



**FORM A**  
**(Pursuant to Clause 31(a) of Listing Agreement)**

Sr. No.	Particulars	Details
1.	Name of Company	Tata Global Beverages Limited
2.	Annual consolidated financial statements for the year ended	March 31, 2015
3.	Type of Audit observation	Matter of Emphasis
4.	Frequency of observation	It is appearing from 31 <sup>st</sup> March, 2012
5.	To be signed by :	 Ajoy Misra (Managing Director)
	• CFO	 John Jacob (Chief Financial Officer)
	• Audit Committee Chairman	 V. Leeladhar (Chairman – Audit Committee)
	• Auditor of the Company	Refer our Audit Report dated May 28, 2015 on the consolidated financial statements of the Company  For LOVELOCK & LEWES Chartered Accountants (Firm's Registration No. 301056E)   Dibyendu Majumder Partner (Membership No. 057687)  Mumbai 28 <sup>th</sup> May, 2015

**TATA GLOBAL BEVERAGES LIMITED**

Kirloskar Business Park Block-C 3rd & 4th Floor Hebbal Bengaluru-560 024

Tel 91-80-67171200 Fax 91-80 6717 1201

Registered Office 1 Bishop Lefroy Road Kolkata 700 020

Corporate Identity Number (CIN) - L15491WB1962PLC031425

E-mail Id - investor.relations@tataglobalbeverages.com

Website address - www.tataglobalbeverages.com



FORM A  
(Pursuant to Clause 31(a) of Listing Agreement)

Sr. No.	Particulars	Details
1.	Name of Company	Tata Global Beverages Limited
2.	Annual standalone financial statements for the year ended	March 31, 2015
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not applicable
5.	To be signed by : <ul style="list-style-type: none"><li>• CEO/Managing Director</li></ul>	 Ajoy Misra (Managing Director)
	<ul style="list-style-type: none"><li>• CFO</li></ul>	 John Jacob (Chief Financial Officer)
	<ul style="list-style-type: none"><li>• Audit Committee Chairman</li></ul>	 V. Leeladhar (Chairman – Audit Committee)
	<ul style="list-style-type: none"><li>• Auditor of the Company</li></ul>	Refer our Audit Report dated May 28, 2015 on the standalone financial statements of the Company  For LOVELOCK & LEWES Chartered Accountants (Firm's Registration No. 301056E)   Dibyendu Majumder Partner (Membership No. 057687)  Mumbai 28 <sup>th</sup> May, 2015

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**B L E N D I N G**  
MAKES OUR  
BUSINESS  
BETTER

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ANNUAL REPORT  
2014 - 15

**TATA GLOBAL BEVERAGES**

# IN THIS REPORT

## COMPANY OVERVIEW

- 02** TGB at a Glance
- 04** CEO & Managing Director's Message
- 06** Vision and Purpose
- 08** Performance Highlights (Consolidated)
- 10** Brewing the Perfect Cup
- 12** The Art of Blending
- 14** Understanding the Context
- 16** Creating Unique Blends
- 18** Special Blends
- 23** Behind the Blend
- 24** Our Experts
- 30** Embracing Diversity
- 34** Sustainable Practices
- 36** The Board of Directors
- 38** Management Team
- 40** Ten-year Financial Highlights

## STATUTORY REPORTS

- 41** Notice
- 48** Directors' Report
- 85** Management Discussion and Analysis
- 92** Report on Corporate Governance

## FINANCIAL STATEMENTS

### Standalone Financial Statements

- 111** Independent Auditors' Report
- 113** Annexure to Independent Auditors' Report
- 116** Balance Sheet
- 117** Statement of Profit & Loss
- 118** Cash Flow Statement
- 120** Notes forming part of Financial Statements

### Consolidated Financial Statements

- 151** Independent Auditors' Report
- 160** Consolidated Balance Sheet
- 161** Consolidated Statement of Profit & Loss
- 162** Consolidated Cash Flow Statement
- 164** Notes to Consolidated Financial Statements
- 203** Subsidiary Companies' Financial Highlights

Attendance Slip & Proxy Form





Creating the perfect blend is a fine art. At Tata Global Beverages (TGB), our success is a direct outcome of our expertise in blending, a quality that permeates every aspect of our business. Insights, experience and ingenuity blend to bring the most delightful beverage experience to our consumers, across all product categories.

