concerned, directly or through their spouse and/or children, in any selling agency of the Company.
- 8. The appointee is appointed by virtue of his employment in the Company and the appointment is subject to the provisions of Sections 164 and 165 of the Act.
- 9. If and when the Agreement expires or is terminated for any reason whatsoever, the appointee shall cease to be the Managing Director and also cease to be a Director.
- 10. If at any time the appointee ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director of the Company.
- 11. If at any time the appointee ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director of the Company.
- 12. 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 associated 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 its subsidiaries or associated companies.

In compliance with provision of Section 196,197, Schedule V and other applicable provisions, if any, of the Companies Act 2013, the terms of appointment and remuneration specified above are now being placed before the Members for their approval.

The Directors recommend the resolution set out in Item No.11 of the accompanying notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. Hameed Huq is in any way concerned or interested in the resolution.

Abstract of the terms of re-appointment of Mr. Hameed Huq as Managing Director has already been circulated to the members pursuant to Section 302 of the Companies Act, 1956

Item No. 12

The Board of Directors of the Company at its Meeting held on 18th October 2013 reappointed Mr. M. Deepak Kumar as Executive Director-Finance for the period commencing 25th October 2013 to 24th October 2014 and approved the terms and conditions of his appointment including remuneration.

Following are the main terms and conditions of the re-appointment of Mr. M Deepak Kumar

- 1. **Tenure of appointment:** The re-appointment of Mr. M. Deepak Kumar is for a period of one year with effect from 25th October, 2013.
- 2. **Nature of Duties:** Subject to the supervision and control of the Board and the Managing Director of the Company, Mr. M. Deepak Kumar shall carry out such duties and exercise such powers as may be entrusted to him from time to time.
- 3. Remuneration:

Basic Salary: ₹ 3,20,000/- per month as per existing terms of Remuneration, (currently ₹ 3,52,000/- p.m w.e.f 01.04.2014) with annual increments effective 1st April every year as may be decided by the Board, on the recommendation of the Remuneration Committee based on merit and taking into account the Company's performance; (b) incentive remuneration, if any, and/ or commission based on certain performance criteria to be laid down by the Board; (c) benefits, perguisites and allowances as may be determined by the Board from time to time.

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 remuneration of the appointee by way of salary, incentive remuneration, perquisites and allowances, as specified above.

4. The terms and conditions of the appointment of the appointee as stated above may be altered or varied from time to time by the Board at its discretion, so as not to exceed the limits specified in Schedule V of the Act or any amendments made thereto.



- 5. All Personnel Polices of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the appointee, unless specifically provided otherwise.
- 6. This appointment may be terminated by either party by giving to the other six months' notice of such termination or the Company paying six months' remuneration in lieu of the notice.
- 7. The appointee shall not become interested or otherwise concerned, directly or through their spouse and/or children, in any selling agency of the Company.
- 8. The appointee is appointed by virtue of his employment in the Company and the appointment is subject to the provisions of Sections 164 and 165 of the Act.
- 9. If and when the Agreement expires or is terminated for any reason whatsoever, the appointee will cease to be the Executive Director and also cease to be a Director.
- 10. If at any time the appointee ceases to be a Director of the Company for any reason whatsoever, they shall cease to be the Executive Director of the Company.
- 11. If at any time the appointee cease to be in the employment of the Company for any reason whatsoever, they shall cease to be a Director of the Company.
- 12. 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 associated 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 its subsidiaries or associated companies.

In compliance with provision of Section 196,197, Schedule V and other applicable provisions, if any, of the Companies Act 2013, the terms of appointment and remuneration specified above are now being placed before the Members for their approval.

The Directors recommend the resolution set out in Item No. 12 of the accompanying notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. M. Deepak Kumar is in any way concerned or interested in the resolution.

Abstract of the terms of re-appointment of Mr. Deepak Kumar as Executive Director-Finance has already been circulated to the members pursuant to Section 302 of the Companies Act, 1956.

Item No. 13

It is proposed to continue with the payment of Commission to non Whole-time Directors of the Company. Accordingly, it is proposed that in terms of section 197 of the Companies Act, 2013, the Directors (apart from the Managing Director and Whole-time Directors) be paid, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

All the Directors of the Company except the Managing Director and Executive Directors are concerned or interested in the Resolution to the extent of the remuneration that may be received by each of them.

Item No. 14

In terms of Section 180(1)(c) of the Companies Act, 2013, consent of the Company in General Meeting by way of Special Resolution is required for the Board of Directors of the Company ("the Board") to borrow monies for the purpose of the business of the Company, (apart from temporary loans obtained from the Company's bankers) in excess of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

At the Annual General Meeting of the Company held on 29th July, 2006 the members had authorized the Board of Directors to borrow monies up to a limit of ₹1000 Crores. The resolution passed by the members is valid only till September 2014 as per the clarification issued by the Ministry of Corporate Affairs.

It is hence proposed that the approval of the members be sought to borrow a sum not exceeding ₹1000 Crores (One Thousand Crores) over and above aggregate of the paid-up capital and free reserves of the Company, to comply with Section 180(1)(c) of the Companies Act. 2013.

Your Directors recommend the resolution set out in item No.14 of the accompanying Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 15

To meet its long-term fund requirements, the Company will be required to borrow monies from various lending agencies from time to time including through issue of debenture/bonds. As security for these borrowings/issue of debentures or bonds, the Company is required to create mortgages/charges on certain movable and immovable properties of the Company as may be required as per the terms of the borrowings/issue of debenture or bonds. In terms of Section 180 (1)(a) of the Companies Act, 2013, it is necessary for the Company to obtain approval of the members by way of a Special Resolution for creation of mortgage/charge/hypothecation in favour of the lending agencies/debenture trustees. At the Annual General Meeting of the Company held on 29th July, 2006 approval of the shareholders was obtained to secure the Company's borrowings upto a limit of ₹1000 Crores. The resolution passed by the members is valid only till September 2014 as per the clarification issued by the Ministry of Corporate Affairs.

It is hence proposed that the approval of the members be sought to borrow a sum not exceeding ₹ 1000 Crores (One Thousand Crores) over and above aggregate of the paid-up capital and free reserves of the Company, to comply with Section 180(1)(a) of the Companies Act, 2013.

Your Directors recommend the resolution set out in item No.15 of the accompanying Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

By Order of the Board

N.S.Suryanarayanan

Company Secretary

Place: Chennai Date: 13th May 2014

Process and manner for members opting for e-voting are as under:

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the members the facility to exercise their right to vote at the 71st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Ltd. (NSDL).

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/ Depository Participants):
- (i) Open the email and open pdf file "Tata Coffee e-voting.pdf" with your Client ID or Folio No. as password. The pdf file contains your user ID and password/ PIN for e-voting. Please note that this password is an initial password.
- (ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com
- (iii) Click on Shareholder Login
- (iv) Put User ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) You will now reach Password Change Menu, wherein you are required to mandatorily change your password/PIN with new password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). On first login, the system will prompt you to change your password and update your contact details like mobile number, email ID, etc. in the user profile details of the folio, which may be used for sending future communications. You will also need to enter a secret question and answer of your choice to retrieve your password in case you forget it. Note your new password. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (vi) You need to login again with new credentials. Home page of e-voting will open. Click on e-voting: Active Voting Cycles.
- (vii) Select the "EVEN" i.e. Tata Coffee Limited. Now you are ready for e-voting as Cast Vote page will open.
- (vii) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 30th May, 2014 ("Cut off Date").
- (ix) On the voting page, you may cast your vote by selecting an appropriate option "For" or "Against" and click "SUBMIT".

 A confirmation box will be displayed. Click "OK" to confirm or "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. Upon confirmation, the message "Vote cast successfully" will be displayed.



- (x) You can similarly vote in respect of all other resolutions forming part of the Notice of the Annual General Meeting. During the voting period, members can login any number of times till they have voted on all the Resolutions.
- (xi) If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on "RESET" for those resolutions for which you have not yet cast the vote.
- (xii) 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 signatures(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email ID: 'cs@ parikhassociates.com' with a copy marked to evoting@nsdl.co.in The scanned image of the above mentioned documents should be in the naming format: Corporate Name EVEN NO."
- B. In case of Members whose email IDs are not registered with the Company/Depository Participants, their User ID and initial password/PIN is provided on the Ballot Form sent with the Annual General Meeting Notice.

 Please follow all steps from Sr. No. (ii) to (xii) as mentioned in (A) above, to cast your vote.
- C. Members who are already registered with NSDL for e-voting can use their existing User ID and password/ PIN for casting their votes.
- D. The e-voting period commences on 13th July, 2014 (9.00 a.m) and ends on 15th July, 2014 (6.00 p.m). During this period, members holding shares in either physical or dematerialized form as on the Cut-Off Date of 30th May, 2014, may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- E. 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 Downloads section of www.evoting.nsdl.com
- F. Mr. P.N. Parikh, Practicing Company Secretary has been appointed as Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner.
- G. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- H. The Results shall be declared on or after the AGM of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website <u>www.tatacoffee.com</u> and on the website of NSDL within two (2) working days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd. and National Stock Exchange of India Ltd.
- 4. (a) For the benefit of Members who do not have access to e-voting facility, a Ballot Form is being sent along with the Notice of the Annual General Meeting, to enable them to send their assent or dissent by post. Detailed instructions on voting through post are given on the reverse of the Ballot Form.
 - (b) The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
 - (c) A Member can opt for only one mode of voting, i.e. either by post or through e-voting. In case of Member(s) who cast their votes by both modes, then voting done through a valid physical ballot form shall prevail and e-voting of that Member shall be treated as invalid.

2009/2010 TO 2013/2014 A FIVE YEAR REVIEW

INCOME & DIVIDEND ETC		2009-10	2010-11	2011-12	2012-13	2013-14
Total income including other income	(₹ in Lakhs)	37342.43	42209.94	51657.2	62028.66	68609.70
Profit Before Tax	(₹ in Lakhs)	4999.92	6862.18	10415.74	13114.9	14823.16
As percentage of Sales		13	16	20	21	22
Profit After Tax	(₹. in Lakhs)	3198.98	5508.46	7885.28	9369.26	10657.01
As percentage of Sales		9	13	15	15	16
Expenses as percentage of Income		87	84	80	79	78
Debt/Equity Ratio		0.41:1	0.29:1	0.16:1	0.21:1	0.17:1
Net Profit per Equity Share	(₹)	17.13	29.49	42.22	50.16	57.06
Dividend distributed	(₹)	7.50	10	11	12.50	13

Compounded Annual Growth Rate (CAGR) over 2009-10	2013-14
Total Income including other income	16%
Profit After Tax	36%

PRODUCTION (IN TONNES)

		COFFEE					COFFEE	INSTANT
YEAR	ARABICA	ROBUSTA	TOTAL	TEA	PEPPER	CARDAMOM	CURED	COFFEE
2004/2005	2680	4944	7624	1119	1328	10.98	13241	3341
2005/2006	2110	6434	8544	2699	981	14.23	11105	4236
2006/2007	2014	5503	7517	6936	861	44.49	11870	3628
2007/2008	2233	5771	8004	6576	682	4.97	11247	4966
2008/2009	1551	4225	5776	7606	1515	14.52	11195	5219
2009/2010	2171	7285	9456	7994	884	32.01	10427	2955
2010/2011	1670	6620	8290	7334	535	16.02	12959	4974
2011/2012	2129	5667	7796	6775	864	13.35	12010	6347
2012/2013	1542	6800	8342	6640	1148	8.49	12509	6639
2013/2014	2076	4781	6857	6545	368	10.07	11988	6955

Note: The crop figures for the year 2005/06 and onwards include crop of Anamallai Group Estates which were acquired by the Company during the year 2005/06

ACREAGE STATEMENT - 5 YEARS

	2009/10	2010/11	2011/12	2012/13		2013/14	
	Acres Acres Hectar						
COFFEE*							
Arabica	7539	7489	7528	7587	7568	3064	
Robusta	10675	10709	10649	10573	10590	4287	
Mixed Coffee	86	86	86	86	86	35	
	18300	18284	18263	18246	18244	7387	
TEA	6089	6089	6089	6088	6089	2465	
OTHER CROPS							
Cardamom	504	429	429	420	413	167	
Pure Pepper/Areca	464	539	523	540	550	223	
Oil Palm/Bamboo/etc.	134	153	143	153	151	61	
TOTAL CULTIVATED AREA	25491	25494	25447	25447	25447	10303	

^{*} Pepper interplanted in Coffee

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DIRECTORS REPORT

Your Directors are pleased to submit their Report together with the Audited statement of accounts for the year ended 31st March, 2014.

		2013/14		2012/13
		₹ in Lakhs		₹ in Lakhs
Profit from Operations before Other Income & Interest		11796.38		12307.96
Add: Other Income		3518.07		2220.69
Operating profit before Interest		15314.45		14528.65
Less: Interest		491.30		454.97
		14823.15		14073.68
Add: Exceptional Income/(Expenses)				(958.78)
Profit Before Tax		14823.15		13114.90
Provision for Tax		4166.14		3745.64
Profit After Tax		10657.01		9369.26
Add: Surplus brought forward from Previous Year		16786.63		9986.07
Amount available for appropriation		27443.64		19355.33
General Reserve No. I	(1100.00)		(950.00)	
General Reserve No. II	(175.00)		(251.95)	
Debenture Redemption Reserve A/c		(1275.00)	1357.45	155.49
Dividends				
Interim Dividend	_		(933.85)	
Final (Proposed)	(2428.02)		(1400.78)	
Tax on Dividend	(412.76)	(2840.78)	(389.57)	(2724.19)
Balance carried forward		23327.86		16786.63

TURNOVER

Your Company's turnover during the year under review was ₹ 650.92 Crores as compared to ₹598.08 Crores in the previous year, registering an increase of 8.83% over last year.

PROFITS

Profit from Operations before 'Other income and interest' for the year ended 31st March, 2014, stood at ₹117.96 Crores as against ₹123.08 Crores in the previous year. Profit before Tax for the year 2013-14 is ₹148.23 Crores vis-à-vis ₹131.15 Crores in the previous year reflecting an increase of 13.02%. Profit after Tax in 2013-14 stood at ₹106.57 Crores as against ₹ 93.69 Crores in the previous year. Your Directors are also pleased to advise that the Profit earned in 2013-14 is the highest recorded so far for the Company.

DIVIDEND

Your Directors have recommended a Dividend of ₹13 /- per share aggregating to ₹2428.02 Lakhs for the year 2013-14. The Dividend Tax amounts to ₹412.76 Lakhs.

COFFEE SCENARIO

The Arabica futures market prices witnessed wild swings during the year. Starting at around 150 cents/lb in April 13' it dropped steadily to 105-110 cents/lb levels before picking up marginally in December 13. On account of a severe drought in the major coffee producing countries, Brazil and anticipated drop in 2014/15 harvest of Arabica coffee, the market started hardening to end at around 200 cents/lb in March 14'.

The Robusta prices, traded in the London terminal, also saw hardening along with Arabica but not to the same extent. The market which was range bound at \$ 1450-1650 per tonne and moved up to \$ 2000 plus per tonne.

The Indian Robusta production have also shown a significant decline with some growing regions registering over 30% fall. This has led to strengthening of the differential for Robusta Parchment which forms a major part of your Company's Coffee production.

The global production of the 13-14' season is estimated at 145.7 million bags and consumption was 145.8 million bags. As per ICO estimates, the total consumption grew at the rate of 2.7% in the year 2013-14. The consumption in the exporting countries continues to increase significantly.

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TATA COFFEE LIMITED

OPERATIONS:

Plantations:

Coffee:

The Company has harvested a higher Arabica Crop of 2076 MT as against 1542 MT of previous year; Being an off year, Robusta production has been lower at 4781 MT as against 6800 MT in the previous year. This decline has been witnessed across all growing areas due to a long period of drought, followed by an extremely harsh monsoon which led to soil saturation and wet feet conditions resulting in defoliation, berry drop and incidences of stalk rot and black rot.

The plantations are experiencing an unusual weather pattern wherein there has been a long drought after the cessation of monsoon in October with only sporadic drizzles thereafter till the end of March 2014. Added to this, the prevailing day temperatures has been touching 36°C as against the normal range of 32 - 34°C.

In view of untimely and insufficient blossom showers, the Company has taken up blossom irrigation in all Robusta areas followed by backing to the extent possible, depending on the availability of water in the tanks.

Tea:

The Company produced 6.545 Million Kgs of Made tea in the financial year 2013-14 as against 6.640 Millon kgs in the previous year. The long drought in the month of January to April, with high day temperatures followed by incessant rains during monsoon had its impact on tea production. The selling prices were marginally better than the previous year.

Pepper:

The Company has achived a total pepper crop of 368 MT as against 1148 MT in the previous year. The steep decline in production is due to the prolonged dry period in the previous year experienced across all growing regions in India .The pepper crop was also affected by root wilt and quick wilt disease and the Company has taken all proactive measures to mitigate and minimize the damages.

Curing Works:

The Company's Curing Works at Kushalnagar cured a total of 11988 MT Coffee during the current year as against 12509 MT in the previous year. In addition, 306 MT of Monsooned Coffee was processed as against 307 MT in the previous year.

The unit handled marginally lower volumes during the year due to the lower crop arrivals during 2013-14 season and continued to achieve good financial performance due to the sustained cost reduction initiatives in the factory and better husk sale realization.

Exports

During the year 2013-14, your company exported 5237 MT of Coffee as against 4831 MT in the previous year. Your company continues to focus on growth through differentiated Coffees with volumes at 1205 MT with very good premiums.

Quality Awards:

Sustained and continued focus on quality has been the main focus of the Company over the years. In the year under review, the Company has won awards as the best exporter of Coffee to the Far East Russia, CIS Countries, USA and Canada at the Indian Coffee Export Awards . The R&G Unit at Kushalnagar has bagged the best Roaster Award in the India International Coffee Festival (IICF) held in the current calendar year. The Valparai, Nullore, Mylemoney, Goorghully, Margolly and Gubgul Estates of the Company have been adjudged as the best for their Arabica and Robusta Coffee.

Your company is committed to growth through quality and continues to participate in domestic and International forums to popularize the company's coffee.

Instant Coffee Division:

The year 2013-14 was challenging for Instant Coffee Division. The Division achieved a production of 6955 MT in the year under review as compared to 6639 MT over the previous year, representing an increase of 4.76 % and achieved sales of 6472 MT as against 6444 MT in the previous year. The Theni unit has just completed the pre-commissioning of a new Agglomeration plant to cater to the growing customer requirements viz., Aroma infusion, Color, higher Cup Profile Rating (CPR), Granule strength etc. The new Agglomeration plant can produce upto 8 MT per day with an annual capacity of 2640 MT, in addition to the existing capacity of 1650 MT. This is expected to cater to the demand of Agglomerated coffee in the African and Russian geographies.

The focus on other geographies over the traditional Russian market has resulted in 30% growth over the previous year thus contributing 55% of the total sales volume in 2013-14. While the dip in Russian market volumes has staggered the growth momentum, the division is confident to overcome the fall in demand in the Russian region in the coming year with dynamic marketing strategies.

With the shift from the Russian Market where the requirement was mostly in bulk sales, the necessity to pack in consumer packs (SKU's) took on high priority. A modern packing line with automated filling and weighing equipment has been commissioned at Theni to cater to this new requirement.



New product development has been a focused endeavor during the year; one such initiative micro grind impregnation in Freeze Dried Coffee has won market acceptance with consistent repeat orders.

During the year the division demonstrated continual improvement in energy conservation initiatives. With 100% spent coffee utilization, the division achieved reduction in fuel usage by 15%. As a part of its efforts to source non fossil based energy, the Theni unit has made arrangements to source upto 60% of its energy requirements through wind energy for the current financial year which will enable it to reduce its carbon foot print.

Further to the certification of ISO 9000, ISO 22000, HALAL, Kosher and SA 8000, the division focused on ISO 140001 / ISO 18000 – EMS & OSHAS certification as a continual focus on sustainability. While Theni was certified for ISO 140001 in March 2014, the Toopran unit is in the process of getting certifications from ISO 140001 & ISO 18000.

OTHER OPERATIONS

Plantation Trails

Divisional focus continues on improving margins by positioning the Plantation Trails brand in the premium segment. The Cottabetta Bungalow has performed well and continues to exceed guest expectations. The Thaneerhulla Bungalow has been recently launched after renovation and has received encouraging feedback. The overall top box scores for Customer Satisfaction were at 74%.

There have been media articles recognizing the uniqueness of our product and the coffee experience as a distinct strength of the business. International media familiarization trips has resulted in several brand mentions across international markets. A significant impact of this campaign has been an increase in the inbound business.

Plantation Trails was a recipient of several industry awards & recognitions for its continuous customer focus and excellence in service & delivery. Emphasis continues to be on improving occupancies by building sales & distribution using digital and social media channels.

STARBUCKS

Your Company has commissioned a state of art coffee roasting facility at Kushalnagar to cater exclusively to the requirements of Tata Starbucks in India. The facility is certified by Food Safety Standards Authority of India, and under ISO 22000:2005 and SA8000:2008. The facility also won the prestigious India International Coffee Festival (IICF) 2014 award.

The coffee beans used in this roastery are being supplied exclusively from the Company's estates. The Company is expected to benefit substantially in the long run from this alliance in terms of technology and process know-how and expansion into new geographies by supplying Starbucks requirement.

