

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

The Corporate Governance philosophy of the Company is founded upon transparency, accountability, values and ethics and is an integral part of the management 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 interest of all stakeholders. The comprehensive written code of conduct called "Tata Code of Conduct" which has been adopted by the Tata group including the Company, serves as a guide on the standards of values, ethics and business principles to be followed by the Company 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, the Executive Director - Finance and six Non-Executive Directors. During 2011-12 the Board met seven times on 13th May 2011, 5th August, 2011, 8th August, 2011, 24th October, 2011, 16th December, 2011, 18th January, 2012, and 24th January, 2012.

Details of attendance of Directors at the Board Meetings and at the last Annual General Meeting with particulars of their Directorships and Chairmanships/ Memberships of Board/ Committees in other Companies are given in the following Table.

Name of Director Messrs.	Category	Attendance at		No. of other Directorships	Committee Positions		No. of Shares held
		Board Meeting	Last AGM		Member	Chairman	
R.K. Krishna Kumar	C (NED)	5	No	11	6	3	-
P.T. Siganporia	NED	3	No	2	-	-	50
U. Mahesh Rao	NED & IND	7	Yes	2	3	1	-
A. Monappa	NED & IND	4	Yes	-	-	-	-
Venu Srinivasan	NED & IND	0	No	13	3	1	-
S. Santhanakrishnan	NED & IND	7	Yes	4	2	3	-
Hameed Huq	MD	7	Yes	1	-	-	199
M. Deepak Kumar	ED	7	Yes	1	-	-	-
R. Govindarajan	NED & IND	2	Yes	-	-	-	400
T.V. Alexander	NED & IND	6	Yes	-	-	-	36

Note: 1) Mr. R. Govindaranjan ceased to be a Director w.e.f. 05.08.2011.

2) Mr. T.V. Alexander passed away on 05.02.2012.

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 is a Director.

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

3. Audit Committee

The Audit Committee presently comprises of Mr. S. Santhanakrishnan, Mr. U.M. Rao and Mr. Prof. A. Monappa. Prof A. Monappa was inducted to the Committee w.e.f. 4th May, 2012 in the vacancy caused by the demise of Mr. T.V. Alexander. The Chairman of the Committee has expert knowledge of finance and accounting. All the members of the Audit Committee are independent Directors.

During 2011-2012, the Audit Committee met eight times on 12th May, 2011; 20th June, 2011; 26th July, 2011; 4th August, 2011, 20th October, 2011, 17th November, 2011, 9th December, 2011 and 17th January, 2012. The Committee Meetings are attended by the Managing Director, Executive Director – Finance, Vice President (Plantations), Vice President (Instant Coffee Division), Vice President (Corporate), Senior Manager (Internal Audit), 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;
- (j) 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;
- (k) Reviewing the Company's financial and risk management policies;
- (l) Reviewing compliances as regards the Company's Whistle Blower Policy.

Details of Attendance of Directors at the Audit Committee Meetings during 2011-12 are given in the following table:

Director	No. of Meetings attended
Mr. S. Santhanakrishnan	8
Mr. U. Mahesh Rao	8
Mr. R. Govindarajan*	4
Mr. T.V. Alexander**	3

* Mr. R. Govindarajan ceased to be director with effect from 05.08.2011.

** Mr. T.V. Alexander passed away on 05.02.2012.

4. Remuneration Committee

The Remuneration Committee comprises of Mr. U. Mahesh Rao as Chairman, Mr. R.K. Krishna Kumar, Mr. Venu Srinivasan and Prof.A.Monappa being the other members. During 2011-12, the Remuneration Committee met once on 13th May, 2011.

The Remuneration Committee is responsible for reviewing the performance of the Managing Director and Executive Director and recommending to the Board, their remuneration package including annual increment, incentive remuneration, commission and retirement benefits.

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 Shareholders/Investors Grievance Committee for which no Sitting Fee is payable. Commission to Non-Executive Directors has been 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 the Non-Executive Directors 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.