In our tea business, the role of blending cannot be overemphasised. It is a core skill that defines aroma, taste and quality. We are proud to have on our team globally celebrated blenders who take our legacy and heritage forward. Beyond the expertise in traditional blending, we are investing energy and resources in aligning our product offerings to emerging consumer tastes as well as regional preferences. This has helped us create a differentiated range of green and specialty teas. The green and fruit & herbal segment is not just about refreshment and rejuvenation, but also about health and wellness and our blends are crafted with this in mind.

Central to our efforts is the pursuit of creating magical moments of fun, friendship and camaraderie over our beverages. The ability to balance the expectations of diverse stakeholders, and deliver on our objectives is also a function of blending. In addition, we have encouraged a people-centric culture based on diversity, innovation and equal opportunity that comes together to create a high-performing and unique team.

Across all we do, blending helps make our business better.

## TGB AT A GLANCE

Tata Global Beverages (TGB) is an integrated beverage business that has set out on a journey to become a global leader in branded natural beverages through innovation, strategic alliances and organic growth.

We have evolved from our strong heritage in tea plantations to a marketing and brand-focused organisation, with a portfolio of dynamic brands.

Around 90 percent of our sales today are from branded products and over 62 percent of our Group turnover is generated outside India.

### FY 2014-15 Highlights

#### REVENUES

**Rs. 7,993** crores  **3%**

#### OPERATING PROFIT

**Rs. 642** crores  **3%**



**250 mn**  
servings

OF OUR BRANDS  
ARE CONSUMED  
EVERY DAY  
AROUND THE  
WORLD

**2nd**  
largest

TEA COMPANY IN  
THE WORLD

**40**

COUNTRIES WITH  
SIGNIFICANT BRAND  
PRESENCE

**37**

GREEN TEA  
BLENDS IN  
PORTFOLIO

**3,000+**

EMPLOYEES  
WORLDWIDE

## North America & Canada

- TETLEY
- TEAPIGS
- TATA TEA
- GOOD EARTH
  
- EIGHT O'CLOCK

## Europe, Russia & Middle East

- TETLEY
- JEMCA
- VITAX
- TATA TEA
- TEAPIGS
  
- GRAND

## Africa

- TETLEY
- LAAGER
  
- TETLEY
- TEAPIGS
  
- MAP

## South Asia

- TETLEY
- TATA TEA
  
- TATA GLUCO+
- TATA WATER PLUS
- HIMALAYAN



TEA



COFFEE



WATER



## CEO & MANAGING DIRECTOR'S MESSAGE



Dear Shareholders,

The year saw Tata Global Beverages post a steady growth in revenue and operating profit despite a challenging market environment. We are meeting these challenges through process improvements and a continued focus on brand building and innovation. Our revenues and EBITDA saw steady growth though the net profit saw a decline after the impact of exceptional items. Our brands continue to delight consumers across many countries, and we remain invested in the promise of sustainable, long-term growth based on strong fundamentals.

This ability to perform in the short-term, meet challenges with courage and yet focus on the long-term value creation process is not a chance phenomenon. It comes from an attribute that is core to our business – Blending.

**10%**

GROWTH RATE  
FOR GREEN TEA

**Green tea is growing very rapidly in popularity around the world. Consumers across markets are either completely switching to green tea, or consuming more of it.**

### BLENDING MAKES OUR BUSINESS BETTER

Our theme for this year's annual report is a tribute to the art and craft of blending that defines our business and its success. Throughout our history, we have persevered to find the right blend for each segment of consumers that we cater to. We have aligned our offerings closely to their tastes, preferences and

expectations from the beverages they drink. An ability to deliver the best varieties of tea, to create the perfect roast for our coffees, and add the right nutrients to our water is what makes our business better.

The relevance of blending is most pronounced in the Tea business. We bring to bear our traditions, insights, continuous R&D and innovation culture together with our knowledge of products and consumers to create the perfect blends.

The underlying principles of blending therefore revolve around these pillars and a zeal to push the boundaries of excellence. This has enabled us to create a large repertoire of offerings for our global audiences.

### **THE SOURCE OF OUR EXPERTISE**

The secret to a perfect blend often lies in its source. Our teas are sourced with care from plantations across the world. The leaves are grown and cultivated in different climatic conditions, altitudes, and soil and water conditions. It is this diversity that enables us to create a large number of blends, for our teas.