CAPITAL EXPENDITURE

During 2013-14, ₹3011.78 Lakhs was incurred primarily on account of welfare, modernisation, up-gradation and other programmes undertaken in the various units of the Company.

SUBSIDIARY COMPANIES

Eight O' Clock Coffee Company (EOC)

EOC's total Income during the year stood at ₹1026.25 Crores over the previous year's Income of ₹ 1099.27 Crores.

EOC's top-line income reflects the trend of increasing single serve sales where EOC gets only royalty Income compared with its traditional sales formats.

As reported in the previous year, EOC had moved into this very important Single Serve segment through K-Cups, with a brand licensing and royalty arrangement. Single serve K-Cups continue to show brand strength, building up a 6.2% volume share in its first full year. Volume growth in this segment for EOC at 7.3 Million lbs was over 300% against the previous year.

In the fiscal year, the green Arabica commodity costs declined steadily which allowed EOC Coffee to improve margins. Investment was made in brand re-launch, with new package graphics, new blends and a television advertising campaign. Increased investment was made in trade promotion to compete in the current market. EOC continues to perform profitably and the profit from the core business has been in line with the previous year after higher investment.

Consolidated Coffee Inc (CCI)

As reported last year, CCI had made an investment in Rising Beverage Company - a US based functional beverage company as a part of the diversification plan of the product portfolio of its operations in the USA.

A new marketing team was put in place and a major marketing campaign was also launched to market the product portfolio. Initially the product showed a lot of promise but over time, the operating performance of this product fell below the expected levels. Whilst all efforts were made to revive the business, based on changed market conditions, its performance and significant future funding requirements, a decision was taken during the year to divest its holding in this Company.

Consequent to the divestment of its stake, CCI incurred a pre-tax loss of \$ 16.931 Million. Net of minority interest and taxation the loss was \$ 6.533 Million. The net performance of US operations including the profits of EOC was a net loss of \ref{ta} 1.95 Crores as compared to profit after taxes of \ref{ta} 33.50 Crores in the previous year.

Alliance Coffee Limited

During the year under review, Board of Tata Coffee decided to merge the Company's Subsidiary - Alliance Coffee Ltd. (Alliance) with itself. The requisite approvals from the Stock Exchanges as required under the Listing Agreement have been obtained in this connection and the necessary petition has been filed with the Bangalore High Court for amalgamating Alliance with the Company with effect from the 1st April 2013.

REVIEW OF SUBSIDIARY COMPANIES:

- a. As required under the Listing Agreement with Stock Exchanges, the audited consolidated financial statements of the Company incorporating all its Subsidiary Companies prepared in accordance with applicable Accounting Standards are attached.
- b. The Ministry of Corporate Affairs has granted a general exemption to Companies as per which the provisions of Section 212 of the Companies Act, 1956 shall not apply in relation to subsidiaries, subject to the fulfillment of certain conditions. Accordingly the consolidated financial statements of the Holding Company and its Subsidiaries duly audited by its Statutory Auditors have been presented and the individual accounts of the Subsidiary Companies have not been attached.
- c. Any shareholder may either ask for a copy or inspect at the Registered Office, a copy of the audited accounts of the subsidiary companies.

CORPORATE GOVERNANCE

The Company is in compliance with all the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Compliance Report on Corporate Governance together with Management Discussion & Analysis Report is attached and forms an integral part of the Director's Report .

The Company has an adequate system of Internal Controls and Risk Management which are detailed in the Management Discussion & Analysis Report.

EMPLOYEES WELFARE

The Company's focus on welfare and improving the quality of lives of its people has continued as before. In order to improve the standard of living of our employees, we have been providing educational assistance to the children of employees, crèche and child care facilities, transport at subsidized rate to the school going children, supply of provisions at cost through co-operative store branches located at each Unit/Estate, to name a few.

The Company's commitment to comply with the international requirements under Social Accountability has been re-validated by the re-certification of Social Accountability 8000-2008 Certificate.

During the year, the Company was assessed for re-certification under the standards as mentioned in the Rainforest Alliance (RA) re-certification program. This reflects the Company's commitment towards protecting and preserving the environment & eco system. Safety in all aspects of work and even personal safety is of utmost importance and the company is taking all possible steps to ensure a safe working condition for all employees.

DIRECTORATE

Mr. R.K. Krishna Kumar who was Chairman of the Board, demitted his office as a Director in accordance with the Group Guidelines with effect from 18th July, 2013. Your Directors wish to place on record their sincere appreciation for the valuable contribution made by Mr. Krishna Kumar during his tenure as a Director of the Company.

Mr. Harish Bhat was nominated as the Chairman of the Company with effect from 26th July, 2013.

Mr. D.R.Kaarthikeyan was appointed as an Additional Director of the Company with effect from 2nd July, 2013 and in terms of Article 101 of the Articles of Association of the Company read with Section 161 of the Companies Act, 2013, (the Act). He holds office upto the ensuing Annual General Meeting. The Company has received a notice from a shareholder in terms of Section 160 of the Act signifying his intention to propose the appointment of Mr. D.R.Kaarthikeyan as a Director in the forthcoming Annual General Meeting.

Mr. T.Radhakrishnan was appointed as Additional Director of the Company with effect from 26th July, 2013. At the same meeting, he was also appointed as Executive Director-ICD Operations and in terms of Article 101 of the Articles of Association of the Company read with Section 161 of the Companies Act, 2013. He holds office upto the ensuing Annual General Meeting. The Company has received a notice from a shareholder in terms of Section 160 of the Act signifying his intention to propose the appointment of Mr. T.Radhakrishnan as a Director in the forthcoming Annual General Meeting.



Mr. Deepak Kumar was reappointed as Executive Director- Finance of the Company by the Board at its Meeting held on 18th October, 2013 for the period 25th October, 2013 to 24th October, 2014.

Mr. Hameed Huq was reappointed as Managing Director of the Company by the Board at its Meeting held on 7th November, 2013 for the period 3rd January, 2014 to 31st March, 2015.

It is proposed to appoint Mr. S.Santhanakrishnan, Mr. D.R. Kaarthikeyan, Mr. Venu Srinivasan and Prof. Arun Monappa as Independent Directors at the forthcoming Annual General Meeting in compliance with Section 149(6) of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

CORPORATE SOCIAL RESPONSIBILITY - SERVICE TO THE COMMUNITY

The Coorg Foundation, a Public Charitable Trust (Foundation) established by your Company continues to provide admirable support to various individuals and institutions in the field of health care, education and culture during the year.

The Foundation continues to provide aid to top ranking students who have studied in the Institutions based in Kodagu in the form of scholarships. New initiatives have been undertaken to support students from lower income group to enable them to pursue Non-professional Courses. In addition, vocational training are being provided to underprivileged students to enable them to seek alternative forms of employment in association with an NGO firm based in Bangalore.

Rural India Health Project Hospital (RIHP), Ammathi, which is managed by the Company, continues to serve the needy sections of the society. The Foundation provided grants to RIHP for treatment of patients belonging to the lower income group.

"Swastha" which is established by The Coorg Foundation as a fully residential institution for differently abled, continues to extend its support to the needy children in the Coorg and neighbouring areas through its centers in Suntikoppa and Pollibetta by imparting required education and training. In addition, the Community Based Rehabilitation programme (CBR), reaches out to a larger number of challenged people in the district by moving away from a central location and has rendered commendable service in the area. This is a novel and cost effective way of reaching out to a larger number of needy persons. Regular awareness programmes are conducted in the villages in Somwarpet Taluk and health camps are organized to identify needs and provide supportive devices to needy participants.

Three differently abled participants from Swastha who were part of the Indian contingent which participated in World Special Olympics games won 1 Gold, 1 Silver and 2 Bronze Medals in the Games held at Newcastle, Australia.

In addition, the Company has continued its initiatives for the development and protection of the girl child by conducting regular camps for detection of nutrition deficiency in girl children and promotion of self employment opportunities for women in Theni; Providing clean drinking water to the residents near the Toopran Unit and operating primary schools at Annamallais.

The Company has constituted a Corporate Social Responsibility Committee in compliance with Section 135 of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

Information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975) is given in the Annexure forming part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act 1956, the Report and Accounts are being sent to all Shareholders of the Company excluding the Statement of Particulars of Employees. Any shareholder interested in obtaining such particulars may inspect the same at the Registered Office of the Company or write to the Company for a copy.

FIXED DEPOSIT

The Company has not accepted any Fixed Deposit from the public during the year under review.

SHARES

96.21% of the Company's paid up Equity Share Capital has been dematerialized and the balance of 3.79% is in physical form as on 31st March 2014. The Company's Registrar's are M/s TSR Darashaw Private Limited and the addresses of their branches are detailed in the Compliance Report on Coprorate Governance forming part of this report. The Listing Fees for the Financial Year 2014-15 has been paid to the National Stock Exchange, Bombay Stock Exchange and Bangalore Stock Exchange.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The statement pursuant to Section 217(1) (e) of the Companies Act, 1956 read with The Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988) is attached.

TATA COFFEE

Seventy-first Annual Report 2013-2014

TATA COFFEE LIMITED

RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representation received from the operating management confirm:

- (i) that in the preparation of the accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed and that there are no material departures;
- (ii) that they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- (iii) that 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 Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that they have prepared the accounts for the financial year ended 31st March, 2014 on a 'going concern' basis.

The audit observations on the Financial Statements are suitably explained as and where necessary in the notes on accounts.

AUDITOR

M/s SNB Associates, Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting. They have furnished the certificate of their eligibility for re-appointment as required under the Companies Act.

On behalf of the Board

HARISH BHAT Chairman

Place: Chennai Dated: 13th May, 2014



Information in accordance with The Companies (Disclosure of Particulars in the Report Board of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March, 2014

A. CONSERVATION OF ENERGY

Energy Conservation measures taken

Spent coffee utilization with squeezer mechanism introduced in the year 2012-13 at Theni was effectively made used to the fullest advantage. With 100% spent coffee utilization the division achieved reduction in fuel usage by 15%.

The specific consumption of fuel reduced from 2.80 Kg/Kg of Instant Coffee in the previous to 2.36 Kg / Kg of Instant Coffee, as saving of 0.44 kg/kg of Instant Coffee.

implemented for reduction of consumption of energy

Additional Investments and proposals, if any, being The Theni unit sourced wind power which catered to 60% of its energy in the year 2014-15. This also enabled the unit to reduce carbon foot print by 1kg emission/Kg of IC

> The Theni Unit of Instant Coffee Division will be investing ₹50 lakhs on direct firing of spray dried with the modification of fuel switch from diesel to LPG. The energy reduction imitative will lead to a reduction of fuel consumption from 0.12 lit of HSD / Kg of IC to .04 kg of LPG / Kg of IC, Approximately 60% reduction in energy. This will ultimately result in 50% reduction in the energy cost.

impact on the cost per unit of production

Impact of the measures at (1) and (2) above for The usage of wind power energy at the Theni plant will reduction of energy consumption and consequent result in savings of approx. ₹ 1.50 /kg, in the financial year 2014-15.

> The energy conservation measures introduced at Theni by the way of spent addition etc. resulted in savings of ₹1.70/kg. The Toopran unit have enhanced in savings of approximately ₹0.50/kg over the previous year.

> The use of LPG with direct firing by replacing the High Speed Diesel. The firing to heat process air at spray drier will give in a saving of ₹ 5/Kg.

4. Total energy consumption and energy consumption per unit of production: FORM A: APPLICABLE TO TEA

А. Р	A. POWER AND FUEL CONSUMPTION					Current Year d 31.03.2014	Previous Year ended 31.03.2013
1.	ELE	CTRI	CITY (FOR MANUFACTURE)		citae	u 31.03.2014	CHaca 51.05.2015
	(a)	Pur Tota	chased Units al Amount (₹ Lakhs) e/Unit (₹)			67,24,712 509.58 7.58	60,51,891 378.65 6.26
	(b)		n Generation			5,70,643	8,38,314
		(i)	Through Diesel Generator Units			1,79,821	2,53,389
			Diesel Consumed – Ltrs. Cost of Diesel (₹ Lakhs)			94.52 3.17	119.88 3.31
			Unit/Ltr.			16.56	14.30
			Cost/Unit (₹)				
		(ii)	Through Steam Turbine/Generator			Nil	Nil
2.			GRADE USED IN DRIER				
			– Mts. Total			NI:I	NII
			akhs) Cost/MT (₹)			Nil Nil	Nil Nil
	/(۷	rage	COSUMIT (C)			Nil	Nil
3.	FUR	RNAC	E OIL		No	t Being Used	Not Being Used
4.	OTH	HERS	INTERNAL GENERATION				
(b)	(a)	Qua Tota Ave	o for Drier Intity - Mts. al Cost (₹ Lakhs) rage Cost per MT (₹) I – used in Drier		No	t Being Used	Not Being Used
(b)			– Cu. Mtrs.			12,234.00	15,904.63
			(Agri. Briquettes) – kg.			60,59,592	41,44,462
			t (₹ in Lakhs) (Firewood)			171.46	225.38
			t (₹ in Lakhs) (Agri Briquettes)			348.06	221.38
			Cost per Cu. Mtr. (₹) (Firewood) Cost/MT (Agri Briquettes)			1,402.00 5,744.04	1,417.09 5,341.58
	Ave	rage	Cost/Wii (Agii Biiquettes)			3,/44.04	3,341.36
	ndard duct:	s		Current Year ende	ed 31.03.2014	Previous Year e	ended 31.03.2013
	k Tea	(Kas	.)		6545142		6823663
		. 3	,		Kg.		Kg.
				Unit/Qty	Value/Unit	Unit/Qty	Value/Unit
Elec	tricity	/		1.03	7.79	0.89	5.55
Dies				0.09	1.44	0.08	1.76
Coal- C Grade				Nil	Nil	Ni	
Furnace Oil				Nil	Nil	Ni	
Leco				Nil	Nil	Ni	
	wood			0.0019	2.62	0.0023	
Agri	i Briqı	uette	5	0.93	5.32	0.63	3.39



B. TECHNOLOGY ABSORPTION:

В.	TECHNOLOGY ABSORPTION:		
1.	Specific area	a.	Maintenance and sustenance of soil health and Nutrient Index
	•	b.	Integrated Pest, Disease and Crop Management Research.
		c.	Bio-Control Research.
		d.	Varietal trial of Coffee, Pepper and Cardamom.
		e.	Quality enhancement and good post harvest processing.
		f.	Environmental preservation through surface water analysis, pesticide residue
			analysis, etc. and water conservation.
		g.	Bio-remediation and waste management - Recycling of agro waste, compost,
			vermi-compost & coffee waste water treatment and recycling.
		h.	Quality evaluation of estate produce and agro-inputs used in the estates.
		i.	Crop Diversification.
		j.	Apiculture.
		k.	Preparation and review of standard operating procedure for Plantation.
		l.	Collaborative Research to evolve less hazardous agro-chemical for sustainable
			agriculture.
2.	Benefits Derived	I.	Crop Nutrition Research :
			a. Maintenance of soil fertility through annual soil analysis and leaf diagnostic
			analysis:- the results are used to formulate optimum fertilizer recommendation
			and soil amendment application.
			b. Our fertilizer program is rationalized based on soil nutrient status, which is
			optimum and adequate to enhance crop production and productivity.
			c. Monitoring the availability of micronutrients and secondary nutrients to
			improve Coffee, Pepper & Cardamom productivity and quality.
		II.	Coffee Varietal Trial Experiment:
			Identified location specific high yielding, pest, disease and drought tolerant selection for planting in our estates.
		ш	Organic Manure :
			Waste management and recycling of agro waste through large-scale
			manufacture of compost with improved technology to enhance the soil fertility
			status. Introduction of Trichoderma and Pleurotus - beneficial fungi, to hasten
			the process of composting and Trichoderma to control soil borne diseases.
			 Addition of coffee 'Wet processed' waste water to hasten the process of
			composting and to increase the nutritive value. It also reduces the volume of
			waste water for treatment.
		IV.	Bio- control Research:
			a. Disease Control - Pepper Wilt: R & D pioneered and scaled up the culturing
			of quality Trichoderma fungus through fermentor, for use in the biological
			control of pepper wilt and root diseases of coffee.
			b. Coffee Berry Borer Control: Large-scale installation of berry borer trap (Broca
			trap) with the use of organic solvents and Culturing of Entomopathogenic
			fungus Beauveria bassiana, as a part of integrated pest Management.
			c. Coffee White Stem Borer Control: Large-scale installation of pheromone traps
			as a monitoring tool, 'Lime spray' and intensive tracing, as a part of Integrated Pest Management in endemic area.
		V.	Organic farming system:
		٧.	coffee and pepper cultivation is in compliance with organic Farming Standards as
			per NPOP and NOP – US technical standards.
		VI.	Crop Diversification: Areca nut, oil palm planted along the valleys and marginal
			areas have established and started giving economical yield. Horticultural crops like
			sapota, avocado 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 also to our customers on updated 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 Rainforest Alliance, UTZ, SA 8000 and ISO 22000.

3.	Plan of action in-house	Π.	Improved crop varieties:
٦.	rian of action in-nouse	''	Field assessment of location specific high yielding and pest, disease and drought
		П.	tolerant selection of coffee, pepper and cardamom. Crop Diversification:
		""-	•
			To assess the potential of very low yielding coffee areas and to identify other
			suitable commercial crops – cultivation of Oil Palm, Vanilla, and Natural Dye plants
			- Indigo & Bixa Orellana [Annatto dye plant], and fruit trees.
		III.	Mono Cultivation of Pepper: Intensive pepper cultivation adapting 'Integrated
			Pest & Disease Management'.
		IV.	Coffee 'Waste water' Treatment Research:
			Experiments are under way to determine economical waste water treatment
			through biological process and energy recovery from waste water.
		V.	Crop Nutrition Research:
			Rationalization of fertilizer application for the future. Experimenting on identification
			of potential 'Amino acid stimulants' for better absorption of applied nutrients.
		VI.	Water conservation:
			To develop an economically viable technique of recycling of treated waste water
			for agricultural use – Irrigation.
		VII.	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.
		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 WHO standard.
		XI.	F
			to revive the diminishing population of honey bees to preserve the bio-diversity.
		XII.	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.
			 College of Forestry Science, University of Agricultural Sciences, Bangalore.
		II.	Obtained Rainforest Alliance and Utz 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.
		III.	Scientific technical guidance to students pursuing higher studies both International
			and National universities.
		IV.	Our R & D Laboratory is recognised by the Department of Scientific and Industrial
		' ' '	Research, Ministry of Science and Technology.
			nescaren, wiinisary of science and recimology.

5. Expenditure on R & D

(a) Capital Expenditure ₹ 12.68 Lacs
 (b) Recurring ₹ 59.64 Lakhs
 (c) Total Expenses ₹ 72.32 Lakhs
 (d) Total as a % of turnover 0.11%

6. Technology Absorption:

Efforts made
 Benefits
 Technology imported
 As in item B (1) above
 Difficult to quantify
 Nil

7. Foreign Exchange Earnings and Outgo

Total Foreign Exchange

(a) Used: ₹ 14,805 Lakhs

(b) Earned:

(i) FOB ₹ 39,290 Lakhs(ii) Dividend earned- Net Withholding Tax: ₹1,971 Lakhs

On behalf of the Board

HARISH BHAT Chairman



COMPLIANCE REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

The Company's Corporate Governance philosophy is based on transparency, accountability, values and ethics and is an integral part of the management's initiative in its pursuit towards excellence, growth and value creation. The Company is committed to adopt highest standards of corporate governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders. The comprehensive written code of conduct "Tata Code of Conduct" adopted by the Companies in the Tata Group has also been adopted by the Company, serves as a guide on the standards of values, ethics and business principles to be followed in running its affairs. The Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices in pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations and the Whistle Blower Policy. The Company has also adopted the Tata Business Excellence Model, which stresses on excellence in whatever the Company does, while upholding high levels of values and business ethics. The Company is in total compliance with clause 49 of the listing agreement with the stock exchanges.

2. Board of Directors

The Board of Directors comprises of the Managing Director, two Executive Directors and five Non-executive Directors. During the Financial Year 2013-14 the Board met twelve times on 13th May, 24th May, 18th June, 2nd July, 26th July, 18th October, 7th November, 30th December in 2013 & 21st January, 1st March and 24th March in 2014.

Details of attendance of Directors at the Board Meetings and at the last Annual General Meeting with particulars of their Directorship and Chairmanship/Membership of Board/Committees in other Companies are as under:

Name of Director	Category	Attendance at		No. of other	Committee Positions		No. of
Messrs.		Board Meeting	Last AGM	Directorships	Member	Chairman	Shares held
R. K. Krishna Kumar*	C(NED)	2	-	3	-	-	-
Harish Bhat**	C(NED)	10	Yes	5	-	-	-
A. Monappa	NED & IND	9	Yes	-	-	-	-
U. Mahesh Rao***	NED & IND	4	Yes	2	4	1	-
Venu Srinivasan	NED & IND	1	No	13	3	1	-
S. Santhanakrishnan	NED & IND	10	Yes	5	2	3	-
Hameed Huq	MD	12	Yes	1	1	-	199
M. Deepak Kumar	ED	12	Yes	1	-	-	-
Mr. D. R. Karrthikeyan****	NED & IND	8	-	10	4	-	
T. Radhakrishnan#	ED	6	-	1	-	-	-

C-Chairman; NED-Non-Executive Director; IND – Independent Director; MD- Managing Director; ED-Executive Director Other directorships do not include alternate directorships, directorships of private limited companies and of companies incorporated outside India.