Details of Remuneration for the year 2011-12

a) Non-Executive Directors

Name	Commission (₹) (Relating to 2010-11)	Sitting fee (₹)
Mr. R.K. Krishna Kumar	10,52,360	1,10,000
Mr. R. Govindarajan	12,80,484	1,80,000
Mr. U. Mahesh Rao	12,07,000	3,60,000
Prof. A. Monappa	5,23,600	1,20,000
Mr. Venu Srinivasan	76,935	-
Mr. S. Santhanakrishnan	14,87,954	3,30,000
Mr. T.V. Alexander	3,71,667	1,80,000

b) Managing Director and Executive Director:

(₹ in Lakhs)

Name	Salary	Perquisites & Allowance	Contribution to Retiral funds	Commission
Mr. Hameed Huq	39.00	54.03	10.53	50.00
Mr. M. Deepak Kumar	31.80	42.93	8.59	30.00

5. Shareholders Committee

The Board has constituted a Shareholders/Investors Grievance Committee, which comprises of Mr. R.K. Krishna Kumar, Chairman; Mr. S. Santhanakrishnan and Mr. Hameed Huq. During the year 2011-12 the Committee met four times on 13th May, 2011; 8th August, 2011, 24th October, 2011 and 18th January, 2012. 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 2011-12.

Requests/ Queries/ Complaints received	2863
Requests/ Queries/ Complaints attended	2856
Pending requests/queries/complaints as on 31.03.2011	7*

* Letters were received in the last week of March and have been replied to in April 2012.

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 2011-12, 197 requests for transfer and 482 requests for dematerialization of Shares were received and processed. As on 31.03.2012, 5 share transfer case covering 1185 shares and 9 requests for dematerialization covering 493 shares were pending. These requests were attended to in April 2012.

6. 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.

TATA COFFEE

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TATA COFFEE LIMITED

7. General Body Meetings

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

Year	Date & Time of Meeting	Venue
2008-09	24th July, 2009 at 4.00 p.m.	Registered Office : Pollibetta – 571 215, Kodagu
2009-10	23rd July, 2010 at 12 Noon	-do-
2010-11	5th August, 2011 at 11.30 a.m.	-do-

A Special Resolution was passed at the AGM held on 23rd July, 2010 approving payment of Commission not exceeding 1% of the net profits to Non-Executive Directors.

8. 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.

9. Means of Communication

Quarterly and Annual Financial Results are faxed/couriered to the Stock Exchanges in accordance with the Listing Agreement. The Results are displayed on the BSE and NSE websites as well as on the Corporate Filing and Dissemination System (CFDS) portal. The Results are also published in Newspapers viz. Indian Express/Financial Express – English and Kannada Prabha – Kannada 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 part of the Annual Report.

10. General Shareholder information

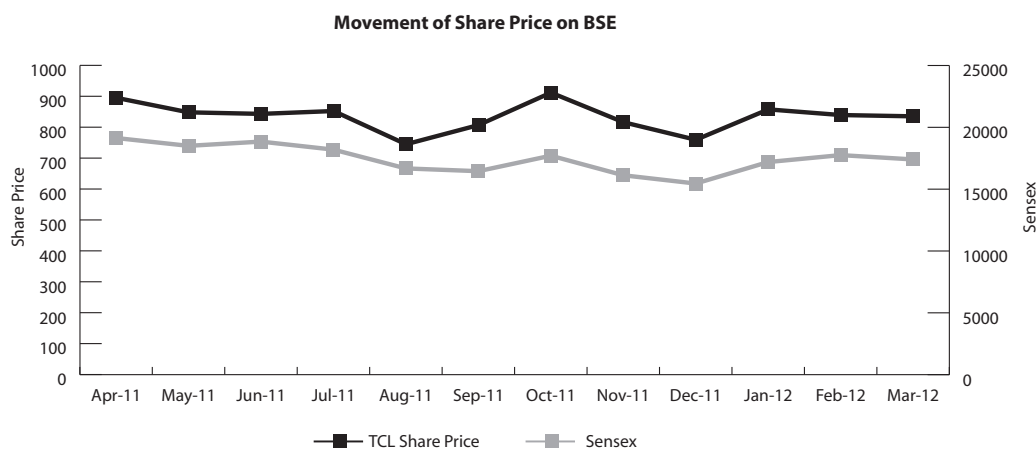
I.	AGM: Date, Time and Venue	27th July, 2012 at 11.30 A.M at the Registered Office: Pollibetta – 571 215, Kodagu.	
II.	Financial Calendar (tentative)	Board Meeting for approval of: Audited Results for the first quarter ending 30th June, 2012 Audited Results for the second quarter ending 30th September, 2012 Audited Results for the third quarter ending 31st December, 2012 Annual Accounts 2012-2013 Annual General Meeting for the year ended 31st March, 2013	In July/August 2012 In October/November 2012 In January/February 2012 In May/June, 2013 In July/August, 2013
III.	Dates of Book Closure	10th July, 2012 to 27th July, 2012 (both days inclusive)	
IV.	Dividend Payment Date	The Dividend warrants will be mailed on or after 28th July, 2012.	
V.	Listing on Stock Exchanges	Bangalore Stock Exchange Ltd. Stock Exchange Towers, No.51, 1st Cross, J.C.Road, Bangalore - 560 027. Tel: 080-41575234/54 Fax: 080-22995242	