Our blenders play a crucial role in helping us innovate with our offerings. They are highly skilled and experienced. Many of them possess several decades of understanding and know-how of the tea industry. They hail from all around the world and together make for a wide base of expertise that helps us create the most cutting-edge flavours and blends for our demographically diverse audiences spread over 40 countries across the world.

### **THE GREEN TEA REVOLUTION**

Green tea is growing very rapidly in popularity around the world. Consumers across markets are either completely switching to green tea, or consuming

more of it. This is due to increasing focus on health and wellness, rising disposable incomes and an increasing demand for a differentiated premium product. The annual rate of growth of green tea globally, is 10% and for fruit & herbal teas is 4%.

In India, Tata Global Beverages pioneered the green tea segment with Tetley and has a portfolio of delicious flavours available. Tata Tea has also launched a new variant of green tea called Acti Green that aims to popularise green tea and make it more accessible to all demographic segments.

Across other geographies, we have product offerings from Tetley such as Super Green in the UK, Green Tea Plus in Canada, Steamed Green Tea in Australia and Black & Green in the USA. These products adapt consumer insights in different countries to create a delightful beverage experience for consumers.

### **STRENGTHENING OUR COFFEE & WATER BUSINESSES**

In the Coffee segment, the acquisition of the MAP brand gave Tata Global Beverages entry into the coffee segment in Australia in roast & ground coffee as well as in the fast growing single serve segment. Eight O'Clock Coffee continues to strengthen its presence in the growing single serve segment in the USA, which is growing at a rate of around 20% annually. Tata Starbucks has expanded steadily and now has over 70 stores across India, covering seven cities.

In the Water segment, Tata Gluco Plus underwent a brand refresh including a packaging change and a TVC highlighting its glucose energy benefit. Himalayan natural mineral water launched its sparkling variant – an effervescent, natural, mineral enriched water.

We will continue to focus on further expanding and strengthening our coffee and water portfolio.

### **BLENDING SUSTAINABILITY INTO STRATEGY**

Last year, we had spoken about how sustainability is being made integral to all our business operations. We continue to strengthen our sustainability efforts across the organisation. Our sustainability programmes are largely based on five pillars: Sustainable Sourcing, Climate Change, Water Management, Waste Management and Community Development. We believe that blending sustainability with our business is key to long term stakeholder value creation.

As I conclude, I would like to express my gratitude for the immense support and encouragement we receive from our entire stakeholder ecosystem. As you read through this annual report, you will find many insights that we have captured to make you aware of our portfolio, our practices, and our expertise at blending not just as an operational activity, but also as a philosophical one.

With warm wishes,  
**Ajoy K. Misra**  
 CEO & Managing Director

## VISION AND PURPOSE



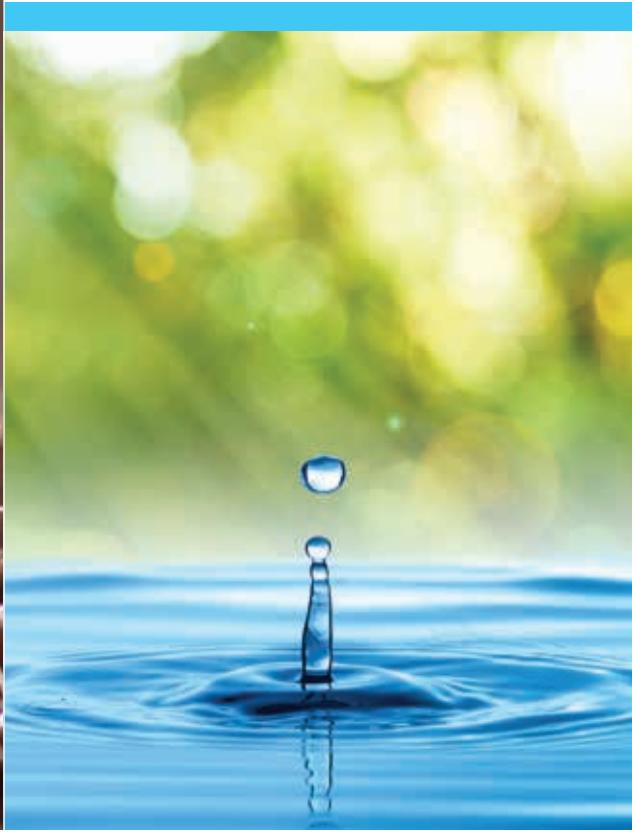
### VISION

To be the most admired natural beverages company in the world by making a big and lasting difference in Tea, Coffee and Water.