Chairmanship/Membership of Board Committees include membership of Audit and Shareholders/Investors' Grievance Committees only.

No Director is a member of more than 10 Committees or Chairman of more than 5 committees across all Companies in which he/she is a Director.

Minutes of the meetings of the Board Committees are circulated to all the Directors.

3. Audit Committee

During the Financial Year 2013-2014, the Audit Committee met ten times on 10th May, 24th May, 1st July, 23rd July, 4th September, 18th October, 5th November and 30th November in 2013 & 20th January and 1st March in 2014. The Committee Meetings are attended by the Managing Director, Executive Director – Finance, Executive Director (ICD Operations)

^{*}Mr.R.K.Krishna Kumar retired as Director from 18.07.2013.

^{**} Mr.Harish Bhat was appointed as Chairman with effect from 26.07.2013

^{***}Mr.U Mahesh Rao retired as Director from 02.07.2013

^{****} Mr. D.R.Kaarthikeyan was appointed as a Direcctor with effect from 02.07.2013

[#] Mr. T.Radhakrishnan was appointed as a director with effect from 26.07.2013

Sr. General Manager (Plantations), Sr.General Manager (Accounts) and the Company Secretary, who acts as the Secretary of the Audit Committee. The representatives of the Statutory Auditors also attend the Audit Committee Meetings.

The broad terms of reference of the Audit Committee include:

- (a) Review of the quarterly and half yearly financial statements with the management.
- (b) Review with the management and statutory auditors, the annual financial statements before submission to the Board.
- (c) Recommending the appointment and removal of statutory auditors, fixation of audit fee and payment for any other services rendered.
- (d) Review with the management, statutory auditors and the internal auditors, the adequacy of internal control systems.
- (e) Reviewing the adequacy of the internal audit function.
- (f) Discuss with the Statutory Auditors before the audit commences, the nature and scope of audit as well as post audit discussions to ascertain areas of concern, if any.
- (g) Consideration of the reports of internal auditors and discussion about their findings with the management and suggesting corrective actions, wherever necessary.
- (h) Overview of the Company's financial reporting process and disclosure of financial Information.
- (i) Look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any.
- (j) Reviewing the Company's financial and risk management policies
- (k) Reviewing compliances as regards the Company's Whistle Blower Policy.

Details of Attendance of Directors at the Audit Committee Meetings during 2013-14 are given in the following table:

Directors	No. of Meetings attended
Mr. S.Santhanakrishnan	10
Mr. U.Mahesh Rao*	3
Prof Arun Monappa	7
Mr. D.R.Kaarthikeyan**	7

^{*} Mr.U Mahesh Rao retired as Director from 02.07.2013.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr. S.Santhanakrishnan, Mr. Harish Bhat, Prof. A.Monappa and Mr.Venu Srinivasan. During the Financial Year 2013-14, the Nomination and Remuneration Committee met five times on 13th May, 2nd July, 26th July, 18th October and 7th November in 2013.

The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Company pays Sitting Fee of ₹20,000/- per meeting to the Non-Executive Directors for attending meetings of the Board, Audit Committee and Executive Committee and ₹10,000/- for other Committees except for meetings of the Stakeholder Relationship Committee for which no Sitting Fee is payable. The payment of Commission to Non-Executive Directors is approved by the Shareholders and by the Board. The Commission payable to the Non Executive Directors is decided each year by the Board of Directors and distributed amongst them based on their attendance and contribution at the Board and certain Committee meetings, as well as the time spent on operational matters other than at meetings. The Company also reimburses the out of pocket expenses incurred by the Directors for attending meetings.

^{**}Mr. D.R.Kaarthikeyan was appointed to the Board on 02.07.2013.



Details of the remuneration paid during the year 2013-14

a) Non-Executive Directors

Name	Commission (₹)	Sitting fee
	(Relating to 2012-13)	(₹)
Mr. R. K.Krishna Kumar*	25,82,000	50,000
Mr. U. Mahesh Rao**	35,20,000	1,60,000
Prof. A. Monappa	27,11,000	3,70,000
Mr. Venu Srinivasan	1,46,000	20,000
Mr. S. Santhanakrishnan	40,41,000	4,70,000
Mr. D. R. Kaarthikeyan	-	3,00,000

^{*} Mr.R.K.Krishna Kumar retired as Director from 18.07.2013

b) Managing Director and Executive Directors:

(₹ in Lakhs)

	Salary	Perquisites &	Contribution to	Commission
	·	Allowance	Retiral funds	
Mr. Hameed Huq	51.00	66.60	13.77	62
Mr. M. Deepak Kumar	38.40	49.99	10.37	35
Mr. T. Radhakrishnan	13.11	17.11	3.54	20

5. Corporate Social Responsibility Committee:

The Board has constituted a Corporate Social Responsibility (CSR) Committee, which comprises of Mr.S. Santhanakrishnan (Independent Director), Mr. D. R.Kaarthikeyan (Independent Director) and Mr. Hameed Huq.

The CSR Committee shall:

- i. Recommend to the Board, CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- ii. Recomend the amount of expenditure to be incurred on the activities as mentioned therein.
- iii. Monitor the CSR policy of the Company from time to time.

6. Stakeholders Relationship Committee

The Board has constituted a Stakeholders Relationship Committee, which comprises of Mr. S. Santhanakrishnan, Mr. Hameed Huq and Mr.Harish Bhat. During the Financial Year 2013-14 the Committee met four times on 13th May, 26th July and 7th November in 2013 & 21st January in 2014. The Committee oversees the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor service. The Company Secretary is the Compliance Officer. Given below is the position of complaints received and attended to for the year 2013-14.

Requests/Queries/Complaints received	2176
Requests/Queries/Complaints attended	2161
Pending requests/queries/complaints as on 31.03.2014	15*

^{*} Letters were received in the last week of March and have been replied to in April 2014.

Letters received through Statutory/Regulatory bodies are considered as complaints for reporting under Clause 41 of the Listing Agreement.

The Shares of the Company are traded in dematerialized form. During 2013-14, 97 requests for transfer/transmission covering 17728 shares and 186 requests for dematerialisation covering 22635 shares were received and processed. As on 31.03.2014 there were no shares pending for transfer and dematerialization.

7. Code of Conduct

The Company has adopted a Code of Conduct for its employees including the Managing / Executive Directors. In addition, a Code of Conduct for the company's Non-Executive Directors has also been adopted. Both these Codes have been posted on the Company's Website.

^{**} Mr.U Mahesh Rao retired as Director from 02.07.2013

8. General Body Meetings

Date, time and location of the last three Annual General Meetings (AGMs).

Year	Date & Time of Meeting	Venue
2010-11	5th August, 2011 at 11.30 A.M.	Registered Office : Pollibetta – 571215, Kodagu
2011-12	27th July, 2012 at 11.30 A.M	
2012-13	2nd July, 2013 at 11:30 A.M	

9. Disclosures

- (a) Disclosures of materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors, management, subsidiary companies or relatives etc. that may have potential conflict with the interest of the Company at large:
 - In terms of Accounting Standard 18, details of transactions with related parties have been reported in the Notes on Accounts. There were no materially significant transactions that had conflict with the interest of the Company.
- (b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years:

There was no such instance of non-compliance in the last three years.

10. Means of Communication

The Quarterly and Annual Financial Results of the Company are emailed/faxed/couriered to the Stock Exchanges in accordance with the Listing Agreement. The Results are displayed on the BSE and NSE websites. The Results are also published in leading English and Kannada Newspapers and posted on the Company's website "www.tatacoffee.com". In terms of clause 47(f) of the Listing Agreement, the Company has designated a separate email ID for entertaining investor complaints viz., investors@tatacoffee.com

Management Discussion & Analysis Report forms an integral part of the Annual Report.

11. General Shareholder information

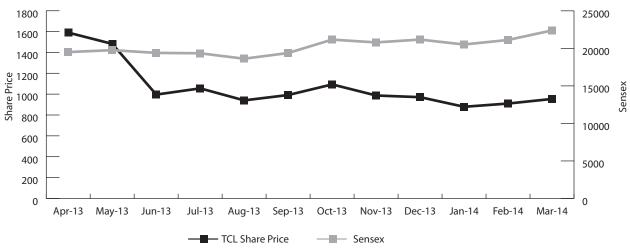
I.	AGM: Date, Time	21st July, 2014 at 10.00 A.M at the					
	and Venue	Registered Office: Pollibetta – 571 215, Kodagu.					
II.	Financial	Board Meeting for approval of:					
	Calendar		In July/August 2014				
	(tentative)	Audited Results for the second quarter ending September 30, 2014	In October/November 2014				
		Audited Results for the third quarter ending December 31, 2014	In January/February 2015				
		Annual Accounts 2014-2015	In May/June, 2015				
		Annual General Meeting for the year ended 31st March, 2015	In July/August, 2015				
III.	Dates of Book	5th July, 2014 to 21st July 2014 (both days inclusive)					
	Closure						
IV.	Dividend	The Dividend warrants will be mailed on or after 22nd July, 2014.					
	Payment Date						
٧.	Listing on	Bangalore Stock Exchange Ltd					
	Stock Exchanges	Stock Exchange Towers, No.51, 1st Cross, J.C.Road,					
		Bangalore-560 027.					
		Tel: 080-41575234/54					
		Fax: 080-22995242					
		Bombay Stock Exchange Ltd.					
		Phiroze Jeejeebhoy Towers, Dalal Street,					
		Mumbai-400 001					
		Tel: 022-22721233/34					
		Fax: 022-22723121					
		Stock Code: 532301					
		National Stock Exchange of India Ltd.,					
		Exchange Plaza, 5th Floor, Plot No.C/1, G.Block					
		Bandra-Kurla Complex, Bandra (E)					
		Mumbai – 400 051					
		Tel Nos: 022-26598100-8114					
		Fax: 022-26598237/38					
		Stock Code: TATACOFFEE					
The	The Company has paid Listing Fees for the financial year 2014-15 to each of the Stock Exchanges.						



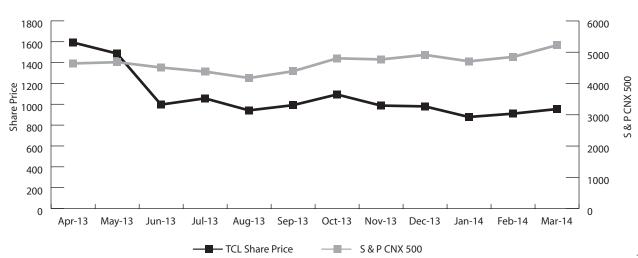
VI. Market Price Data: High and Low during each month in the last financial year.

	Bombay Stock	Bombay Stock Exchange Ltd.		hange of India Ltd.
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2013	1610.00	1480.00	1609.95	1469.00
May, 2013	1675.00	1475.00	1679.70	1480.00
June, 2013	1524.95	880.25	1509.00	880.50
July, 2013	1116.10	970.25	1117.00	971.00
August, 2013	1068.35	921.15	1067.60	920.25
September, 2013	1052.00	909.00	1054.70	936.00
October, 2013	1157.00	987.00	1157.20	985.00
November, 2013	1184.85	975.00	1182.90	974.00
December, 2013	1024.00	954.00	1023.90	950.10
January, 2014	1090.00	872.00	1090.90	870.05
February, 2014	945.10	869.90	927.20	868.35
March, 2014	976.55	884.00	977.00	882.35

VII. Share price performance compared with Broad based indices Movement of Share Price on BSE



Movement of Share Price on NSE



VIII. Name of the Depository with whom the Company has entered ISIN Code into Agreement

National Securities Depository Ltd. Central Depository Services (India) Ltd.

IX. Registrar and Transfer Agent

Share Transfers, Dividend payments and all other investor related **Regd.Office:** activities are attended to and processed at the Registered office of TSR Darashaw Private Limited. our Registrars and Transfer Agent (R&T). For lodgement of transfer 6-10, Haji Moosa Patrawala Ind. Estate, deeds and any other documents or for any grievances/complaints 20, Dr.E.Moses Road, kindly contact any of the offices of TSR Darashaw Private Limited Mahalaxmi which are open from 10.00 a.m to 3.30 p.m between Monday to MUMBAI - 400 011 Friday (Except on bank holidays)

Branch Offices

Bangalore

TSR Darashaw Private Limited. 503, Barton Centre, 5th Floor, 84. Mahatma Gandhi Road Bengaluru - 560 001. Tel: 080- 25320321 Fax:080-25580019

E-mail: tsrdlbang@tsrdarashaw.com

(iii) Kolkata

TSR Darashaw Private Limited. Tata Centre, 1st Floor 43, J L Nehru Road Kolkata - 700 071 Tel: 033-22883087 Fax: 033-22883062 E-mail: tsrdlcal@tsrdarashaw.com

(v) Ahmedabad (Agent)

Shah Consultancy Services Limited 3, Sumathinath Complex 2nd Dhal, Pritam Nagar Ellisbridge Ahmedabad - 380 006 Tel: 079- 26576038 Email: shahconsultancy8154@gmail.com

Share Transfer System Physical:

INE 493A01019

INE 493A01019

Tel: 022-66568484 Fax: 022-66568494 E-mail: csq- unit@tsrdarashaw.com

(ii) New Delhi

Web: www.tsrdarashaw.com

TSR Darashaw Private Limited. 2/42 Ansari Road, Daryaganj, Sant Vihar New Delhi - 110 002 Tel: 011-23271805 Fax: 011-23271802 E-mail: tsrdldel@tsrdarashaw.com

(iv) Jamshedpur

TSR Darashaw Private Limited. 'E' Road, Northern Town, Bistupur Jamshedpur – 831 001. Tel: 0657-2426616 E-mail: tsrdljsr@tsrdarashaw.com

Share holders may also contact/write to:

The Secretarial Department Tata Coffee Ltd., 57, Railway Parallel Road, Kumara Park West, Bengaluru-560 020. Email: investors@tatacoffee.com

Shares in physical form should be lodged for transfer at the office of the Company's Registrar & Transfer Agent, TSR Darashaw Private Ltd., Mumbai or at their branch offices at the addresses given above. 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 dematerialised form.



Dematerialisation of Shares and liquidity

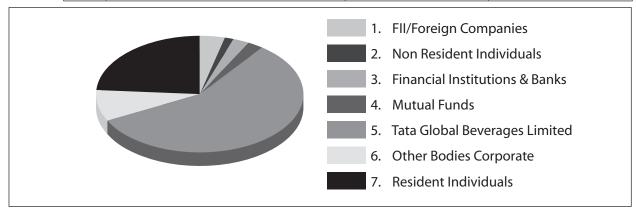
The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same alongwith 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 dematerialised and an electronic credit of shares is given in the account of the Shareholder.

XI. Distribution of Shareholding as on March 31, 2014

No. of	No. of	% to	No. of	% of
Equity Shares held	Shareholders	Shareholders	Shares	Shareholdings
1- 500	45,125	96.89	20,43,000	10.94
501- 1000	747	1.60	5,64,434	3.02
1001-2000	377	0.81	5,33,455	2.86
2001-3000	113	0.24	2,78,421	1.49
3001-4000	51	0.11	1,78,805	0.96
4001-5000	44	0.10	2,02,022	1.08
5001 – 10000	54	0.12	3,58,149	1.92
10001 & above	61	0.13	1,45,18,751	77.73
TOTAL	46,572	100.00	1,86,77,037	100.00

XII. Categories of Shareholders as on March 31, 2014

Sr. No.	Category of Shareholders	Total Holdings	Percentage
1.	FII/Foreign Companies	7,59,631	4.07
2.	Non Resident Individuals	2,37,339	1.27
3.	Financial Institutions & Banks	4,56,256	2.44
4.	Mutual Funds	4,69,529	2.51
5.	Tata Global Beverages Limited	1,07,35,982	57.48
6.	Other Bodies Corporate	16,07,145	8.61
7.	Resident Individuals	44,11,155	23.62
	TOTAL	1,86,77,037	100.00



XIII. Shares in physical and demat form as on March 31, 2014

	No. of Shares	Percentage
In Physical Form	7,08,196	3.79
In Dematerialised Form	1,79,68,841	96.21

XIV. No. of share holders whose shares as on March 31, 2014 are in physical and demat form.

	No. of Shares	Percentage
In Physical Form	9,347	20.07
In Dematerialised Form	37,225	79.93

XV.	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely	Nil
	impact on equity.	

XVI. Plant Locations

17 Coffee Estates in Kodagu, Hassan and Chikmagalur District, Karnataka. 1	Kodagu, Chickmagalur and		
Tea Estate in Hudikeri, Kodagu Dist. Karnataka and I Tea and Coffee (mixed)	Hassan Districts, Karnataka		
Estate in Basrikatte, Chikmagalur District.			
5 Tea Estates in Tamil Nadu/Kerala viz., Malkiparai, Pachaimalai, Pannimade, Kerala			
Uralikal & Velonie and 1 Coffee Estate in Tamil Nadu viz., Valparai Anamalais, Tamilnadu			
Curing Works, R&G factory and Pepper processing Unit Kushalnagar, Kudige, Kod			
3 Instant Coffee Plants	1). Toopran, Brahmanpally		
	Village, Andhra Pradesh (1)		
	2). Theni in the State of Tamil		
	Nadu (2)		

XVII. Address for correspondence

As stated in 10 (ix) above

12. Particulars about Director proposed for appointment as well as the Directors who retire by rotation and are eligible for re-appointment indicating their shareholdings in the Company have been given in the Notice of the forthcoming Annual General Meeting.

13. Compliance of Clause 49 pertaining to mandatory requirements & Auditors Certificate on Corporate Governance

The Company has complied with all the mandatory requirements on Corporate Governance as specified in clause 49 of the Listing Agreement with the Stock Exchanges.

As required under Clause 49 of the Listing Agreement, the Auditor's Certificate on compliance of the Corporate Governance norms is attached.

DECLARATION OF MANAGING DIRECTOR ON THE COMPANY'S CODE OF CONDUCT

In terms of Clause 49 of the Listing Agreement, 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, 2014.

HAMEED HUQ

Managing Director

Place: Chennai Dated: 13th May, 2014



MANAGEMENT DISCUSSION & ANALYSIS

A. Industry Structure and Developments:

The global production of coffee in the 13-14' season is estimated at 145.7 million bags and consumption at 145.8 million bags. The World top Coffee producer – Brazil has reported lower output due to drought conditions, which has caused significant fluctuations in coffee prices in the international market. As per ICO estimates, the total consumption grew at the rate of 2.7% in the year 2013-14. The coffee consumption in the exporting countries continues to increase significantly. The domestic coffee consumption has also been growing steadily over the years.

With the decline in the production of Robusta coffee and pepper for the financial year 2013-14 across all planting areas of Karnataka, Kerala & Tamilnadu, their prices are expected to go up.

The market for certified coffee continues to grow at a good rate with healthy premiums.

The market condition was challenging for Instant Coffee due to a dip in Russian market volumes. The Company has embarked upon dynamic marketing strategies and has made successful forays into African and Mid East markets; It is confident of posting better sales volumes in the coming year.

The global soluable coffee market is around 7,10,000 Metric Tonnes and is forecasted to reach 8,20,000 Metric Tonnes by 2017. The Spray and Agglomerated coffee markets are expected to post a CAGR of 2.7% and Freeze dried coffee market at CAGR of 5.2% till 2017. Much of the projected growth is expected to come from the emerging markets in Eastern Europe, Africa, Russia and CIS continue to yield volumes though the prices are much lower.

Tea continues to be the most popular and widely consumed beverage in India and around the world. Its consumption continues to grow globally at 3% annually. India, China and Srilanka have long dominated the world tea production, the African countries have steadily increased their production. The Global tea production is around 2500 M. Kgs out of which the combined production of the Asian Countries, Kenya, Indonesia and Vietnam account for 89%. The Indian tea production was about 1200 M Kgs, during 2013-14 as compared to 1126 M Kgs in the previous year mainly on account of unfavourable weather conditions in the major tea growing areas.

B. Opportunities, Threats & Risks

Your Company's business like any other commodity business is dependent on the demand and supply in the international and domestic markets. This is in turn dependent on the world coffee production stocks held by the producing countries and the economic situations prevailing in the importing countries.

The International Coffee Organisation (ICO) has estimated the total coffee production in the exporting countries at 145.70 million bags during 2013-14 as against 145.11 million bags in the previous year. India contributes a miniscule percentage of world coffee production at 5.25 million bags as against 5.23 million bags in the previous year.

The Arabica futures market prices witnessed wild fluctuations during the year. The prices which opened at around 150 cents/lb in April 13', dropped steadily to 120 cents/lb in November 13'. It picked up in December and peaked to 216 cents/lb in March 14'. The Robusta market prices which started at 107 cents/lb in April 13' witnessed a drop to a low of 85 cents/lb in November 13' and an upward swing to regain the 110 Cents/lb levels in March 14'.