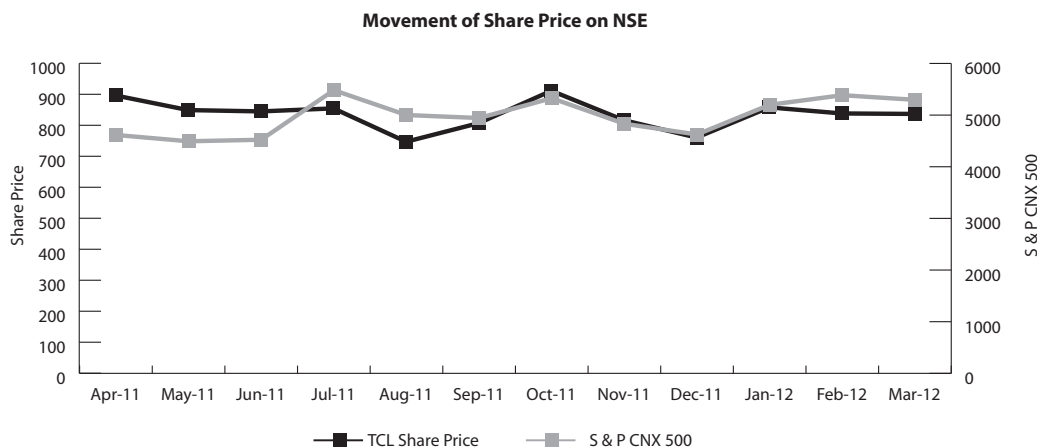
		Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Tel: 022-22721233/34 Fax: 022-22723121 Stock Code: 532301	
		National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G. Block Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Tel Nos: 022-26598100-8114 Fax : 022-26598237/38 Stock Code: TATACOFFEE	
		The Company has paid Listing Fees for the financial year 2012-13 to each of the Stock Exchanges.	

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

	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2011	989.95	888.10	989.80	890.00
May, 2011	904.75	770.00	905.75	769.25
June, 2011	884.00	724.00	884.50	700.00
July, 2011	898.30	800.00	898.50	836.05
August, 2011	863.85	672.30	864.95	672.20
September, 2011	928.70	733.10	929.00	731.00
October, 2011	938.80	768.00	948.80	766.50
November, 2011	925.00	762.20	924.90	761.00
December, 2011	845.00	711.00	860.00	710.10
January, 2012	919.40	753.10	919.70	753.00
February, 2012	904.10	791.15	902.55	791.25
March, 2012	869.90	798.05	869.90	798.10

VII. Share price performance compared with Broad based indices





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

National Securities Depository Ltd.	INE 493A01019
Central Depository Services (India) Ltd.	INE 493A01019

IX. Registrar and Transfer Agent

Share Transfers, Dividend payments and all other investor related activities are attended to and processed at the Registered office of our Registrar and Transfer Agent (R&T). For lodgement of transfer deeds and any other documents or for any grievances/complaints kindly contact any of the offices of TSR Darashaw Limited which are open from 10.00 a.m. to 3.30 p.m. between Monday to Friday (Except on bank holidays)

Regd. Office:
 TSR Darashaw Ltd.
 6-10, Haji Moosa Patrawala Ind. Estate,
 20, Dr. E. Moses Road,
 Mahalaxmi (Near Famous Studio)
 Mumbai - 400 011
 Tel: 022-66568484
 Fax: 022-66568494
 E-mail: csg-unit@tsrdarashaw.com
 Web: www.tsrdarashaw.com

Branch Offices

- (i) Bangalore**
 TSR Darashaw Ltd.
 503, Barton Centre, 5th Floor,
 84, Mahatma Gandhi Road,
 Bengaluru - 560 001.
 Tel: 080- 25320321
 Fax: 080-25580019
 E-mail: tsrdlbang@tsrdarashaw.com
- (ii) New Delhi**
 TSR Darashaw Ltd.
 2/42 Ansari Road, Daryaganj, Sant Vihar,
 New Delhi - 110 002
 Tel: 011- 23271805
 Fax: 011-23271802
 E-mail: tsrdldel@tsrdarashaw.com
- (iii) Kolkata**
 TSR Darashaw Ltd.
 Tata Centre, 1st Floor,
 43, J L Nehru Road,
 Kolkata - 700 071
 Tel: 033-22883087
 Fax: 033-22883062
 E-mail: tsrdlcal@tsrdarashaw.com