## PURPOSE

We will focus on creating magical beverage moments for consumers and an eternity of sustainable goodness for our communities.



# PERFORMANCE HIGHLIGHTS (CONSOLIDATED)



## REVENUE

Rs. Crores

FY 2010-11	<b>6,003</b>
FY 2011-12	<b>6,640</b>
FY 2012-13	<b>7,351</b>
FY 2013-14	<b>7,738</b>
<b>FY 2014-15</b>	<b>7,993</b>



## EBITDA

Rs. Crores

FY 2010-11	<b>608</b>
FY 2011-12	<b>623</b>
FY 2012-13	<b>768</b>
FY 2013-14	<b>752</b>
<b>FY 2014-15</b>	<b>775</b>



## PROFIT BEFORE TAX

Rs. Crores

FY 2010-11	<b>494</b>
FY 2011-12	<b>574</b>
FY 2012-13	<b>637</b>
FY 2013-14	<b>707</b>
<b>FY 2014-15</b>	<b>500*</b>

\* Decline due to exceptional items



## EARNING PER SHARE (EPS)

Rs.

FY 2010-11	<b>4.11</b>
FY 2011-12	<b>5.76</b>
FY 2012-13	<b>6.03</b>
FY 2013-14	<b>7.77</b>
<b>FY 2014-15</b>	<b>3.93</b>

## EPS BEFORE EXCEPTIONALS

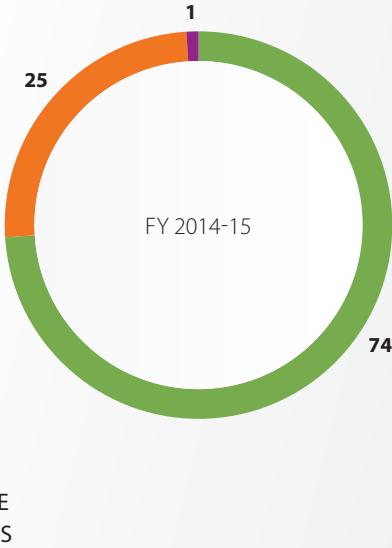
Rs.

FY 2010-11	<b>3.75</b>
FY 2011-12	<b>4.62</b>
FY 2012-13	<b>5.95</b>
FY 2013-14	<b>5.46</b>
<b>FY 2014-15</b>	<b>5.52</b>



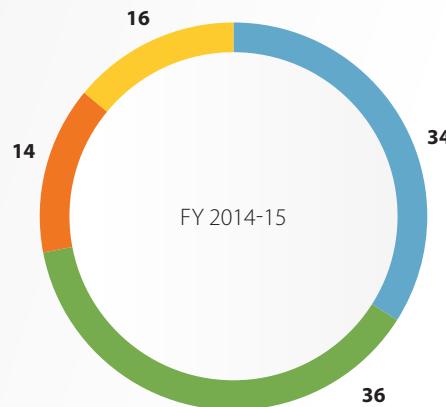
## SEGMENTAL REVENUE

%



## BRAND-WISE SALES

%



## BREWING THE PERFECT CUP

Take a look behind the scenes to see what goes into making the perfect cup.

# 14

### Countries from where tea is sourced

We source our tea from 14 different countries namely Kenya, Tanzania, Rwanda, Malawi, Zimbabwe, Uganda, India, Sri Lanka, Argentina, China, Japan, Vietnam, Indonesia and South Africa.

# 5

### Countries from which green tea is sourced

Our green tea is sourced from China, India, Kenya, Rwanda and Argentina.

# 13

### Countries where TGB's green tea is sold

Australia, Canada, UK, USA, India, France, Czech Republic, Denmark, Switzerland, Malta, Spain, Poland and Kuwait.



# 8

### Number of times a blend is tasted before it makes it to the market

Each blend is taste-tested 8 times to guarantee quality.

# 39,850

### Cups of tea tasted in a week



# 49

### Blenders across 5 countries

We have 49 blenders across 5 countries. Blenders rotate roles between buying and blending every few years.