As regards Curing Works, the industry continues to face stiff competition. The Company's Coffee curing unit at Kushalnagar, which is one of the oldest of its kind in the Country, has been upgraded with the state-of-the-art new machinery and is fully equipped to handle not only the in-house Curing/Processing requirement of the Company but also of third parties and to cater to Exports/Direct sale to the ultimate user. The unit is certified for various international standards viz. ISO 9001:2008, SA 8000:2008, Utz Kapeh Certificate, R.A. Certificate, and Organic Coffee Processing. The continued pooling of coffee by some of the large and small growers is a testimony of the trust and confidence reposed on the Company by the private planters over the years.

The Company has its own well equipped R & D department for carrying out various analytical exercises for ensuring quality output. The management of effluents at the Company's pulp house continues to get utmost importance.

The Plantation industry has been facing a severe shortage of skilled labour over the years as the ageing workforce is not being replenished with younger labour due to the availability of better alternative employment oppurtunities. In addition, the yearly increase of wages by the State Government continues to have a severe impact on the profitability of the Industry.

In addition, the impact of long dry spell encountered in the last two years has impacted yield particularly in our tea Estates in Annamalai's. As irrigation is not permitted by the authorities, your Company is looking at alternative means to counter this problem. In addition the man-animal conflict due to movement of wild elephants which frequent the plantations in search of food and water has become an everyday problem. A dedicated wild life cell has been set up to track animal movement and ensure workers safety. The Company is taking all steps to reduce this conflict and creating an awareness amongst the employees to avoid confrontation and promote peaceful co-existence by following safety precautions.

Helopeltis (Tea Mosquito Bug) has become a serious pest in the Anamallais and continues to be a risk to tea production, and the same is effectively controlled by taking actions as per UPASI guidelines.

White Stem Borer incidence has increased in Arabica due to extremely dry weather conditions coupled with increase in day temperatures. In addition to the integrated pest management technology being followed, we have initiated a collaborative research with Tata Chemicals and Rallis India to combat this pest with a new alternative chemical against the existing one, which has its limitations due to persistence and development of resistance due to its long usage.

C. Segment-wise or Product-wise Performance

Product-wise Turnover:

	2013	/14	2012/2013		
	Quantity (in Tonnes)	Value (₹in Lakhs)	Quantity (in Tonnes)	Value (₹in Lakhs)	
Coffee:					
Cured	8080	12,520.08	6926	11,994.72	
Instant	6497	31,579.01	6444	30,078.86	
R & G	403	1,046.50	366	730.59	
Tea	6483	7,336.39	6,614	6,816.23	
Pepper	1146	4,526.92	663	2,682.44	
Estate Supplies	_	3,251.42	-	3,078.37	

D. Outlook

Though dry & hot condition prevailed for a long period at the plantation, your Company has provided blossom irrigation to ensure the timely onset of blossom which is necessary for crop yield. The showers received during late March and April has acted as backing and will help in crop setting. With these initiatives, normal crop is expected for 2014-15. With our continued thrust on producing quality coffee and increasing the production of specialty coffee, we should be able to increase our share in international coffee market. The Company's association with the global major Starbucks should help in marketing our products through their supply chain all over the world. The Company's thrust towards community service as a good corporate citizen has been continuing.

The Instant Coffee Division will strive to hone the operational excellence and customer centricity initiatives bringing in global standards and best practices to attain sustainable growth. New product development and packaging solutions fastened with continual improvement and innovation will be the driving factors of this Division.

As regards Tea, the supply situation is tight in India at present and is likely to pick up in the coming months. Quality teas will continue to sell well and command a good premium in the domestic markets. The outlook for good liquoring teas is promising and is expected to have a strong demand. The plainer teas could come under pressure, and will depend on the Crops to be seen in the year 2014-15.

E. Internal Control Systems, Risk Management and their adequacy

The Company has adequate system of internal controls and risk management which are commensurate with its size and nature of operations. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial information, complying with applicable statutes, safeguarding of assets from unauthorized use or losses, authorization of transactions and adherence to corporate policies.



The internal controls and risk management systems are duly checked for their adequacy by carrying out regular and exhaustive internal audits. The Company has appointed leading firm of Chartered Accountants to carry out the internal audit of the Company's various divisions. The audit is carried out through an internal audit plan, which is reviewed each year in consultation with the Audit Committee which reviews of adequacy of internal control checks in the system and covers all significant areas of Company's operations.

The Company's Audit Committee reviews reports submitted by the Internal auditors. Suggestions for improvement are considered by the Audit Committee. The Management keeps the Audit Committee apprised periodically on the implementation status in respect of actionable items.

F. Financial and Operational Performance

The operating results showed a substantial improvement with the top-line crossing ₹ 650.92 Crores. The operating profit of ₹ 117.96 Crores was 4% lower than the previous year's profit of ₹ 123.08 Crores. The profit after tax is ₹ 106.57 Crores vis ₹ 93.69 Crores in the previous year.

The Instant Coffee Division faced a challenging time to maintain its trend of turnover and profitability as compared to the previous years.

The Plantations reflected significant improvement over the previous year, driven to a great extent by the surge in unit realizations in pepper. There were pressures on Coffee and Tea operations which were impacted by severe weather conditions.

G. Material Developments in Human Resources/Industrial Relations front and number of people employed

The manpower strength of the Company as on 31st March, 2014 was 5388 permanent employees including 152 Management staff across different locations.

Our efforts at Tata Coffee to build workforce capabilities through Competency Development for the management team and Skill Development to improve the skill levels of the workers and supervisors at our various estates, continued through the year. During this period, the second phase of the Competency Development exercise was implemented through Potential Development Centres (PDCs) and Skill Mapping was implemented as a pilot study in four selected estates. Based on the success of the pilot study, the Company had extended to all the other estates through this initiative. The Company continues its efforts to build further on Reward and Recognition practices introduced in the earlier years and the same has been deployed across the company in order to continue to encourage and foster employee engagement. Training and development interventions in areas of technical and behavioural needs of the workforce have been addressed through deployment of internal and external faculty.

The permanent workers at the ICD unit at Theni have formed a Union in FY 2013-14, which is awaiting recognition by the company management. Discussions are on-going in order to strengthen the collaborative IR environment at the Theni Unit. Harmonious industrial relations prevailed at all the other units of the Company during 2013-14 and there was no labour unrest reported from any of the units.

H. Cautionary Statement

Any statements made in this analysis relating to Company's objectives, expectations, estimates, projections, etc. may be considered as "forward looking statements" within the meaning of applicable securities, laws and regulations. actual results may differ from such estimates, projections, etc. whether expressed or implied. Factors which could make a significant difference to the Company's operations include climatic conditions, market price in the domestic and overseas markets, changes in Government regulations and tax laws, economic conditions affecting demand/supply and other environmental factors over which the Company does not have any control.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Tata Coffee Limited.

We have examined the compliance of conditions of Corporate Governance by Tata Coffee Limited (the Company) for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement (amended) of the Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the guidance note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to 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 statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

> For SNB ASSOCIATES **Chartered Accountants**

S. LAKSHMANAN Partner

Membership No:20045 (Firm's Registration No: 015682N)

Place: Chennai

Date: 13th May, 2014



AUDITORS' REPORT TO THE MEMBERS OF TATA COFFEE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TATA COFFEE LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of TATA COFFEE LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2014, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management of the Company is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, and the financial statements give the information required by the Act in the manner so required and give a true and fair view in

conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- ii) In the case of the Statement of Profit and Loss of the profit for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement of the matters specified in paragraph 4 and 5 of the said order.
- (ii) Further to our comments in the Annexure referred to in Paragraph 5(i) above, as required by section 227(3) of the Act, we report that;
 - we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt herewith comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - e. on the basis of the written representations received from the Directors and taken on records by the Board of Directors, none of the Director is disqualified, as at the balance sheet date, from being appointed as a Director in terms of section 274 (1) (g) of the Companies Act, 1956;

For SNB ASSOCIATES

Chartered Accountants Firm Registration No : 015682N

S.LAKSHMANAN

Place : Chennai Partner
Date : 13th May, 2014 Membership No. 20045

ANNEXURE TO THE AUDITORS' REPORT OF TATA COFFEE LIMITED

[Referred to in paragraph 5 of the Auditor's report of even date to the Members of Tata Coffee Limited on the financial statements for the year ended March 31, 2014]

- i. a. The Company is maintaining proper records showing full particulars, including quantitative details and the situation of its fixed assets;
 - A major portion of fixed assets has been physically verified by the management during the year. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed have been properly dealt with in the books of accounts;
 - The assets disposed off during the year are not significant and therefore do not affect the going concern assumption;
- ii. a. The management has conducted physical verification of inventory at reasonable intervals. In our opinion and according to the information and explanations given to us, the procedure for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
 - In our opinion company has maintained proper records of inventory. The discrepancies between the physical stocks and book stocks were not material and have been properly dealt with in the books of accounts;
- iii. In our opinion and according to the information and explanation given to us, the Company has neither granted nor taken any loans, secured or unsecured to/from the companies, firms or other parties covered in the register maintained under Section 301 of the companies act, 1956;
- iv. In our opinion and according to the information and explanation provided to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system;
- In our opinion and according to the information and explanation provided to us, there are no contracts and arrangements, the particulars of which needs to

- be entered in the register maintained under section 301 of the Companies Act, 1956;
- The Company has not accepted any deposits from the public;
- vii. In our opinion, the company has a system of internal audit, which commensurate with the size and nature of its business;
- viii. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government under Section 209(1) (d) of the Companies Act, 1956 for maintenance of Cost records in respect of Coffee, Coffee products and tea are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete;
- ix. a. As per the records of the company and information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, investor education & protection fund, employees state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise-duty, cess and other applicable statutory dues. No undisputed amount was outstanding as at 31st March 2014 for a period of more than six months from the date they became payable.
 - b. As at the Balance Sheet date, the following are the details of disputed Income Tax, Excise Duty, Customs Duty, Service Tax, Sales Tax and Cess that have not been deposited with the concerned authorities:

Nature of dues	Relevant Financial Year	Disputed amount (In Lakhs)	Forum Where dispute is pending
Central Income	2003-04	8.34	Karnataka High Court
Tax	2004-05	1.91	Karnataka High Court

- x. The Company has neither accumulated losses at the end of the financial year nor incurred cash losses during the year and in the immediately preceding financial year.
- xi. Based on our audit procedures and the information and explanations given by the management, we are



- of the opinion that the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders;
- xii. Based on our examination and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- xiii. The Company is not a chit/nidhi/mutual benefit fund/ society.
- xiv. The Company is not dealing or trading in shares, securities, debentures and other investments;
- xv. On the basis of the information and explanations given to us the Company has not given any guarantee for loans taken by others from bank or financial institutions;
- xvi. During the year, the company has taken the term loans. In our opinion and according to the information and explanation given to us the term loans have been applied for the purposes for which they were obtained.
- xvii. On the basis of our examination of the books of account and the information and explanation given to us, in our opinion, the funds raised by the Company on short-term basis have not been used for long-term investment.

- xviii. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- xix. To the best of our knowledge and belief and according to the information and explanations given to us, for the debentures outstanding necessary security has been created as per the terms of the issue.
- xx. The Company has not raised any money by public issues during the year.
- xxi. To the best of our knowledge and according to the information and explanations given to us, having regard to the nature of the Company's business, no material fraud on or by the Company was noticed or reported during the year.

For SNB ASSOCIATES

Chartered Accountants Firm Registration No : 015682N

S.LAKSHMANAN

Place : Chennai Partner
Date : 13th May, 2014 Membership No. 20045

BALANCE SHEET

	Note	As		As a	
		31st Marc	ch, 2014	31st Marc	h, 2013
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Equity and Liabilities					
Shareholders' Funds					
Share Capital	2.02	1,867.70		1,867.70	
Reserves and Surplus	2.03	58,522.02		50,577.63	
			60,389.72		52,445.33
Non-Current Liabilities	204	2 272 50		4 444 07	
Long-term Borrowings	2.04	3,370.50		4,411.87	
Deferred Tax Liabilities (Net)	2.05	1,697.63		721.79	
Other Long-term Liabilities	2.06	236.49		168.20	
Long-term Provisions	2.07	2,412.65		2,390.48	7.602.24
Current Liabilities			7,717.27		7,692.34
	2.00	F 007 30		F F20.66	
Short-term Borrowings	2.08	5,997.20		5,530.66	
Trade Payables Other Current Liabilities	2.09 2.10	2,380.70		2,913.73	
Short-term Provisions	2.10	6,892.79		6,814.42	
Short-term Provisions	2.11	4,959.61	20,230.30	4,431.61	19,690.42
TOTAL			88,337.29		79,828.09
ASSETS			00,337.29	:	79,828.09
Non-Current Assets					
Fixed Assets					
Tangible Assets	2.12	30,709.35		23,460.60	
Intangible Assets	2.12	584.25		751.29	
Capital work-in-progress	2.12	766.92		5,384.91	
Non-current Investments	2.13	14,563.44		14,563.44	
Long-term Loans and Advances	2.13	1,107.81		1,999.76	
Other non-current assets	2.15	8.75		8.49	
other non-current assets	2.13	- 0.75	47,740.52	0.15	46,168.49
Current Assets			47,740.52		10,100.15
Inventories	2.16	19,717.74		15,920.45	
Trade Receivables	2.17	6,270.37		4,959.94	
Cash and Bank Balances	2.18	1,357.39		2,355.33	
Short-term Loans and Advances	2.19	12,172.46		8,931.28	
Other Current Assets	2.20	1,078.81		1,492.60	
			40,596.77		33,659.60
TOTAL			88,337.29		79,828.09

Notes forming part of financial statements

N. S. SURYANARAYANAN S. SANTHANAKRISHNAN HAMEED HUQ HARISH BHAT Company Secretary Director Managing Director Chairman

Per our report of even date For SNB ASSOCIATES Chartered Accountants

S. LAKSHMANAN

Partner

Membership No. 20045

Place: Chennai Date: 13th May, 2014



STATEMENT OF PROFIT AND LOSS

	Note	For the ye		For the yea	
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Income					
Revenue from Operations	2.21	65,091.63		59,807.96	
Other Income	2.22	3,518.07		2,220.68	
Total Revenue			68,609.70		62,028.64
Expenses					
Cost of Material Consumed	2.23	20,936.80		18,968.94	
Purchase of Stock-in-Trade	2.24	3,396.10		3,137.25	
Change in Inventories of Finished Goods/ Work-in-progress/ stock-in-trade	2.25	(3,054.62)		(1,584.39)	
Employee Benefits Expense	2.26	13,823.92		12,022.99	
Finance Costs	2.27	491.31		454.96	
Depreciation and amortization expense		2,050.74		1,477.76	
Other Expenses	2.28	16,142.28		13,477.45	
Total Expenses			53,786.53		47,954.96
Profit before exceptional items and taxes			14,823.17		14,073.68
Exceptional items	2.29		-		(958.78)
Profit before tax			14,823.17		13,114.90
Tax expenses					
Current tax		3,860.12		4,188.00	
Excess Tax provision written back		(669.80)		(108.15)	
Deferred tax		975.84	4,166.16	(334.21)	3,745.64
Net Profit for the Year			10,657.01		9,369.26
Earning Per Share - Basic & Diluted			57.06		50.16
Weighted average number of shares (Face value of ₹ 10 each)			18,677,037		18,677,037

Notes forming part of financial statements

N. S. SURYANARAYANAN Company Secretary

S. SANTHANAKRISHNAN *Director*

HAMEED HUQ Managing Director HARISH BHAT Chairman

Per our report of even date For SNB ASSOCIATES Chartered Accountants

S. LAKSHMANAN

Partner

Membership No. 20045

Place: Chennai Date: 13th May, 2014

CASH FLOW STATEMENT

		Year ended 31st March, 2014		Year e 31st Marc	
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A.	Cash Flow from Operating Activities:				
	Profit Before Tax as per P&L Statement		14,823.17		13,114.90
	Adjustments for:				
	Depreciation	2,050.74		1,477.76	
	Provision for doubtful debts/advances/ impairment	16.13		_	
	Investment and Interest Income	(3,460.30)		(2,171.14)	
	Interest/finance Charges	491.31		454.96	
	Investments in Joint Venture - winding up	-		0.65	
	Unrealised foreign exchange (gain)/loss	31.45		13.55	
	(Profit)/loss on sale of fixed assets	(7.95)		10.75	
	Excess provision written back	(391.10)	(1,269.72)	(157.75)	(371.22)
	Operating Profit Before Working Capital Changes:		13,553.45		12,743.68
	Working Capital Changes:				
	Decrease/(Increase) in Trade Receivables, Loans and Advances	(1,529.85)		(1,318.67)	
	Decrease/(Increase) in Inventories	(3,797.29)		(3,525.15)	
	$Increase/(Decrease) in Trade\ Payables, Liabilities\ \&\ Provisions$	(515.88)	(5,843.02)	4,742.81	(101.01)
	Cash Generated from Operations:		7,710.43		12,642.67
	Direct taxes paid		(3,669.86)		(3,517.74)
	Net Cash Flows from/(used in) Operating Activities		4,040.57		9,124.93
B.	Cash Flow from Investing Activities:				
	Purchase of fixed assets and changes in capital work-in-progress	(3,647.11)		(6,259.85)	
	Sale of fixed assets	106.25		109.21	
	Other deposits/ICDs Placed	(2,100.00)		(3,700.00)	
	Investment and Interest Income received	3,504.14		2,043.84	
	Net Cash Flows from/(used in) Investing Activities		(2,136.72)		(7,806.80)



CASH FLOW STATEMENT

		Year ended 31st March, 2014		Year ended 31st March, 2013	
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
C.	Cash Flow from Financing Activities:				
	NCDs issued/(repaid) during the period	-		(3,104.17)	
	Proceeds from/(repayment of) short-term borrowings	466.54		3,868.40	
	Proceeds from/(repayment of) long-term borrowings	(1,234.78)		2,785.75	
	Interim Dividends paid	-		(1,085.35)	
	Dividends and dividend tax paid	(1,638.88)		(2,387.76)	
	Interest and finance charges paid	(493.22)		(500.33)	
	Net Cash From/(Used In) Financing Activities		(2,900.34)		(423.46)
D.	Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)		(996.49)		894.67
	Cash and Cash Equivalents				
	Opening Balance		2,204.68		1,310.01
	Closing Balance		1,208.19		2,204.68

Note: Previous year's figures have been regrouped/rearranged wherever necessary to conform to this year's classification.

Notes forming part of financial statements

N. S. SURYANARAYANAN Company Secretary S. SANTHANAKRISHNAN *Director*

HAMEED HUQ Managing Director HARISH BHAT Chairman

Per our report of even date For SNB ASSOCIATES Chartered Accountants

S. LAKSHMANAN

Partner

Membership No. 20045

Place: Chennai Date: 13th May, 2014

NOTES ON ACCOUNTS

2.01: SIGNIFICANT ACCOUNTING POLICIES

I. The presentation of the accounts is based on the revised Schedule VI of the Companies Act, 1956. All assets and liabilities are classified into current and non-current generally based on criteria of realization/settlement within twelve months period from the Balance Sheet date.

II. Statement of Profit and Loss

- a) All income and expenses are accounted on accrual basis.
- b) Sales are recognized on transfer of property in goods together with risks and rewards i.e. delivery as per terms of sale or on completion of auction in case of auction sale. In the case of Rosewood sale, income is recognized on completion of auction sale and confirmation of receipt of money by the auctioneer. Export incentives are estimated and accrued on completion of export sales.
- c) The sale value of own timber and value added timber products are credited to revenue. Capital profits on such sale, including capital profit on value added timber products determined at estimated market value of actual timber input, are transferred to General Reserve No. II through Appropriation account.
- d) Depreciation on Fixed Assets is provided at the rates stated in Schedule XIV of the Companies Act, 1956,

Divisions	Method followed
Coffee Estates & Part of Curing works	WDV
Other Divisions	SLM

Leasehold improvements are being depreciated over the lease period. In respect of certain assets, depreciation has been provided at the rates arrived at based on its estimated useful life or as per the Rates prescribed in Schedule XIV whichever is higher. Increase/decrease in value of Fixed Assets due to Foreign exchange fluctuation is depreciated over the balance residual life of the Asset.

- e) The benefits for Employees/Executive Directors are provided in accordance with the revised AS 15 and are dealt with in the following manner.
 - Contribution to Provident Fund and Defined Contribution Superannuation Funds are accounted on accrual basis.
 - Post retirement defined benefits including gratuity, superannuation, and medical benefits for qualifying employees/whole time directors as provided by the Company are determined by the independent actuarial valuation at year end and charge recognized in the books.
 - Other employee benefits are accounted for on accrual basis. Liabilities for compensated absence are determined based on independent actuarial valuation at the year end and charge is recognized in the statement of profit and loss. Short term employee benefits are recognized on an undiscounted basis where as long term liabilities are recognized on discounted basis.
- f) Transactions in foreign currency are recorded using the spot rate at the beginning of each fortnight and exchange differences resulting from settled transactions are taken in the Statement of Profit and Loss. Year end balances of monetary items are restated at the year-end exchange rates and the resultant net gain or loss is recognized in the statement of profit and loss. Premium or discount on forward contracts where there are underlying assets/liability are amortized over the life of the contract.
 - Gain or loss on hedging instruments in respect of effective portion of cash flow hedges of highly probable transactions are recognized in the hedging reserve account. The portion of the gain or loss on the hedging instruments if determined to be an ineffective cash flow hedge is recognized in the Statement of Profit and Loss. In terms of Para 46 and 46A of AS 11 issued by The Institute of Chartered Accountants of India, the exchange difference relating to long term foreign currency monetary items in so far as it relates to acquisition of depreciable capital assets are adjusted to the cost of the assets and in other cases such differences are accumulated in 'Foreign currency Monetary Item Translation Difference Account'.
- g) Deferred tax is recognized using the liability method, on all timing differences to the extent that it is possible that a liability or asset will crystallize. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

III. Balance Sheet

- a) Assets and Liabilities are recorded at cost to the Company.
- b) Fixed Assets are stated at cost less depreciation. Interest on qualifying assets (i.e. Assets that take substantial time to be ready for intended use) is capitalized at the applicable borrowing cost on the funds used for acquiring such assets. Roll over charges, and exchange differences, relating to foreign currency borrowings attributable to Fixed Assets are capitalized. The Fixed assets are tested for impairment and wherever required, provision is made.
- c) Investments of long-term nature are stated at cost. A provision for diminution in value is made to recognize a decline, other than temporary. Current investments are stated at lower of cost and market value.
- d) Inventories are valued at cost or net realizable value whichever is lower, cost being determined on weighted average method. Cardamom and other minor produce are valued at net realizable value. Raw Materials and Stores & Spares are valued at weighted average cost.