(iv) Jamshedpur

TSR Darashaw Ltd.
Bungalow No.1 'E' Road,
Northern Town, Bistupur,
Jamshedpur – 831 001.
Tel: 0657-2426616
Fax: 0657-2426937
E-mail: tsrdljsr@tsrdarashaw.com

(v) Ahmedabad (Agent)

Shah Consultancy Services Limited
3, Sumathinath Complex,
2nd Dhal, Pritam Nagar,
Ellis Bridge,
Ahmedabad – 380 006

Share holders may also contact/write to:

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

X. Share Transfer System Physical:

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

Dematerialization of Shares and liquidity

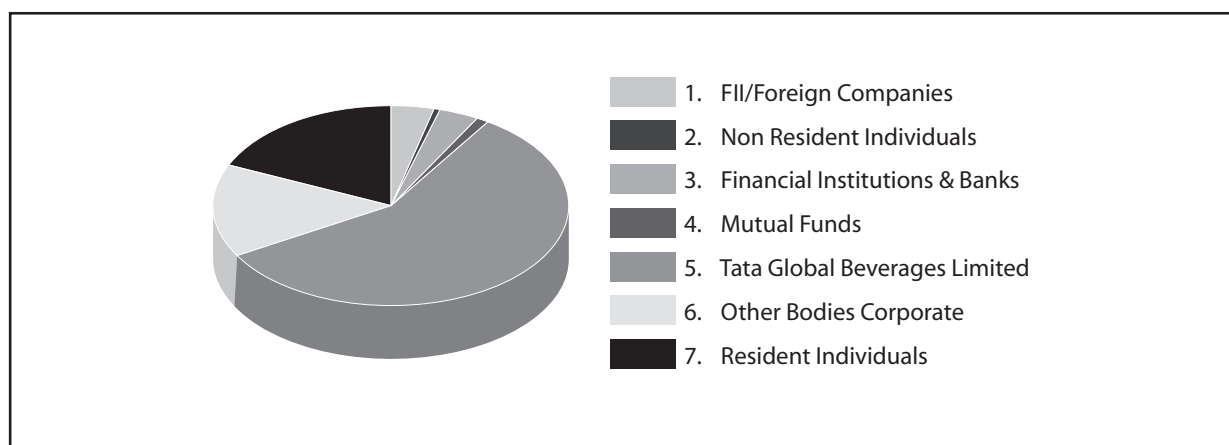
The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same alongwith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

XI. Distribution of Shareholding as on 31st March, 2012

No. of Equity Shares held	No. of Shareholders	% to Shareholders	No. of Shares	% of Shareholdings
1- 500	30,474	96.26	1395207	7.47
501- 1000	577	1.82	429094	2.30
1001-2000	324	1.02	454003	2.43
2001-3000	97	0.31	238326	1.28
3001-4000	52	0.17	180736	0.97
4001-5000	25	0.08	116169	0.62
5001 – 10000	55	0.17	370256	1.98
10001 & above	54	0.17	15493246	82.95
TOTAL	31658	100.00	18677037	100.00

XII. Categories of Shareholders as on 31st March, 2012

Sr. No.	Category of Shareholders	Total Holdings	Percentage
1.	FII/Foreign Companies	758631	4.06
2.	Non-Resident Individuals	105070	0.56
3.	Financial Institutions & Banks	662246	3.55
4.	Mutual Funds	234131	1.25
5.	Tata Global Beverages Limited	10735982	57.48
6.	Other Bodies Corporate	2785364	14.92
7.	Resident Individuals	3395613	18.18
	TOTAL	18677037	100.00



XIII. Shares in physical and demat form as on 31st March, 2012

	No. of Shares	Percentage
In Physical Form	776905	4.16
In Dematerialised Form	17900132	95.84

XIV. No. of share holders whose shares as on 31st March, 2012 are in physical and demat form.

	No. of Shares holders	Percentage
In Physical Form	9723	30.71
In Dematerialised Form	21935	69.29

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

Nil

XVI. Plant Locations

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

XVIII. Address for correspondence As stated in 10 (ix) above

11. Particulars about 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.

12. 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. So far as Non-Mandatory requirements are concerned, the Company has constituted the Remuneration Committee of the Board of Directors and has adopted a Whistle Blower Policy.

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, 2012.

HAMEED HUQ
Managing Director

Place: Bangalore.
Dated: 2nd May, 2012