NOTES ON ACCOUNTS

2.02 Share Capital AUTHORISED	As at 31st March, 2014 ₹ in Lakhs	As at 31st March, 2013 ₹ in Lakhs
2,50,00,000 (2,50,00,000) Equity Shares of ₹10/- each	2,500.00	2,500.00
	2,500.00	2,500.00
ISSUED, SUBSCRIBED AND PAID-UP		
1,86,77,037 (1,86,77,037) Equity Shares of ₹10/- each, fully paid	1,867.70	1,867.70
	1,867.70	1,867.70

A. Details of shares held by Holding Company/ Subsidaries/ Associates:

	As at 31st Ma	irch, 2014	As at 31st March, 2013	
Name of Share holder	No. of Shares	% Holding	No. of Shares	% Holding
Tata Global Beverages Limited - Holding Company	10735982	57.48%	10735982	57.48%

B. Details of Shareholders holding more than 5% shares:

	As at 31st March, 2014 As at 31st March		rch, 2013	
Name of Share holder	No. of Shares	% Holding	No. of Shares	% Holding
Tata Global Beverages Limited - Holding Company	10735982	57.48%	10735982	57.48%

C. Reconciliation of number of shares:

	As at 31st March, 2014	As at 31st March, 2013
Number of shares as at 01.04.2013	18,677,037	18,677,037
Add: Shares issued during the year	-	_
Number of shares as at 31.03.2014	18,677,037	18,677,037

	As at	As at
	31st March, 2014	31st March, 2013
	₹ in Lakhs	₹ in Lakhs
2.03 Reserves and Surplus		
Capital Subsidy Reserve		
Balance as on 01.04.2013	_	30.10
Less :Transferred to General Reserve No. 1	_	(30.10)
Capital Subsidy Reserve	-	
Capital Redemption Reserve	10.41	10.41
Debenture Redemption Reserve		
Balance as on 01.04.2013	_	1,357.44
Less: Amount transferred to Surplus in Statement of Profit and Loss	_	(1,357.44)
Debenture Redemption Reserve	_	
·	14 424 27	14.424.27
Securities Premium Account	14,424.27	14,424.27
Hedging Reserve		
Balance as on 01.04.2013	15.82	(100.36)
Add: Movement for the year	103.32	116.18
Hedging Reserve	119.14	15.82
Foreign Currency Monetary Item Translation Difference Account		
Balance as on 01.04.2013	(41.63)	_
Add: Movement for the year	24.84	(41.63)
Foreign Currency Monetary Item Translation Difference Account	(16.79)	(41.63)
	(22 27	
General Reserve I	12.055.60	11.075.50
Balance as on 01.04.2013	12,055.60	11,075.50
Add: Transferred from Surplus in Statement of Profit and Loss	1,100.00	950.00
Add: Transferred from Capital Subsidy Reserve General Reserve I	12 155 60	30.10
General Reserve I	13,155.60	12,055.60
General Reserve II		
Balance as on 01.04.2013	6,494.00	6,242.06
Add: Transferred from Surplus in Statement of Profit and Loss	175.00	251.94
General Reserve II	6,669.00	6,494.00
Amalgamation Reserve	832.53	832.53
Surplus in Statement of Profit and Loss		
Balance as on 01.04.2013	16,786.63	9,986.07
Add: Net Profit for the year	10,657.01	9,369.26
Amount available for appropriation	27,443.64	19,355.33
Less: Appropriation		
Interim and Proposed Dividend	(2,428.02)	(2,334.63)
Provision for Tax on Dividend	(412.76)	(389.56)
Transferred from Debenture Redemption Reserve	(412.70)	(369.36) 1,357.44
Transferred to General Reserve I / General Reserve II	(1,275.00)	(1,201.95)
Net Surplus	23,327.86	16,786.63
•		
Total Reserves and Surplus	58,522.02	50,577.63



NOTES ON ACCOUNTS

2.04 Long-term Borrowings	As at 31st March, 2014 ₹ in Lakhs	As at 31st March, 2013 ₹ in Lakhs
Secured		
Loan from Banks		
External Commercial Borrowing	4,868.50	5,430.00
Less: Maturing within the next 12 months	(1,498.00)	(1,018.13)
Total Long-Term Borrowings	3,370.50	4,411.87

Details of Borrowings:

External Commercial Borrowing is secured by first ranking exclusive charge over the land, building and plant & equipment of a coffee estate and a *pari-pasu* charge over immovable and movable fixed assets situated at the Theni Plant. The Loan is repayable in sixteen equal quarterly instalments commencing from 3rd September, 2013.

	As at	As at
	31st March, 2014	31st March, 2013
	₹ in Lakhs	₹ in Lakhs
2.05 Deferred Tax Liabilities (Net)		
Deferred Tax Liability		
Depreciation	2,092.34	1,396.00
	2,092.34	1,396.00
Deferred Tax Asset		
Provision for doubtful debts/advances	98.66	97.00
Employee Benefits	296.05	577.21
	394.71	674.21
Net Deferred Tax Liabilities	1,697.63	721.79
2.06 Other Long-Term Liabilities		
Deposits	236.49	168.20
	236.49	168.20
2.07 Long-term Provisions		
Employee Benefits	2,412.65	2,390.48
	2,412.65	2,390.48

2.08 Short-term Borrowings Secured	As at 31st March, 2014 ₹ in Lakhs	As at 31st March, 2013 ₹ in Lakhs
Loan from Banks		
Working capital facilities	5,997.20	5,530.66
	5,997.20	5,530.66
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.		
2.09 Trade Payables		
Due to Micro & Small Enterprises (\$)	4.95	25.56
Others	2,375.75	2,888.17
	2,380.70	2,913.73
$\$ Includes amounts due beyond a period of 30 days of $\$ 0.16 Lakhs and Interest paid/payable $\$ 0.006 Lakhs		
2.10 Other Current Liabilties		
Current Maturities of Long-Term Borrowings	1,498.00	1,018.13
Security Deposits/Advances from Customers	1,322.28	1,862.24
Unclaimed Dividends	149.20	150.65
Interest Accrued but not due	8.69	10.60
Employee Benefits	1,337.29	1,484.97
Other Payables	2,577.33	2,287.83
	6,892.79	6,814.42
2.11 Short-term Provisions		
Employee Benefits	687.94	882.33
Taxation less advance payment	1,430.89	1,910.43
Proposed Dividend	2,428.02	1,400.78
Tax on Dividend	412.76	238.07
	4,959.61	4,431.61



NOTES ON ACCOUNTS

2.12 Fixed Assets ₹in Lakhs

		COST			DEPRECIATION			NET BOO	K VALUE	
	As at	Additions	Deductions	As at	As at	For the	Deductions	Up to	As at	As at
	01.04.2013			31.03.2014	01.04.2013	Year		31.03.2014	31.03.2014	31.03.2013
TANGIBLE										
Freehold Land and	6,949.61	-	(3.69)	6,945.92	-	-	-	-	6,945.92	6,949.61
Development Leasehold Land and Development	830.15	_	-	830.15	0.16	_	_	0.16	829.99	829.99
Buildings	6,132.15	1,706.78	(11.05)	7,827.88	2,128.33	225.43	(11.05)	2,342.71	5,485.17	4,003.82
Water and Sanitary Installations	959.26	108.95	(12.41)	1,055.80	462.91	45.31	(12.34)	495.88	559.92	496.35
Electrical Installations	1,331.65	319.52	(5.08)	1,646.09	580.29	82.82	(5.06)	658.05	988.04	751.36
Plant & Equipment	18,412.39	6,683.69	(187.58)	24,908.50	9,019.93	1,281.31	(173.46)	10,127.78	14,780.72	9,392.46
Furniture & Fixtures	586.97	68.48	(5.71)	649.74	447.90	35.70	(5.55)	478.05	171.69	139.07
Computers	311.15	39.18	(2.87)	347.46	193.28	38.47	(0.98)	230.77	116.69	117.87
Office Equipment	174.05	23.68	(9.76)	187.97	98.98	8.80	(6.74)	101.04	86.93	75.07
Motor Vehicles	1,229.71	280.43	(202.66)	1,307.48	524.70	165.85	(127.34)	563.21	744.27	705.01
Total Tangibles	36,917.09	9,230.71	(440.81)	45,706.99	13,456.48	1,883.70	(342.52)	14,997.65	30,709.35	23,460.60
INTANGIBLE										
Capitalised Software	885.06	-	-	885.06	133.77	167.04	_	300.81	584.25	751.29
Total Intangibles	885.06	_	_	885.06	133.77	167.04	_	300.81	584.25	751.29
Total	37,802.15	9,230.71	(440.81)	46,592.05	13,590.25	2,050.74	(342.52)	15,298.46	31,293.60	24,211.89
Previous Year	35,565.89	2,897.25	(660.98)	37,802.15	12,653.52	1,477.76	(541.03)	13,590.25	24,211.89	

a) Additions includes ₹ 115.73 Lakhs towards Buildings and ₹ 699.22 Lakhs towards plant & Equipment on account of exhange differences on Long-term Foreign currency Loans (Ref para II (f) of Note 2.01).

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) The depreciation for the following assets are worked on the basis of useful life mentioned below:

Spraying & Pruning Machineries in Tea Plantation-5 YearsSpraying Tankers in Tea Plantation-9 YearsCertain Assets under Furniture & Fixtures in Plantation Trails-4 YearsCertain Buildings in Plantation Trails-5 Years

2.13 - Non-Current Investments Long-Term Trade Investment (Fully Paid) Investments in Equity Instruments (a) Quoted	Face Value of each ₹	Nos	As at 31st March, 2014 ₹ in Lakhs	As at 31st March, 2013 ₹ in Lakhs
Tata Chemicals Limited	10	1,60,000	424.21	424.21
Joonktolle Tea & Industries Limited	10	12,602	6.62	6.62
Joonktone Tea & Industries Limited	10	12,002	0.02	0.02
			430.83	430.83
(b) Unquoted				
Chembra Peak Estates Limited	10	3,481	0.41	0.41
Wartyhully Estates Limited	10	24,748	0.92	0.92
Southern Scribe Instruments Private Limited	100	7280	7.28	7.28
			8.61	8.61
Subsidiaries				
Consolidated Coffee Inc.	USD 0.01	300	14,065.36	14,065.36
Alliance Coffee Limited	10	50,000	45.51	45.51
			14,110.87	14,110.87
Other Investments (Fully Paid)				
Investments in Equity Instruments				
(a) Quoted				
IDBI Bank	10	16,160	13.13	13.13
			13.13	13.13
(b) Unquoted				
Ritspin Synthetics Ltd.	10	1,00,000	-	_
(Net of Provision for Diminution ₹ 10 Lakhs)				
Coorg Orange Growers Co-operative Society Ltd. *	100	4	-	_
Tata Coffee Co-operative Stores Limited *	5	20	-	_
Coorg Cardamom Co-operative Marketing Society Limited *	100	1	_	
* D				
* Represent Amount less than ₹ 1000	.		44.562.44	14.562.44
Total cost of Investments	Total		14,563.44	14,563.44
Total cost of Investments Ouoted			443.96	443.96
Unquoted			14,119.48	14,119.48
Aggregate Amount			14,119.48	14,119.46
Market value of quoted investments			486.03	547.81
market value of quoted investinents			400.03	347.01



	As at 31st March, 2014 ₹ in Lakhs ₹ in Lakhs		As 31st Mar ₹ in Lakhs	
2.14 Long-term Loans, Advances and Deposits	(III Lakiis	(III Lakiis	V III LAKIIS	V III Lakiis
Unsecured, considered good unless otherwise stated Capital Advances Deposits		129.45		453.22
- Considered Good - Considered Doubtful	911.11 3.84		1,470.77 3.84	
Less: Provision for Doubtful Deposits	914.95 3.84	911.11	1,474.61 3.84	1,470.77
Prepaid Expenses Employee Loans and Advances Other Advances		21.92 45.33		23.28 52.28
– Considered Good – Considered Doubtful	12.34 12.34		0.21 12.34 12.55	
Less: Provision for Doubtful Advances	12.34		12.34	0.21 1,999.76
2.15 Other Non-current Assets Deposits given as Lien to Govt. Authorities		<u>8.75</u> 8.75		8.49 8.49
		0.75		0.47
2.16 Inventories Stores and Spare Parts Raw Material		1,338.66		1,286.10
Tea Coffee Others	3,920.81 -		3,076.99 –	
Raw Material (In Transit)		3,920.81		3,076.99
Tea Coffee Others	513.40 -		667.11 -	
		513.40		667.11
Finished Goods Tea Coffee Instant Coffee	411.74 7,467.72 4,155.82		355.52 6,236.21 1,457.03	
Others	886.78		1,263.69	
Finished Goods (In Transit) Tea		12,922.06		9,312.45
Coffee	_			
Instant CoffeeOthers	243.83		1,219.28 –	
Work-in-Progress		243.83		1,219.28
Tea	-		_	
CoffeeOthers	- 151.17		- 19.71	
Stock-in-Trade		151.17		19.71
Tea Coffee	_		_	
Others	627.81	C27.01	338.81	220.04
		627.81 19,717.74		338.81 15,920.45

		at ch, 2014 ₹ in Lakhs	As a 31st Marc ₹ in Lakhs	
2.17 Trade Receivables				
Over six months from the date they were due for payment	•			
Unsecured - Considered Good	11.02		86.74	
- Considered Good	288.12		295.52	
Considered Bodotal	299.14		382.26	
Less: Provision for Doubtful Debts	288.12		295.52	
Other Debts - Considered Good		11.02		86.74
Secured	1,405.83		763.22	
Unsecured	4,853.52		4,109.98	
		6,259.35		4,873.20
		6,270.37		4,959.94
2.18 Cash and Bank Balances				
(a) Cash and Cash equivalents				
(i) Balances with Banks				
- in current accounts	583.41		432.68	
- in deposit accounts with original maturity les			1,765.00	
than 3 months(ii) Cash on hand			6.06	
(ii) Cash on hand(iii) Remittances in transit	21.66 0.03		6.96 0.04	
(III) Nerrittarices III transit	0.03	1,208.19	0.04	2,204.68
(b) Other Bank balances		1,200.13		2,20 1.00
(i) Unclaimed Dividend Account	149.20		150.65	
		149.20		150.65
		1,357.39		2,355.33
2.19 Short-Term Loans and Advances				
Advances				
Considered Good	1,928.00		1,406.82	
Considered Doubtful	94.85		78.71	
Less: Provision for Doubtful Advances	2,022.85 94.85		1,485.53 78.71	
Less. Flovision for Doubtful Advances	94.03	1,928.00		1,406.82
Prepaid Expenses		179.81		206.28
Inter Corporate Deposits		9,200.00		7,100.00
Other Deposits		,		,
Considered Good	864.65		218.18	
Considered Doubtful	38.00		38.00	
	902.65		256.18	
Less: Provision for Doubtful Deposits	38.00	864.65	38.00	218.18
		12,172.46		8,931.28
2.20 Other Current Assets				
Interest Accrued		190.83		234.67
Export Incentive Receivables		887.98		1,257.93
		1,078.81		1,492.60



	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
2.21 Revenue from Operations				
Sale of Products				
Tea		7,336.39		6,816.23
Coffee		13,566.59		12,725.31
Instant Coffee		31,579.01		30,078.66
Others		6,029.73		4,229.62
		58,511.72		53,849.82
Sale of Traded Goods		3,256.30		3,196.52
Sale of Services		426.09		430.09
Other Operating Revenues				
Sale of Scrap/waste	261.26		81.71	
Liabilities no longer required written back	383.69		156.42	
Provision for debts and advances write back	7.41		1.33	
Export Incentives	1,980.74		1,942.92	
Miscellaneous Income	300.77		225.26	
		2,933.87		2,407.64
		65,127.98		59,884.07
Less: Excise Duty		36.35		76.11
		65,091.63		59,807.96
2.22 Other Income				
Dividend Income from Investments in Subsidiary		2,319.36		1,102.45
Dividend income from Other Non-Current Investments		17.33		16.79
Interest Income on Deposits		1,123.61		1,051.90
Rent Received (Net)		49.82		49.54
Profit on Sale of Fixed Assets (Net)		7.95		_
		3,518.07		2,220.68

	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
2.23 Cost of Material Consumed				
Material Consumed				
Coffee	16,412.45		14,448.03	
Packing Materials	3,574.22		3,361.03	
Others	950.13	20,936.80	1,159.88	18,968.94
		20,936.80		18,968.94
2.24 Purchase of Traded Goods				
Tea	3.00		55.20	
Coffee	263.02		_	
Others	3,130.08	3,396.10	3,082.05	3,137.25
		3,396.10		3,137.25
2.25 Changes in Inventories of Finished Goods/ Work-in-progress/ Stock-in trade				
Stock as at 1st April				
Tea	355.52		302.39	
Coffee	8,912.52		7,915.35	
Others	1,622.21	10,890.25	1,088.12	9,305.86
	,	.,	,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Stock as at 31st March				
Tea	411.74		355.52	
Coffee	11,867.37		8,912.52	
Others	1,665.76	13,944.87	1,622.21	10,890.25
		(3,054.62)		(1,584.39)
2.26 Employee Benefits Expense				
Salaries, Wages and Bonus	11,527.97		9,858.88	
Contribution to Provident Fund and other Funds	1,679.94		1,601.38	
Workmen and Staff Welfare	616.01		562.73	
		13,823.92		12,022.99
2.27 Finance Costs				
Interest				
– On Fixed Loans		114.41		4.47
– Other loans		271.37		356.70
Bank Charges		105.53		93.79
J		491.31		454.96



NOTES ON ACCOUNTS

	For the year ended		For the year ended	
	31st March, 2014		31st Marc	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
2.28 Other Expenses				
Contract/Processing Charges		1,336.34		1,231.55
Consumption of Stores and Spare Parts		2,967.93		2,601.88
Power and Fuel		4,791.88		3,983.25
Repairs to Plant and Machinery		538.80		265.98
Repairs to Buildings		630.19		436.08
General Repairs		204.39		77.00
Rent		50.18		53.58
Rates and Taxes		269.71		241.83
Advertisement and Sale Charges		159.36		161.10
Selling Expenses		945.33		879.74
Excise Duty and Cess		34.65		32.52
Freight		1,033.15		1,021.65
Insurance		232.76		193.09
Exchange Fluctuation (Net)		853.47		248.38
Provision for Doubtful Debts and Advances		16.13		_
Miscellaneous Expenses		2,078.01		2,039.07
Loss on sale of fixed assets		_		10.75
		16,142.28	-	13,477.45
	-		-	
2.29 Exceptional Items				
Expenditure				
Provision for Contractual Obligations for Retired and	_		(958.78)	
Continuing Directors				
		_	_	(958.78)
		_	-	(958.78)
			-	

NOTES ON ACCOUNTS

2.30 The Company has filed for merger of its wholly owned subsidiary Alliance Coffee Ltd with the Honorable High Court of Karnataka. Pending approval of the Scheme of merger, the corresponding scheme of entries have not been given effect in the current year standalone financial statements.

2.31 Disclosure Regarding Derivative Instruments:

- i. The Company uses foreign currency hedges to manage its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecasted transactions. The Company does not use derivative instruments for speculative purposes.
- ii. The following are outstanding Currency Option contracts and other Hedging instruments, which have been designated as Cash flow Hedges as per the provisions of Hedge Accounting in Accounting Standard -30.

Foreign Currency	31st March, 2014				
	No. of	Notional	Fair Value		
	Contracts	amount of	Gain/(Loss)		
		Forward			
		contracts			
U.S Dollar	Nos.	\$ mm	₹ Lakhs		
Forward Exchange Contract for Sale					
Forward Cover	65	9.57	163.13		
Packing Credit Foreign Currency /					
Buyers Credit	4	1.29	42.12		
Interest Swap			(36.95)		
Total			168.30		
Recognized in Hedge Reserve					
Account			119.14		
Recognized in Statement of Profit					
and Loss			49.16		

ricebarring starradia 30.								
31st March, 2013								
No. of	Notional	Fair Value						
Contracts	amount of	Gain/(Loss)						
	Forward							
	contracts							
Nos.	\$ mm	₹ Lakhs						
28	3.65	41.10						
22	9.72	31.24						
		72.34						
		15.82						
		56.52						

The Foreign Currency exposures that are not hedged by a derivatives instrument or otherwise, aggregates to USD 8.125 million towards payable (Previous year USD 10.00 million) and USD 6.10 million (Previous year USD 5.60 million) towards receivables as at the Balance Sheet date.

2.32 Disclosure as per AS 15 - Retirement Benefits:

Post Retirement Employee Benefits:

The Company operates defined contribution schemes like provident fund and defined contribution superannuation schemes. For these schemes contributions are made by the Company, based on current salaries, to the recognized funds maintained by the Company and for certain categories contributions are made to State Plans. In case of provident fund schemes, contributions are also made by employees. An amount of ₹923.61 Lakhs (Previous year : ₹759.37 Lakhs) has been charged to the Profit and Loss Statement towards defined contribution schemes.

a) Description of Plan:

i) Gratuity:

The Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by LIC of India. Under the plan the eligible employees are entitled to Gratuity under a defined benefit plan.

ii) Post retirement Benefits:

The Company's Retired/Continuing Whole time Directors are eligible for certain post retirement defined benefits on meeting the eligibility criteria and subject to the approval of the Board.

iii) Post Retirement Medical Benefit:

The Company's retired staff/sub-staff, Junior Officers and Management staffs are covered by a medical insurance policy. The Medical Insurance scheme is a defined benefit plan and is non-funded. Hence, there are no plan assets attributable to the obligation.



NOTES ON ACCOUNTS

b) Principal actuarial assumptions:

Particulars	Gratuity		Post Retirement Benefit		Medical	
Particulars	2014	2013	2014	2013	2014	2013
Discount Rate	8.00%	8.00%	8.85 %	8.16 %	8.85%	8.16%
Rate of Return on Plan Assets	8.85%	9.40%	_	-	_	_
Salary Escalation	7.00%	8.00%	5.00%	5.00%	_	_
Pension Escalation	-	_	3.20%	3.20%	_	_
Annual increase in Healthcare Costs	_	-	_	_	8.00%	8.00%

c) Amounts recognized in the Balance Sheet are as follows:

₹ in Lakhs

Particulars	Gratuity		Post Retiral Benefit		Medical	
Particulars	2014	2013	2014	2013	2014	2013
Present Value of Obligation	4,602.89	4,144.14	-	_	-	-
Fair Value of Plan Assets	4,186.16	3,454.25	-	_	_	-
Unfunded Obligation	416.73	689.89	1,218.53	1,232.87	911.68	915.06
Net Liability	416.73	689.89	1,218.53	1,232.87	911.68	915.06

d) Amounts recognized in the Statement of Profit and Loss are as follows:

₹ in Lakhs

Particulars	Grat	Gratuity		Post Retirement Benefit		ical
Particulars	2014	2013	2014	2013	2014	2013
Current service Cost	269.69	235.65	7.99	1,232.87	36.52	23.41
Interest Cost	331.53	277.40	-	_	76.04	70.35
Expected return on Plan assets	(249.97)	(314.89)	_	_	-	-
Net actuarial loss/(gain) recognized during the year	198.87	491.73	-	_	(84.17)	(131.91)
Total included in Employee Benefit	550.12	689.89	7.99	1,232.87 \$\$	28.39	(38.15)
Sensitivity						
Effect of 1% decrease	-	-	_	_	(86.74)	(9.43)
Effect of 1% increase	_	-	_	_	94.56	10.27

^{\$\$} Before adjusting provision for Contractual obligation of ₹274.09 Lakhs. (Refer Note 2.43)

e) Reconciliation of opening and closing balances of the present value of the obligations:

₹ in Lakhs

Particulars	Grat	uity	Post Retirement Benefit		Med	lical
	2014	2013	2014	2013	2014	2013
Opening defined benefit obligation	4,144.14	3,467.55	1,232.87	_	915.06	983.25
Current service Cost	269.69	235.65	7.99	1,232.87	36.52	23.41
Interest Cost	331.53	277.40	-	_	76.04	70.35
Net actuarial loss/(gain) recognized during the year	278.08	501.77	-	-	(84.17)	(131.91)
Benefit Paid	(420.55)	(338.23)	(22.33)	_	(31.77)	(30.04)
Closing Defined Benefit Obligation	4,602.89	4,144.14	1,218.53	1,232.87	911.68	915.06

NOTES ON ACCOUNTS

f) Reconciliation of opening and closing balances of the fair value of plan assets:

₹ in Lakhs

Particulars	Gratuity	
	2014	2013
Opening fair value of Plan Assets	3,454.25	2,539.48
Expected Return on Plan assets	249.97	314.89
Actuarial gain/(loss)	79.21	10.03
Contribution by employer	823.28	928.08
Benefits Paid	(420.55)	(338.23)
Closing Fair value of Plan Assets	4,186.16	3,454.25
Actual return on Plan Assets	339.23	302.68

Experience adjustment figures not included here, as the same has not been provided by the actuary.

		As at 31st March, 2014 ₹ in Lakhs	As at 31st March, 2013 ₹ in Lakhs
2.33	Contingent Liabilities:		
	Estimated amounts of contracts remaining to be executed on capital account and not provided for	56.95	1,215.84
	Claims under adjudication not acknowledged as debts:		
	i) Demands raised by Income Tax, Excise & Sales Tax Authorities	1,434.08	1,588.95
	ii) Labour disputes under adjudication	82.37	296.06
	iii) Claims by Customers/Suppliers	637.24	1,647.41
	iv) For Bank & other Guarantees	918.50	809.87
	Selling expenses includes: Tata Brand Equity Auditors Remuneration includes:	141.59	130.54
2.33	Audit Fees	30.00	30.00
	Taxation Matters	10.00	10.00
	Other Services (incl. Service Tax)	25.01	25.43
	Reimbursement of Expenses	3.69	4.56
		68.70	69.99
2.36	Basic and Diluted Earnings Per Share:		
	Earnings Per Share has been computed as under:		
	a) Profit After Taxation	10,657.01	9,369.26
	b) Weighted Average Number of Equity Shares	18,677,037	18,677,037
	c) Basic and Diluted Earnings Per Share (₹) (a)/(b)	57.06	50.16
	d) Nominal value of share (₹)	10.00	10.00



NOTES ON ACCOUNTS

2.37 Value of Materials consumed and Stores & Spares consumed

	Materials		Stores & Spares	
	Value ₹ in Lakhs	% of Total Consumption	Value ₹ in Lakhs	% of Total Consumption
Imported	12,498.14	60%	12.39	0%
	(12,883.04)	68%	(9.61)	0%
Indigenous	8,438.66	40%	2,955.54	100%
	(6,085.90)	32%	(2,592.27)	100%
	20,936.80	100%	2,967.93	100%
	(18,968.94)	100%	(2,601.88)	100%

(Figures in brackets relate to Previous Year.)

		As a 31st March, 201 ₹ in Lakh	31st March, 2013
2.38	Amount remitted in Foreign Currencies on account of Dividends:		
	No. of Shareholders		1
	No. of Shares held in lakhs	7.5	7.58
	Net Dividend remitted	56.9	121.28
	Year	2012-13 (Final	2011-12 (Final) & 2012-13 (Interim)
2.39	C.I.F. Value of Imports:		
	Raw materials	14,178.4	13,582.63
	Spare Parts & Components	282.5	27.42
	Capital goods	177.4	3,406.37
2.40	Earnings in Foreign Currency:		
	a) FOB Value of Exports	39,289.6	7 37,793.70
	(Includes Exports through third parties and Export Houses in case of 100% EOU)		
	b) Dividend earned in foreign currency - Net of Withholding Tax	1,971.4	937.09
2.41	Expenditure in Foreign Currency:		
	a) Travelling expenses	21.1	22.25
	b) Professional Charges	92.1	24.18
	c) Others	53.1	62.18

NOTES ON ACCOUNTS

		As at	As at
		31st March, 2014	31st March, 2013
		₹ in Lakhs	₹ in Lakhs
2.42	Pre-operative revenue expenses capitalized :		
	Staff cost and allowances	5.55	147.51
	Interest	-	110.76
	Others	0.67	219.41
	Total	6.22	477.68
2.43	Movement in Provision for future payment under contractual		
	obligation:		
	Opening balance	-	260.09
	Provision created during the year	-	14.00
	Less: Utlization/adjustment during the year	_	(274.09)
	Closing balance	_	
			·

2.44 Related Party Transactions:

In accordance with Accounting Standard 18, the disclosures required are given below:

₹ in Lakhs

SI.	Nature of transaction	Subsid	liaries	Holding (Company	Key		Fellow Subsidiaries		Key Fellow Subsidiaries Total		tal
No.						Management Personnel		nt Personnel				
		Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Previous	
		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	
1	Sale of Goods	-	_	2,264.94	1,470.62	-	-	1,412.03	2,919.16	3,676.97	4,389.78	
2	Rendering of Services	-	_	-	-	-	-	3.04	-	3.04	-	
3	Purchase of Goods	-	_	111.79	55.20	-	_	-	-	111.79	55.20	
4	Director Remuneration	-	_	-	-	385.54	303.94	-	-	385.54	303.94	
5	Receiving of Services	-	_	13.05	13.00	-	_	-	_	13.05	13.00	
6	Reimbursement of expenses /	-	_	(23.22)	177.37	-	_	-	-	(23.22)	177.37	
	(income) - Net											
7	Interest Payment	-	_	-	154.63	-	-	_	-	-	154.63	
8	Dividend Paid	-	_	805.20	1,717.76	-	_	-	-	805.20	1,717.76	
9	Dividend received	2,319.36	1,102.45	-	-	-	-	_	_	2,319.36	1,102.45	
10	Outstanding at the year end											
	Credit					-	-	-	_	_	-	
	Debit	4.72	4.72	140.35	88.56	-	-	640.98	693.65	786.05	786.93	



NOTES ON ACCOUNTS

Names of related parties and description of relationship

Holding Company Tata Global Beverages Limited 1.

2. Subsidiaries/ JVs Consolidated Coffee Inc.,

> Eight O Clock Holdings Inc Eight O Clock Coffee Company

Alliance Coffee Limited

3 Associates The Rising Beverages Company LLC (wound up during the year)

RBC Hold Co. LLC

4 Key Management Personnel Mr. Hameed Huq, Managing Director

> Mr M Deepak Kumar, Executive Director Mr T Radhakrishnan, Executive Director

5 Fellow Subsidiary/(s) OOO Sunty LLC

TGBL GB Ltd

Tata Starbucks Limited

Comparative figures relating to the previous year have been reclassified wherever necessary to conform to the classification adopted this year.

Notes forming part of financial statements

N. S. SURYANARAYANAN S. SANTHANAKRISHNAN

Company Secretary Director

Date: 13th May, 2014

HAMEED HUQ **Managing Director**

HARISH BHAT Chairman

Per our report of even date For SNB ASSOCIATES **Chartered Accountants**

S. LAKSHMANAN

Place: Chennai Partner

Membership No. 20045

CONSOLIDATED FINANCIAL STATEMENTS



AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Tata Coffee Limited

We have audited the accompanying consolidated financial statements of Tata Coffee Limited ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at 31st March, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control 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.

The Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of the Accounting Standard (AS) 21 "Consolidated Financial Statements", Accounting Standard (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements" as notified under the Companies (Accounting Standards) Rules, 2006.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to

the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

5. Other Matter

We did not audit the financial statements of one of the subsidiaries, whose financial statements reflect total assets (net) of ₹ 45644.66 Lakhs as at 31st March, 2014, total revenues of ₹ 1,02,624.97 Lakhs and net cash inflows amounting to ₹ 4,048.47 Lakhs for year ended 31st march 2014.

This financial statement have been audited by other auditor whose report have been furnished to us by the Management, and our opinion in so far as it relates to the amounts included in respect of this entity is based solely on the report of the other auditors. Our opinion is not qualified in respect of this matter.

For SNB ASSOCIATES

Chartered Accountants Firm Registration No : 015682N

S.LAKSHMANAN

Place : Chennai Partner
Date : 13th May, 2014 Membership No. 20045

CONSOLIDATED BALANCE SHEET

	Note		at ch, 2014	As 31st Mare	
		₹ in lakhs	tn, 2014 ₹ in lakhs	₹ in lakhs	tii, 2013 ₹ in lakhs
Equity and Liabilities		(111 1011113	(111 141113	· iii iaitiis	· m raidis
Shareholders' Funds					
Share Capital	2.02	1,867.70		1,867.70	
Reserves and Surplus		67,370.26		60,432.74	
			69,237.96		62,300.44
Minority Interest (CCI)			22,784.24		23,793.19
Non-Current Liabilities					
Long-term Borrowings		78,257.72		73,646.29	
Deferred Tax Liabilities		13,274.59		9,530.57	
Other Long-term Liabilities		776.28		629.76	
Long-term Provisions	2.07	2,412.65		2,390.48	
e			94,721.24		86,197.10
Current Liabilities	2.00	16 022 20		15 502 67	
Short-term Borrowings		16,033.28		15,503.67	
Trade Payables Other Current Liabilities		5,654.77		6,669.22 14,506.03	
Short-term Provisions		17,277.08		5,923.83	
SHORE-LERIN PROVISIONS	Z.11	4,959.61	43,924.74	5,925.65	42,602.75
TOTAL			230,668.18		214,893.48
ASSETS			250,000.10		214,093.40
Non-Current Assets					
Fixed Assets					
Tangible Assets	2.12	37,183.18		28,707.76	
Intangible Assets	2.12	121,651.73		111,950.98	
Capital work in progress		2,896.11		6,747.88	
Non-current Investments		452.57		11,748.36	
Long-term Loans and Advances	2.14	1,112.84		2,004.80	
Other non-current assets	2.15	277.74		8.49	
			163,574.17		161,168.27
Current Assets					
Current investments		83.68		78.60	
Inventories	2.16	26,837.42		23,799.58	
Trade Receivables		10,483.22		12,342.24	
Cash & Bank BalancesShort-term Loans and Advances		8,563.27		5,494.76	
Other Current Assets		20,047.61		10,713.46	
Other Current Assets	2.20	1,078.81	67,094.01	1,296.57	53,725.21
TOTAL			230,668.18		214,893.48
Notes forming part of financial stateme	onto		230,000.10		
Notes forming part of financial statement	21165				
N. S. SURYANARAYANAN S. SAN Company Secretary Direct	NTHANAKRISHNAN for	HAMEED H Managing		HARISH Chairma	
		For SNB AS	oort of even dat SSOCIATES Accountants	e	
Place: Chennai Date: 13th May, 2014		S. LAKSHN Partner Membersh	IANAN nip No. 20045		



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	Note	For the year ended 31st March, 2014		For the ye 31st Mare	
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Income					
Revenue from Operations	2.21	167,717.01		169,735.38	
Other Income	2.22	1,203.79		1,126.08	
Total Revenue			168,920.80		170,861.46
Expenses					
Cost of Material Consumed	2.23	57,974.81		69,819.86	
Purchase of Stock in Trade	2.24	3,396.10		3,137.25	
Change in Inventories of Finished	2.25	(2,150.92)		(540.91)	
Goods/Work-in-progress					
Employee Benefits Expenses	2.26	24,327.52		22,177.19	
Finance Costs	2.27	3,692.75		5,290.88	
Depreciaton and Amortizations		4,859.36		3,986.06	
{net of amount drawn from Revaluation					
Reserve ₹ 263.25 Lakhs}					
(Previous Year - ₹ 277.95 Lakhs)					
Other Expenses	2.28	52,946.61		43,580.47	
Total Expenses			145,046.23		147,450.80
Profit before exceptional items and taxes			23,874.57		23,410.66
Exceptional items	2.29		(10,229.10)		(1,248.70)
Profit before tax			13,645.47		22,161.96
Tax expenses					
Current tax			1,132.34		6,700.76
Excess Tax Provision/ Charge written back			(669.80)		(108.15)
Deferred tax			2,823.74		(242.44)
Profit after Taxation before Minority Interest			10,359.19		15,811.79
Share of Associate's Loss - The Rising Beverages			(2,406.18)		(850.27)
Company LLC					
Minority Interest in CCI			194.68		(3,338.95)
Net Profit			8,147.69		11,622.57
Earning Per Share - Basic & Diluted			43.62		62.23
Weighted average number of shares (face value of ₹ 10 each)			18,677,037		18,677,037

Notes forming part of financial statements

N. S. SURYANARAYANAN Company Secretary S. SANTHANAKRISHNAN Director

HAMEED HUQ Managing Director HARISH BHAT Chairman

Per our report of even date For SNB ASSOCIATES Chartered Accountants

S. LAKSHMANAN

Partner

Membership No. 20045

Place: Chennai Date: 13th May, 2014

CONSOLIDATED CASH FLOW STATEMENT

A.	Cash Flow from Operating Activities:	Year ended 31st March, 2014 ₹ in lakhs		Year e 31st Mar ₹ in la	ch, 2013
л.	Profit Before Tax as per Consolidated Statement of P&L		13,645.47		22,161,96
	Adjustments For:		13,043.47		22,101.90
	Depreciation & Amortizations	4,859.36		3,986.06	
	Provision for doubtful debts/advances	16.13		(21.75)	
	Investments in Associates/Joint Venture - Written Off	9.086.00		0.65	
	Investment and Interest Income	(1,146.01)		(1,076.53)	
	Interest/Finance charges	3,692.75			
		31.45		5,290.88	
	Unrealised foreign exchange (gain)/loss (Profit)/loss on sale of fixed assets			13.55	
	Excess provision written back	(7.96) (391.10)	16 140 62	95.28	0.120.20
	Operating Profit Before Working Capital Changes:	(391.10)	16,140.62 29,786.09	(157.75)	8,130.39 30,292.35
	Working Capital Changes		29,760.09		30,292.33
	Decrease/(Increase) In Trade Receivables, Loans & Advances	(170.00)		(927.77)	
	, , ,	(178.09)		(827.77)	
	Decrease/(Increase) In Inventories	(3,037.83)	(2.040.10)	(1,393.51)	(5 627 61)
	Increase/(Decrease) In Trade Payables, Liabilities & Provisions	375.73	(2,840.19)	(3,406.33)	(5,627.61)
	Cash Generated from Operations:		26,945.90		24,664.74
	Direct taxes paid		(7,002.65)		(4,205.52)
	Net Cash From Operating Activities		19,943.25		20,459.22
В.	Cash Flow From Investing Activities:				
	Purchase of fixed assets and changes in capital work-in-progress	(6,413.60)		(6,766.25)	
	Sale of fixed assets	106.98		108.56	
	Capital Advances	-		(453.22)	
	Sale/ (Purchase) of Investments	-		(11,908.20)	
	Other deposits / ICDs Placed	(2,100.00)		(3,400.00)	
	Investment and Interest Income	1,184.78		941.39	
	Net Cash flows from / (used in) Investing Activities		(7,221.84)		(21,477.72)



CONSOLIDATED CASH FLOW STATEMENT

		Year ended 31st March, 2014 ₹ in lakhs		Year ended 31st March, 2013 ₹ in lakhs	
C.	Cash Flow From Financing Activities:				
	NCDs Issued/(repaid) during the period	-		(3,104.17)	
	Proceeds from / (Repayment of) short-term borrowings	470.98		3,868.40	
	Proceeds from / (Repayment of) long-term borrowings	(3,733.16)		11,834.32	
	Dividend & dividend tax paid	(4,070.49)		(4,541.07)	
	Interest and Finance Charges paid	(3,856.37)		(5,276.89)	
	Net Cash Flows from / (used in) Financing Activities:		(11,189.04)		2,780.59
D.	Net Increase / Decrease In Cash and Cash Equivalents (A+B+C)		1,532.37		1,762.09
	Cash and Cash Equivalents				
	Opening Balance		5,344.11		2,929.87
	Forex gain/(loss) on translation of cash & cash equivalents		1,537.59		652.15
	Closing Balance		8,414.07		5,344.11

Notes:- Previous Year figures have been re-grouped/re-arranged wherever necessary to conform to this year's classification

Notes forming part of financial statements

N. S. SURYANARAYANAN Company Secretary

Place: Chennai

S. SANTHANAKRISHNAN Director

HAMEED HUQ **Managing Director** HARISH BHAT Chairman

Per our report of even date For SNB ASSOCIATES **Chartered Accountants**

S. LAKSHMANAN Partner

Date: 13th May, 2014

Membership No. 20045

CONSOLIDATED NOTES ON ACCOUNTS

2.01 Notes on Consolidated Financial Statments

I. The presentation of the accounts is based on the revised Schedule VI of the Companies Act, 1956. All assets and liabilities are classified into current and non-current generally based on criteria of realization / settlement within twelve months period from the Balance Sheet date.

II. Basis of Consolidation

a) Basis of Preparation

The Consolidated financial statements are prepared in accordance with Accounting Standard 21 'Consolidated Financial Statements', Accounting Standard 23 'Accounting for Associates in Consolidated Financial Statements' and Accounting Standard 27 'Financial Reporting of Interest in Joint Ventures' issued by the Companies (Accounting Standards) Rules, 2006

- i) The financial statements of the Holding Company & all subsidiaries are prepared according to uniform accounting policies, in accordance with generally accepted accounting policies in India.
- ii) The financial statements of the Holding Company and its subsidiary companies have been combined on a lineby-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances, intra-group transactions and unrealized profits or losses thereon have been fully eliminated.
- iii) Company's interest in the Joint Venture is accounted for using proportionate consolidation method.
- iv) The financial statements of the Subsidiaries used in consolidation are drawn up to the same reporting date as that of the Holding Company.
- The excess value of the consideration given over the net value of the identifiable assets acquired in the subsidiary companies is recognized as "Goodwill" under fixed assets and is not being amortized. Certain intangibles assets, which are appearing in the Subsidiary books, as at the date of acquisition, are included in Goodwill, as the same do not qualify as Intangibles under Accounting Standard -26 "Intangible Assets" issued by the Institute of Chartered Accountants of India. Subsequent to the acquisition, the subsidiary has revalued these assets and this revaluation has been ignored for the purpose of consolidation. To the extent the subsidiary has provided depreciation on the revalued portion of these assets, an equivalent amount has been considered as Impairment of Goodwill.

b) Subsidiaries included in Consolidation

Name of the Enterprise	Country of Nature of Business		Shareholding/
	Incorporation		Controlling Interest
Alliance Coffee Limited	India	Marketing Instant Coffee Powder	100%
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%

c) Associates included in Consolidation

Name of the Enterprise	Country of Nature of Business		Shareholding/	
	Incorporation		Controlling Interest	
The Rising Beverages Company LLC (till 31.12.2013)	USA	Health Drinks	47.30%	
RBC Hold Co. LLC	USA	Investment	47.30%	

III. SIGNIFICANT ACCOUNTING POLICIES

i) Statement of Profit and Loss

- a) All income and expenses are accounted on accrual basis.
- b) Sales are recognized on passing of property in goods together with risks and rewards i.e. delivery as per terms of sale or on completion of auction in case of auction sale. In the case of Rosewood sale, income is recognized on completion of auction sale and confirmation of receipt of money by the auctioneer. Export incentives are estimated & accrued on completion of export sales. In the case of a subsidiary, sales are recognized when risk of loss and title have transferred to the customer, which is typically upon receipt of the product by the customer. Provisions for sales returns and other allowances are recorded based on the past experience.
- c) The sale value of own timber and value added timber products are credited to revenue. Capital profits on such sale, including capital profit on value added timber products determined at estimated market value of actual timber input, are transferred to General Reserve No.II through Appropriation account.



 Depreciation on Fixed Assets is provided over the useful life of the asset at the rates stated in Schedule XIV of the Companies Act, 1956

Divisions	Method followed
Coffee Estates & Part of Curing works	WDV
Other Divisions	SLM

e) Leasehold improvements are being depreciated over the lease period. In respect of certain assets, accelerated depreciation has been provided considering its estimated useful life or as per the rates prescribed in Schedule XIV whichever is higher. Increase/decrease in value of Fixed Assets due to Foreign exchange fluctuation is depreciated over the balance residual life of the Asset.

Depreciation in respect of assets held by the foreign subsidiary is provided over the useful life of the asset.

- f) The Employee benefits are provided in accordance with the revised AS 15 and are dealt with in the following manner.
 - Contribution to Provident Fund and Defined Contribution Superannuation Funds are accounted on accrual basis
 - Post retirement defined benefits including gratuity, superannuation, and medical benefits for qualifying employees/whole time directors as provided by the Company are determined by the independent actuarial valuation at year end and charge recognized in the books.
 - Other employee benefits are accounted for on accrual basis. Liabilities for compensated absence are determined based on independent actuarial valuation at the year end and charge is recognized in the statement of profit and loss. Short term employee benefits are recognized on an undiscounted basis where as long term liabilities are recognized on discounted basis.
- g) Transactions in foreign currency are recorded using the spot rate at the beginning of each fortnight and exchange differences resulting from settled transactions are taken in the Statement of Profit and Loss. Year end balances of monetary items are restated at the year-end exchange rates and the resultant net gain or loss is recognized in the statement of profit & loss. Premium or discount on forward contracts where there are underlying assets / liability are amortized over the life of the contract.
 - Gain or loss on hedging instruments in respect of effective portion of cash flow hedges of highly probable transactions are recognized in the hedging reserve account. The portion of the gain or loss on the hedging instruments if determined to be an ineffective cash flow hedge is recognized in the Statement of Profit and Loss.
 - In terms of Para 46 and 46A of AS 11 issued by The Institute of Chartered Accountants of India, the exchange difference relating to long term foreign currency monetary items in so far as it relates to acquisition of depreciable capital assets are adjusted to the cost of the assets and in other cases such differences are accumulated in 'Foreign currency Monetary Item Translation Difference Account'.
 - The income and expenditure of overseas subsidiaries are translated at the average month-end exchange rates. Year-end balances of all assets and liabilities are translated at the year-end exchange rates. Exchange differences arising on re-translation at year-end exchange rates, of the net investment in foreign undertakings, are taken to reserves.
- h) Deferred tax is recognized using the liability method, on all timing differences to the extent that it is possible that a liability or asset will crystallize. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- i) The costs incurred for obtaining financing are deferred and amortized using the effective interest method over the life of the related financing agreements and charged to interest expenses.

ii) Balance Sheet

- a) Assets and Liabilities are recorded at cost to the company.
- b) Fixed Assets are stated at cost less depreciation. Interest on qualifying assets (i.e. Assets that take substantial time to be ready for intended use) is capitalized at the applicable borrowing cost on the funds used for acquiring such assets. Roll over charges and exchange differences, relating to foreign currency borrowings attributable to Fixed Assets are capitalized. The Fixed assets are tested for impairment and wherever required, provision is made.
- c) Investments of long-term nature are stated at cost. A provision for diminution in value is made to recognize a decline, other than temporary. Current investments are stated at lower of cost and market value.
- d) Inventories are valued at cost or net realizable value whichever is lower, cost being determined on weighted average method. Cardamom and other minor produce are valued at net realizable value. Raw Materials and Stores & Spares are valued at weighted average cost and in one Subsidiary on FIFO basis.

CONSOLIDATED NOTES ON ACCOUNTS

	As at	As at
	31st March, 2014	31st March, 2013
	₹ in lakhs	₹ in lakhs
2.02 Share Capital:		
AUTHORISED		
2,50,00,000 (2,50,00,000) Equity Shares of ₹10/- each	2,500.00	2,500.00
	2,500.00	2,500.00
ISSUED, SUBSCRIBED AND PAID-UP		
1,86,77,037 (1,86,77,037) Equity Shares of ₹10/- each, fully paid	1,867.70	1,867.70
	1,867.70	1,867.70

A. Details of shares held by Holding Company/ Subsidaries/ Associates:

	As at 31st March, 2014		As at 31st March, 2013	
Name of Share holder	No. of Shares	% Holding	No. of Shares	% Holding
Tata Global Beverages Limited - Holding Company	10735982	57.48%	10735982	57.48%

B. Details of Shareholder holding more than 5% shares:

	As at	As at
	31st March, 2014	31st March, 2013
Name of Shareholder	No. of Shares % Holding	No. of Shares % Holding
Tata Global Beverages Limited	10735982 57.48%	10735982 57.48%

C. Reconciliation of number of shares:

	As at	As at
	31st March, 2014	31st March, 2013
Number of Shares as at 01.04.2013	18,677,037	18,677,037
Add: Shares issued during the year	-	
Number of Shares as at 31.03.2014	18,677,037	18,677,037



	As at 31st March, 2014 ₹ in lakhs	As at 31st March, 2013 ₹ in lakhs
2.03 RESERVES AND SURPLUS		
Capital Subsidy Reserve		
Balance as on 01.04.2013	-	30.10
Less :Transferred to General Reserve No 1	-	(30.10)
Capital Subsidy Reserve	-	
Capital Redemption Reserve	10.41	10.41
Revaluation Reserve		
Balance as on 01.04.2013	523.21	801.16
Add/(Less):Additions / (Deductions) during the year	(263.25)	(277.95)
Revaluation Reserve	259.96	523.21
Debenture Redemption Reserve		
Balance as on 01.04.2013	-	1,357.44
Less: Amount transferred to Surplus		(1,357.44)
Debenture Redemption Reserve	_	
Securities Premium Account	14,424.27	14,424.27
Exchange Fluctuation Reserve		
Balance as on 01.04.2013	4,146.81	2,392.98
Add: Addition during the year	1,904.93	1,753.83
Exchange Fluctuation Reserve	6,051.74	4,146.81
Hedging Reserve		
Balance as on 01.04.2013	15.77	(710.09)
Add/(Less):Movement on cancellation of Forwards and Options	(35.90)	725.86
Hedging Reserve	(20.13)	15.77
Foreign Currency Monetary Item Translation Difference Account		
Balance as on 01.04.2013	(41.63)	_
Add: Movement for the year	24.83	(41.63)
Foreign Currency Monetary Item Translation Difference Account	(16.80)	(41.63)
General Reserve Number I		
Balance as on 01.04.2013	12,055.60	11,075.50
Add: Transferred from Surplus	1,100.00	950.00
Add: Transferred from Capital Subsidy Reserve	-	30.10
General Reserve Number I	13,155.60	12,055.60
General Reserve Number II		
Balance as on 01.04.2013	6,494.02	6,242.07
Add: Transferred from Surplus	175.00	251.95
General Reserve Number II	6,669.02	6,494.02
Amalgamation Reserve	832.53	832.53

	As at 31st March, 2014 ₹ in lakhs	As at 31st March, 2013 ₹ in lakhs
2.03 Reserves and Surplus (Contd.):		
Surplus/(Deficit) in the Statement of Profit and Loss Balance as on 01.04.2013	21,971.75	12,917.88
Add: Net Profit after tax transferred from Statement of Profit and Loss	8,147.69	11,622.57
Amount available for appropriation	30,119.44	24,540.45
Less: Appropriation		
Proposed Dividend	(2,428.02)	(2,334.63)
Provision for Tax on Dividend	(412.76)	(389.57)
Transfer from Debenture Redemption Reserve	-	1,357.45
Transfer to General Reserve No I and General Reserve No II	(1,275.00)	(1,201.95)
Net Surplus in the Statement of Profit and Loss	26,003.66	21,971.75
Total Reserve and Surplus	67,370.26	60,432.74
2.04 Long Term Borrowings Secured		
Loan From Banks		
External Commercial Borrowing/Senior Debt	63,280.53	59,731.50
Less: Maturing within the next 12 months	(2,995.74)	(2,375.67)
	60,284.79	57,355.83
Unsecured		
Loan From Others - Unsecured		
Tata Global Beverages Investments Limited	17,972.93	16,290.46
Total Long Term Borrowings	78,257.72	73,646.29
 (a) External Commercial Borrowing is secured by first ranking exclusive charge over land, building and plant & equipment of a coffee estate and a paripassu charge over immovable and movable fixed assets situated at the Theni Plant. The Loan is repayable in sixteen equal quarterly installments commencing from September 3,2013. (b) Senior Debt are secured by specific security over the assets of overseas subsidiary 		
2.05 Deferred Tax Liabilities (net)		
Deferred Tax Liability		
Depreciation on Tangible Assets	3,585.29	2,777.97
Amortisation on Intangible and Other	10,876.62	8,498.18
	14,461.91	11,276.15
Deferred Tax Asset		
Provision for doubtful debts/advances	114.84	111.66
Other Assets	636.24	518.04
Employee Benefits	436.24	1,115.88
	1,187.32	1,745.58
Net Deferred Tax Liabilities	13,274.59	9,530.57



	As at 31st March, 2014 ₹ in lakhs	As at 31st March, 2013 ₹ in lakhs
2.06 Other Long Term Liabilities	776 20	620.76
Deposits	776.28 776.28	629.76
	770.28	029.70
2.07 Long Term Provisions		
Employee Benefits	2,412.65	2,390.48
	2,412.65	2,390.48
	,	
2.08 Short Term Borrowings		
Secured		
Loan From Banks	F 007 30	F F30.66
Working Capital Facilities	5,997.20	5,530.66
Unsecured	10.026.00	0.072.01
Loan from Others - Tata Global Beverages Investment Limited	10,036.08	9,973.01
Working Capital facilities are secured by hypothecation of Coffee crop, inventories,	16,033.28	15,503.67
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		
2.09 Trade Payables		
Due to Micro & Small Enterprises (\$)	4.95	25.56
Other Trade Payables	5,649.82	6,643.66
Total Trade Payables	5,654.77	6,669.22
\$ Includes amounts due beyond a period of 30 days of ₹ 0.16 Lakhs and Interest paid/payable ₹ 0.006 Lakhs		
2.10 Other Current Liabilties		
Current Maturities of Long Term Borrowings	2,995.74	2,375.67
Security Deposits /Advances from Customers	1,322.28	1,862.24
Unpaid Dividends	149.20	150.65
Interest Accrued but not due	13.48	29.06
Employee Benefits	1,337.29	1,484.97
Other Payables	11,459.09	8,603.44
	17,277.08	14,506.03
2.11 Short Term Provision		
Employee Benefits	687.94	882.33
Taxation less advance payment	1,430.89	3,402.65
Proposed Dividend	2,428.02	1,400.78
Tax on Dividend	412.76	238.07
	4,959.61	5,923.83

CONSOLIDATED NOTES ON ACCOUNTS

2.12 Fixed Assets: ₹ in lakhs

	Cost				Depreciation			Net Book Value		
	As at	Additions	Deductions/	As at	As at	For the	Deductions/	Up to	As at	As at
	01.04.2013		Adjustments *	31.03.2014	01.04.2013	Year \$\$	Adjustments *	31.03.2014	31.03.2014	31.03.2013
TANGIBLE										
Freehold Land and Development	6949.61	-	(3.69)	6945.92	_	-	_	-	6945.92	6949.61
Leasehold Land and Development	830.15	_	_	830.15	0.16	-	_	0.16	829.99	829.99
Buildings	7794.86	2218.32	176.34	10189.52	2815.24	421.79	57.64	3294.67	6894.85	4979.62
Water and Sanitary Installations	959.26	108.95	(12.41)	1055.80	462.91	45.31	(12.34)	495.88	559.92	496.35
Electrical Installations	1331.65	319.52	(5.08)	1646.09	580.29	82.82	(5.06)	658.05	988.04	751.36
Plant & Equipment	29047.18	8184.70	331.29	37563.17	15709.18	2367.41	(11.43)	18065.16	19498.01	13338.00
Furniture & Fixtures	1040.39	80.21	40.77	1161.37	645.56	86.91	14.57	747.04	414.33	394.83
Computers	727.10	57.08	39.56	823.74	554.38	78.93	36.00	669.31	154.43	172.72
Office Equipment	295.14	88.00	0.73	383.87	204.87	26.88	4.09	235.84	148.03	90.27
Motor Vehicles	1229.71	285.99	(202.83)	1312.87	524.70	165.85	(127.34)	563.21	749.66	705.01
Total Tangibles	50205.05	11342.77	364.68	61912.50	21497.29	3275.90	(43.87)	24729.32	37183.18	28707.76
INTANGIBLE										
Goodwill on Consolidation	99377.71	_	10263.77	109641.48	4126.94	686.70	422.47	5236.11	104405.37	95250.77
Brands / Trademarks	21720.60	-	2243.31	23963.91	5792.34	963.77	593.02	7349.13	16614.78	15928.26
Capitalised Software	1695.24	53.43	83.56	1832.23	923.29	196.23	81.13	1200.65	631.58	771.95
Total Intangibles	122793.55	53.43	12590.64	135437.62	10842.57	1846.70	1096.62	13785.89	121651.73	111950.98
Total	172998.60	11396.20	12955.32	197350.12	32339.86	5122.60	1052.75	38515.21	158834.91	140658.74
Previous Year	162645.33	2902.57	7450.71	172998.60	28149.38	4264.02	(73.54)	32339.86	140658.74	

^{*} Adjustments represesents the increase/decrease in value consequent to exchange fluctuation

a) Additions includes ₹ 115.73 Lakhs towards Buildings and ₹ 699.22 Lakhs towards plant & Equipment on account of exhange differences on Long-term Foreign currency Loans (Ref para II (g) of Note 2.01).

b) The following assets are jointly owned/held with the Holding Company:-

Freehold Land₹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) The depreciation for the following assets are worked on the basis of useful life mentioned below:

Spraying & Pruning Machineries in Tea Plantation - 5 Years
Spraying Tankers in Tea Plantation - 9 Years
Certain Assets under Furniture & Fixtures in Plantation Trails - 4 Years
Certain Building in Plantation Trails - 5 Years

 $[\]$ includes impairment of Goodwill



			Face Value of each ₹	Nos	As at 31st March, 2014 ₹ in lakhs	As at 31st March, 2013 ₹ in lakhs
2.13	- IN\	/ESTMENTS				
A.	NON	N-CURRENT INVESTMENTS				
	(i)	Trade Investments (Fully Paid)				
		Investment in Equity Instruments				
	(a)	Quoted				
		Tata Chemicals Limited	10	1,60,000	424.21	424.21
		Joonktolle Tea & Industries Limited	10	12602	6.62	6.62
					430.83	430.83
	(b)	Unquoted				
		Chembra Peak Estates Limited	10	3,481	0.41	0.41
		Wartyhully Estates Limited	10	24,748	0.92	0.92
		Southern Scribe Instruments Private Limited	100	7280	7.28	7.28
					8.61	8.61
	(c)	Associate				
		The Rising Beverages Company LLC			13399.42	12145.07
		Net dimunition in investment and disposal			(13399.42)	(849.28)
					-	11295.79
	(ii)	Other Investments (Fully Paid)				
		Investment in Equity Instruments				
	(a)	Quoted				
		IDBI Bank	10	16160	13.13	13.13
					13.13	13.13
	(b)	Unquoted				
		Ritspin Synthetics Ltd	10	1,00,000	-	_
		(Net of Provision for Diminution ₹10 Lakhs)				
		Coorg Orange Growers Co-Operative Society Ltd. *	100	4	0.00	0.00
		Tata Coffee Co-operative Stores Limited *	5	20	0.00	0.00
		Coorg Cardamom Co-operative Marketing Society Limited *	100	1	0.00	0.00
					(0.00)	(0.00)
	* Re	present Amount less than ₹ 1000				
					452.57	11748.36
	Tota	al Cost of Investments				
	Quo	ted			443.96	443.96
	Unq	uoted			8.61	11304.40
		regate Amount			452.57	11748.36
	Mar	ket value of quoted investments			486.03	547.81
В.	CIID	RRENT INVESTMENTS				
υ.		esment in Mutual Funds				
	Quo					
		C Ultra Short term Fund (Weekly Dividend)	10	793909	83.68	78.60
		al Current Investments	10	1 23203	83.68	78.60
	. 516				05.00	70.00

2.14 Long Term Loans, Advances and Deposits Unsecured, considered good unless otherwise stated	As at 31st March, 2014 ₹ in lakhs		31st	As at March, 2013 ₹ in lakhs
Capital Advances		129.45		453.22
Security Deposit		129.43		733.22
- Considered Good	911.16		1,470.82	
- Considered Good	3.84		3.84	
Less: Provision for Doubtful Deposits	3.84	01116	3.84	1 470 02
2 115		911.16		1,470.82
Prepaid Expenses		21.93		23.28
Employee Loans and Advances		45.33		52.28
Other Advances				
- Considered Good	4.97		5.20	
- Considered Doubtful	12.34		12.34	
Less: Provision for Doubtful Advances	12.34		12.34	
		4.97		5.20
		1,112.84		2,004.80
2.15 Other Non current Assets				
Deposits given as Lien to Govt Authorities		277.74		8.49
Total		277.74		8.49
2.16 Inventories				
Stores and Spare Parts		1,338.67		1,286.10
Raw Material		,		,
Tea	_		_	
Coffee	5,345.46		4,357.41	
Others	5,5-1510		1,337.11	
Otters		5,345.46		4,357.41
		3,343.40		4,337.41
Dow Matarial (In Transit)				
Raw Material (In Transit)				
Tea	_		_	
Coffee	513.40		667.11	
Others				
		513.40		667.11
Pinish of Cond.				
Finished Goods				
Tea	411.74		355.52	
Coffee	13,162.75		12,834.93	
Instant Coffee	4,155.81		1,457.03	
Others	886.78		1,263.69	
		18,617.08		15,911.17



2.16 Inventories (Contd.)	As at 31st March, 2014 ₹ in lakhs		31st	As at March, 2013 ₹ in lakhs
Finished Goods (In Transit)				
Tea	_		_	
Coffee	-		_	
Instant Coffee	243.83		1,219.28	
Others	_			
		243.83		1,219.28
Work in Progress				
Tea	-		_	
Coffee	-		_	
Others	151.17		19.71	
		151.17		19.71
Stock in Trade				
Tea	-		_	
Coffee	-		_	
Others	627.81		338.80	
		627.81		338.80
		26,837.42		23,799.58
2.17 Trade Receivables				
Over six months from the date they were due for payment				
Unsecured				
- Considered Good	11.02		86.74	
- Considered Doubtful	288.12		295.52	
	299.14		382.26	
Less: Provision for Doubtful Debts	288.12		295.52	
		11.02		86.74
Other Debts				
Secured - Considered Good	1,405.83		763.23	
Unsecured				
- Considered Good	9,066.37		11,492.27	
- Considered Doubtful	42.54		38.55	
	10,514.74		12,294.05	
Less: Provision for Doubtful Debts	42.54		38.55	
		10,472.20		12,255.50
		10,483.22		12,342.24

		As at 31st March, 2014 ₹ in lakhs		As a 31st March, 201 ₹ in lakh	
2.18	Cash and Cash Equivalents				
(a)	Cash and Cash equivalents				
	(i) Balances with Banks				
	- in current accounts	7,788.69		3,571.57	
	- in deposit accounts with original maturity less than 3 months	603.09		1,765.00	
	(ii) Cash on hand	22.26		7.50	
	(iii) Remittances in transit	0.03		0.04	
			8,414.07		5,344.11
(b)	Other Bank balances				
	(i) Unclaimed Dividend Account	149.20		150.65	
			149.20	_	150.65
			8,563.27		5,494.76
2.19	Short Term loans and Advances				
Adv	ances				
Con	sidered Good	5,278.16		2,798.57	
Con	sidered Doubtful	94.85		78.71	
Less	: Provision for Doubtful Advances	94.85		78.71	
			5,278.16		2,798.57
Adv	ance Tax		3,976.21		_
Prep	paid Expenses		377.51		309.45
Inte	r Corporate Deposits		9,200.00		7,100.00
Oth	er Deposits				
Con	sidered Good	1,215.73		505.44	
Con	sidered Doubtful	38.00		38.00	
Less	: Provision for Doubtful Deposits	38.00		38.00	
			1,215.73		505.44
		·	20,047.61		10,713.46
				-	
2.20	Other Current Assets				
Inte	rest Accrued		190.83		38.64
Expo	ort Incentive Receivables		887.98		1257.93
-			1,078.81	-	1,296.57



	For the year ended 31st March, 2014 ₹ in lakhs			ne year ended t March, 2013 ₹ in lakhs
2.21 Revenue from Operations				
Sale of Products				
Tea	7,336.39		6,816.23	
Coffee	112,512.04		121,435.77	
Instant Coffee	31,579.01		30,078.66	
Others	6,029.73		4,229.62	
		157,457.17		162,560.28
Sale of Traded Goods		3,256.30		3,196.52
Sale of Services		426.09		430.09
Other Operating Revenues				
Sale of Scrap/waste	261.26		81.71	
Liabilities no longer required written back	384.09		156.42	
Provision for debts and advances write back	7.41		1.33	
Export Incentives	1,980.74		1,942.92	
Other Misc Income	3,980.30		1,442.22	
		6,613.80		3,624.60
		167,753.36		169,811.49
Less: Excise Duty		36.35		76.11
		167,717.01		169,735.38
2.22 Other Income				
Dividend income				
- Long-term investment	17.33		16.79	
- Others	5.08		7.85	
Cities	3.50	22.41		24.64
Interest Income		1,123.61		1,051.90
Rent Received		49.82		49.54
Profit on Sale of Fixed Assets (Net)		7.95		-
		1,203.79		1,126.08
2.23 Cost of Material Consumed				
Material Consumed				
Coffee		49,736.20		60,716.16
Packing Materials		7,288.48		7,943.82
Others		950.13		1,159.88
		57,974.81		69,819.86
2.24 Purchase of Traded Goods				
Tea		3.00		55.20
Coffee		263.02		_
Others		3,130.08		3,082.05
		3,396.10		3,137.25

2.25 Changes in Inventories of Finished Goods	For the year ended 31st March, 2014 ₹ in lakhs	For the year ended 31st March, 2013 ₹ in lakhs
2.25 Changes in Inventories of Finished Goods Stock as at 1st April		
Tea	355.52	302.39
Coffee	15,511.24	15,557.55
Others	1,622.21	1,088.12
Ct. 1	17,488.97	16,948.06
Stock as at 31st Mar	411.74	355.53
Tea	411.74 17,562.39	355.52 15,511.24
Coffee Others	1,665.76	1,622.21
Otters	19,639.89	17,488.97
	(2,150.92)	(540.91)
	(=,=====	
2.26 Employee Benefits Expense		
Salaries, Wages and Bonus	20,862.29	19,717.33
Contribution to Provident Fund and other Funds	1,954.73	1,871.34
Workmen and Staff Welfare	1,510.50	588.52
	24,327.52	22,177.19
2.27 Finance Costs Interest		
On Fixed Loans	3,315.85	4,840.39
On Other Loans	271.37	356.70
Bank Charges	105.53 3,692.75	93.79 5,290.88
	3,092.73	
2.28 Other Expenses		
Contract/Processing Charges	1,336.34	1,231.55
Consumption of Stores and Spare Parts	3,461.76	3,082.98
Power and Fuel	5,294.11	4,457.89
Repairs to Plant and Machinery	595.81	343.44
Repairs to Buildings	873.37	650.53
General Repairs	456.68	365.78
Rent	703.73	663.10
Rates & Taxes	408.06	335.41
Advertisement and Sale Charges	28,509.23	23,931.99
Selling Expenses	3,232.31 34.65	2,056.66
Excise Duty and Cess Freight	4,028.38	32.52 4,072.01
Insurance	511.77	459.86
Exchange Fluctuation (Net)	853.47	248.38
Provision for Doubtful Debts and Advances	20.12	
Miscellaneous Expenses	2,626.82	1,553.09
Loss on sale of fixed assets	_	95.28
	52,946.61	43,580.47



	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹ in lakhs	₹ in lakhs
2.29 Exceptional Items		
Expenditure		
Loss on Disposal of Invesment of Overseas Associates	(9,086.00)	_
One time market research of Overseas Sudsidary	(1,143.10)	_
Re-organisation costs	-	(289.92)
Provision for Contractual Obligations for retired & continuing		
directors		(958.78)
	(10,229.10)	(1,248.70)

- **2.30** Reference to Note 2.01 Para II a (v) of the Basis of Consolidation an amount of ₹ 686.70 lakhs has been considered as Impairment of Goodwill during the year (Previous year: ₹626.30 lakhs).
- 2.31 The Group has entered into forward contracts for hedging highly probable future cash flows. The Mark to Market Loss of ₹20.13 Lakhs (Previous year: Gain of ₹ 15.77 lakhs) on such contracts as at Balance Sheet date is carried to the Hedge Reserve account as per the provisions of Hedge Accounting of Accounting Standard 30.
- 2.32 Disclosures as per revised AS 15 Retirement Benefits Post Retirement Employee Benefits.

The Post Retirement defined Employee Benefit Schemes are limited to the Holding Company and the disclosures of the same are covered in Note No. 2.32 of the Standalone Financial Statements.

2.33	Contingent Liabilities:	As at 31st March, 2014 ₹ in lakhs	As at 31st March, 2013 ₹ in lakhs
2.33	Estimated amounts of contracts remaining to be executed on capital account and not provided for Claims under adjudication not acknowledged as debts:	56.95	1,215.84
	i) Demands raised by Income Tax, Excise & Sales Tax Authorities	1,434.08	1,588.95
	ii) Labour disputes under adjudication	82.37	296.06
	iii) Claims by Customers/Suppliers	666.48	1,647.42
	iv) Bank & other Guarantees	918.50	809.87
2.34	Selling expenses includes: Tata Brand Equity Auditors Remuneration includes:	295.85	142.09
	Audit Fees	348.34	350.37
	Taxation Matters	10.00	10.00
	Other Services	25.01	25.43
	Reimbursement of Expenses	3.69	4.56
		387.04	390.36
2.36	Basic & Diluted Earnings Per Share: Earnings Per Share has been computed as under: a) Profit After Taxation	8,147.69 18,677,037 43.62 10.00	11,622.57 18,677,037 62.23 10.00

2.37	Disclosure in respect of	As at 31st March, 2014 ₹ in lakhs	As at 31st March, 2013 ₹ in lakhs
	a) Operating Lease :		
	Minimum lease payments outstanding:		
	Within 1 Year	767.58	698.42
	2 to 5 Years	2,679.02	2,815.35
	Over 5 Years	523.70	758.03
	Total	3,970.30	4,271.80
	b) Finance Lease	3,27 0.30	1,271.00
	Minimum lease payments outstanding:		
	Within 1 Year	14.38	_
	2 to 5 Years	37.15	_
	Over 5 Years	_	_
	Total	51.53	
	Lease payment recognized in Statement of P&L	760.38	653.99
	(Based on other expenses rate for FY 13/14)		
2.38	Pre-operative revenue expenses capitalized:		
	Staff cost and allowances	5.55	147.51
	Interest	_	110.76
	Others	0.67	219.41
	Total	6.22	477.68
2.39	Movement in provision for future payments under contractual obligation:		
	Opening balance	-	260.09
	Provision created during the year	0.00	14.00
	Less: Utlization/adjustment during the year	0.00	(274.09)
	Closing balance	0.00	0.00



2.40 Segmental Reporting:

PRIMARY SEGMENT ₹ in Lakhs

	DIANT	ATION	WALLIE ADD	ED DDADUCTC	UNALLOCATED		TOTAL	
	PLANT	ATION	VALUE ADDED PRODUCTS		UNALLOCATED		TOTAL	
	Current	Previous	Current	Previous year	Current	Previous	Current	Previous year
	year	year	year		Year	year	Year	
SEGMENT REVENUES								
EXTERNAL SALES	30,040.97	27,318.13	138,501.99	143,341.13	32.12	41.00	168,575.08	170,700.26
Less:INTER-SEGMENT SALES	858.07	964.97			-	_	858.07	964.97
TOTAL REVENUE	29,182.90	26,353.16	138,501.99	143,341.13	32.12	41.00	167,717.01	169,735.29
SEGMENT RESULTS	7,748.23	7,680.81	19,444.87	20,660.70			27,193.10	28,341.51
INTEREST EXPENSE							(3,692.73)	(5,290.88)
UNALLOCATED & EXCEPTIONAL INCOME/(EXPENSE)							(9,854.89)	(888.70)
PROFIT BEFORE TAX							13,645.48	22,161.93
CAPITAL EMPLOYED								
(Segment Assets - Segment Liabilities)	23,602.45	22,814.21	70,820.31	64,993.58	(2,400.56)	(1,714.16)	92,022.20	86,093.63
CAPITAL EMPLOYED	23,602.45	22,814.21	70,820.31	64,993.58	(2,400.56)	(1,714.16)	92,022.20	86,093.63
CAPITAL EXPENDITURE	1,616.46	1,236.05	4,763.18	4,612.65	69.66	782.93	6,449.30	6,631.63
DEPRECIATION	837.59	694.25	3,804.35	3,190.56	217.42	101.25	4,859.36	3,986.06
NON-CASH EXPENSES	16.13	5.61	3.99	62.72	-	5.85	20.12	74.18
OTHER THAN DEPRECIATION								

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. The Previous Year figures are regrouped wherever necessary.

Geographical revenues are segregated based on the locations of the customers who are invoiced or in relation to which the revenues is otherwise recognised.

The following table shows the distribution of the Group's sales by geographical locations:

Current Year Previous Year Secondary (Geographical) Segments CIS Countries * 14,070.57 11,516.81 Rest of the World * 22,889.00 26,823.61 USA 102,624.96 109,927.42 India 28,132.48 21,467.45 Total 167,717.01 169,735.29

₹ in Lakhs

^{*} includes Direct Exports and exports through third parties and through export houses

CONSOLIDATED NOTES ON ACCOUNTS

2.41 Related Party Transactions:

In accordance with Accounting Standard 18, the disclosures required are given below:

₹ in Lakhs

SI.	Nature of transaction	Holding (Company	Key Man	agement	Fellow Sub	sidiaries/	Total		
No.				Personnel Fe		Fellow JV's/	Fellow JV's/ Associates			
		Current	Previous	Current	Previous	Current	Previous	Current	Previous	
		year	year	year	year	year	year	year	year	
1	Sale of Goods	2,264.94	1,470.62	-	-	1,427.89	4,787.46	3,692.83	6,258.08	
2	Rendering of Services	-	_	-	_	134.40	134.30	134.40	134.30	
3	Purchase of Goods	111.79	55.20	-	-	-	_	111.79	55.20	
4	Purchase of Investments	-	_	_	_	_	12,145.07	-	12,145.07	
5	Directors Remuneration	-	_	385.54	303.94	_	_	385.54	303.94	
6	Receiving of Services	13.05	13.00	_	_	3,187.28	3,696.65	3,200.33	3,709.65	
7	Reimbursement of expenses / (Income) - Net	(23.22)	177.37	_	_	_	_	(23.22)	177.37	
8	Interest Payment	-	154.63	-	_	1,360.80	1,936.08	1,360.80	2,090.71	
9	Dividend Paid	2,407.12	2,438.88	_	_	804.57	362.46	3,211.69	2,801.34	
10	Loan outstanding at the year end - Tata Global	-	_	-	-	28,009.02	27,220.05	28,009.02	27,220.05	
	Beverages Investments Ltd									
11	Outstanding at the year end									
	Credit	-	_	_	_	620.07	150.95	620.07	150.95	
	Debit	140.35	88.56	_	_	-	_	140.35	88.56	

Names of related parties with whom transactions have taken place and related parties where control exists

1. **Holding Company** Tata Global Beverages Limited 2. **Key Management Personnel** Mr. Hameed Hug, Managing Director Mr.M Deepak Kumar, Executive Director

Mr T Radhakrishnan, Executive Director

3. Associates The Rising Beverages Company LLC (wound up during the year)

> RBC Hold Co. LLC **000 Sunty LLC**

Fellow Subsidiary/(s) Tata Global Beverages Investments Ltd

> TGBL GB Ltd Good Earth Tea Inc **Good Earth Corporation**

Tetley USA INC

Tata Global Beverage US Holdings Inc

Tata Starbucks Limited **Empirical Group LLC**

N. S. SURYANARAYANAN Company Secretary

Place: Chennai

Date: 13th May, 2014

4.

S. SANTHANAKRISHNAN Director

HAMEED HUQ Managing Director HARISH BHAT Chairman

Per our report of even date For SNB ASSOCIATES **Chartered Accountants**

S. LAKSHMANAN

Partner

Membership No. 20045

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Subsidiary Companies Financial Highlights - 2013/14

(₹ in Lakhs)

		Consolidated Coffee Inc.	Alliance Coffee Ltd
1	Capital	35885.95	5.00
2	Reserves	9758.70	93.69
3	Total Assets	156338.14	103.62
4	Total Liabilities	156338.14	103.62
5	Turnover	102624.97	5.48
6	Profit/(Loss) before Taxation	1136.30	5.38
7	Provision for Taxation	(879.90)	0.00
8	Profit After Taxation	2016.20	5.38
9	Proposed Dividend	-	-
10	Investment	-	83.68
Rep	orting Currency	US Dollars	Indian Rupees
Excl	nange Rate Used for Conversion :		
	- Average Yearly Rates for P & L Items	58.80	
	- Year end rates for Balance Sheet Items	59.91	

Statement of Crop particulars of Coffee (Arabica and Robusta Estates) & Tea

ARABICA			ROBUSTA			TEA			
Name of the Estate	Bearing	Crop	YPH	Bearing	Crop	YPH	Bearing	Crop	YPH
Name of the Estate	area in	M.T.	in Kilos	area in	M.T.	in Kilos	area in	M.T.	in Kilos
		171.1.	III KIIOS		171.1.	III KIIOS		171.1.	III KIIOS
	Hectares			Hectares			Hectares		
COFFEE:									
KARNATAKA									
Anandapur	15.00	14	960	356.70	505	1415			
Balmany	4.10	1	335	219.60	167	760			
Cannoncadoo	105.95	105	987	198.55	243	1222			
Cottabetta	4.20	4	992	440.65	388	880			
Coovercolly	267.70	176	656	218.30	225	1029			
Jumboor	349.90	201	574	0.00	0	0			
Margolly	143.10	161	1125	285.10	411	1440			
Nullore	385.00	375	973	77.70	105	1351			
Pollibetta	1.50	3	1853	317.20	450	1418			
Sunticoppa	234.60	124	527	0.00	0	0			
Woshully	3.25	4	1338	512.75	568	1108			
Yemmigoondi	47.20	41	878	512.90	683	1332			
COORG	1561.50	1209	774	3139.45	3743	1192			
Gubgul	3.60	3	825	125.95	151	1197			
Goorghully	165.77	134	808	225.05	179	796			
Karadibetta	110.70	66	597	257.30	252	978			
Merthikhan	84.70	38	445	27.95	19	663			
Mylemoney	342.10	374	1094	78.90	94	1198			
Ubban	200.00	149	746	196.25	190	969			
HASSAN	906.87	764	843	911.40	885	971			
	2468.37	1973	799	4050.85	4628	1143			
Tamil Nadu									
Valparai	322.32	103	320	233.64	153	655			
TEA:									
KARNATAKA									
Merthikhan							118	248	2104
Glenlorna							245	880	3593
TAMIL NADU									
Pachamalai							301	843	2800
Pannimade							423	1096	2591
Uralikal							430	1137	2646
Velonie							411	892	2171
KERALA									
Malakiparai							530	1449	2735
Grand Total	2790.69	2076	744	4284.49	4781	1116	2457	6545	2664



Corporate Identification No.L01131KA1943PLC000833
Corporate Office: No. 57, Railway Parallel Road, Kumara Park West, Bangalore 560020.
Ph. No. 080 233560695/97 Fax No. 080 23341843
Registered Office: Pollibetta 571215, South Kodagu, Karnataka, India.
Email Address: 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):		E-mail ld:		
Registered address:		Folio No/Client Id*:		
		DP Id*:		
*Applicable to shareholders holding shares in	electronic form			
I/We	of			being a Member(s) of Ta
Coffee Limited, hereby appoint:				.ac.iig a iiiciiiaci (a) ai iic
1) of	having e-mail i.d	or failing him		
2) of	having e-mail i.d	or failing him		
3) of	having e-mail i d	and whose signature(s) are an	nended helow as my/our pro	yyy to attend and yote (or
poll) for me /us and on my/our behalf at the 7	'1st Annual General Meeting of the Com	pany, to be held at the Registered	Office of the Company at Po	llibetta. Kodagu. on Mond
the 21st July, 2014 at 10.00 AM and any adjou			omecon me company acro	zetta, rtodaga, ori moria
	·			
Resolution No. Resolution			FOR	AGAINST
	ments, Directors and Auditors' Report for	r the year ended 31st March, 2014		
Declaration of Dividend on I	Equity Shares.			
3. Re-appointment of Mr. Haris	sh Bhat as Director, who retires by Rotati	on.		
 Appointment of Auditors. 				
	nanakrishnan as an Independent Directo	r.		
	arthikeyan as an Independent Director.			
7. Appointment of Mr. Venu Sr	inivasan as an Independent Director.			
8. Appointment of Prof. Arun N	Monappa as an Independent Director.			
9. Appointment of Mr. T. Radh	akrishnan as Director .			
10. Appointment of Mr. T. Radh	akrishnan as Executive Director – ICD Op	perations.		
	d Huq as Managing Director.			
12. Appointment of Mr. M. Deer	oak Kumar as Executive Director – Financ	ce.		
13. Payment of commission to N	Non-executive Directors.			
14. Approval of Borrowing limit	s of the Company.			
15. Creation of mortgage/charg	e on the assets of the Company.			
Signed this day of 2014.				
Signature of Shareholder:				Please affix
Cinneture of Dunius helder				Revenue
Signature of Proxy holder				Stamp
Note:				
1. This form of Proxy, in order to be effectiv	e, should be duly completed and deposi	ted at the Registered Office of the	Company, at Pollibetta 57121	5. South Kodagu, Karnatal
India not less than Forty-Eight (48) hours				-,
2. For the Resolutions, Explantory Statemer			tina.	
2. To the hesolutions, Explantory Statemen	it and riotes, piease refer to the Notice of	7. Severity mist Amilian General Met	9.	

TATA COFFEE LIMITED

Corporate Identification No.L01131KA1943PLC000833
Corporate Office: No. 57, Railway parallel Road, Kumara Park West, Bangalore 560020.
Ph. No. 080 233560695/97 Fax No. 080 23341843
Registered Office: Pollibetta 571215, South Kodagu, Karnataka, India.
Email Address: investors@tatacoffee.com Website: www.tatacoffee.com

ATTENDANCE SLIP

DP.ld*:	
Client Id*:	
*Applicable to shareholders holdi	ng shares in electronic form

Folio No.	
No. of Shares	

Name and Address of the Shareholder:



I hereby record my presence at the 71st Annual General Meeting of the Company held at the Registered Office of the Company at Pollibetta – 571 215, Kodagu, Karnataka on Monday, the 21st July, 2014 at 10.00 a.m..



Sound Bite



Mr. MB Ganapathy
General Manager, Hassan Division

"Tata Coffee's sustainability initiatives encapsulate a profitable plantation business practice that promotes biodiversity conservation, ecosystem balance and well-being of the workforce and community in a serene environment."



Mr. S. Narayanamurthy General Manager, Theni

"We use non-conventional energy and environment-friendly processes at every opportunity and also encourage our employees to fulfill our motto of Zero Discharge."



Mr. Manu BopaiahDeputy Manager, Velonie Estate

"It gives me great pride and immense joy to work for a plantation company at the forefront of sustainable agricultural practices. From being a carbon-neutral organization to constantly aiming at reducing its carbon footprint, the company has started using eco-friendly fuel such as briquettes. It has also begun using gas generated from pulping extract.

These are a few examples of Tata Coffee's ever-evolving drive towards sustainability."