# ~50

### Unique blends are created each year



Close to 50 new blends are developed every year. Last year this included, the new Tetley Super Green range, a new green range for the US and a Tata Tea black tea range for Canada.



# 400

**Varieties of tea  
sourced each year**

During the year, we purchased black, green, white and red tea from approximately 825 producers, and categorised these into 442 Uhuru boxes in our tasting language.



# 2,733

**metric tonnes of tea  
sourced every week**

In FY 2014-15, we purchased approximately 142,000 tonnes of tea. That is an average of 2,733 tonnes per week, the equivalent weight of approximately 550 fully-grown African Elephants! We also pack over 2,000 tonnes of fruit & herbal and flavoured teas annually.



# 944

**Years of cumulative  
experience**

Our blending team has 944 years of cumulative experience.

# 294

**Herbal, Flavoured  
and Specialty blends**

In addition to our 90 black and green blends, we also manage 27 specialty blends, 180 herbal blends, 50 flavoured black tea blends and 37 flavoured green tea blends in our portfolio.



## THE ART OF BLENDING



A perfectly brewed cup of tea can sprinkle magic on many a moment – provide a much needed refreshing break, boost a sagging spirit, bring a smile or be the ideal companion for an introspective moment.

**At TGB, we have exclusive blend recipes for all of our great tasting teas, each blend can be made up of more than 20 different teas.**

Crafting a beverage that delivers all of this isn't an easy task, which is why our tea blends are the result of careful buying and a rigorous blending process developed over years by blending experts. The cumulative experience of 944 years of our blending team ensures that your cup of tea is just perfect!

Blending is a critical aspect of the tea manufacturing process. This is because tea, is sensitive to where it is grown, the altitude, rain it receives, and when it is harvested. This means the same plant harvested two weeks apart, could taste very different. Our blending team ensures that each of our brands deliver consistent taste, no matter when you buy it.

The blending process begins with understanding what the consumer wants and the taste profile they seek. A tea blender's job is to take the quality characteristics from different tea regions and bring them together in perfect harmony. At TGB, we have exclusive blend recipes for all of our great tasting teas, each blend can be made up of more than 20 different teas.

These recipes are carefully developed through extensive consumer research and expert fine-tuning. On any given day, blenders taste over 1,000 different teas, using their knowledge and expertise to pick the best leaves for each blend, every week.



## FLAVOURFUL BLACK TEAS

Large batches of high quality teas are bought in auctions or directly from growers by our highly trained buyers from different regions of the world. Before each tea is bought, it is tasted and graded against our in-house tasting language.

The world of tea is vast and complex and navigating it requires a common language. At TGB, we developed a unique tea tasting language called 'Uhuru' (meaning freedom in Swahili). 'Uhuru' is used to define each tea we source – we give numeric values to important characteristics such as leaf appearance; the visual appearance of the brewed tea as well as its flavour and mouthfeel. We call this process of allotting values to teas, 'fingerprinting'.

Once the teas are fingerprinted, the blenders can see what each variety can offer to a blend; they then select teas to meet the desired profile of each blend to create a list of teas to be included. These teas are then mixed by hand through a table weigh-up to create a mini-blend for the blender to taste and approve before the blend finally goes to factory for production. When tasting, the taster slurps the tea, much as a wine taster does, then rolls the liquid around the mouth to assess the flavour before spitting it out into a spittoon. The taster also takes into account the appearance of the dry leaf, the infused leaf, the appearance and quality of the liquor. To guarantee the quality, each tea is taste tested up to eight times before it goes into production.

## SOOTHING GREEN TEAS

For green tea, the process is only slightly different. When we taste green teas, we use much less leaf to brew than we do for black, this reflects the different way most tea drinkers take green tea. Grading, selection of teas for inclusion into each blend, creating a mini-blend, tasting it for consistency and sending the blend for production all follow the same process as black tea.

## THE DIFFERENCE IS IN THE PROCESS

In black tea, oxidation is initiated by disruption to the internal membranes of the tea leaves (through rolling/bruising/cutting). This allows the oxidation of the catechins contained within the leaves. The resulting reaction provides tea with its briskness, colour, depth and body.

As the enzymes that produce this chemical reaction are proteins they can be disabled through heat. When manufacturing green tea, heat treatment (by direct heat/roasting or steam) reduces or stops the oxidation process.

**Steaming preserves the green colour and fresh taste of the tea better, but pan-roasting enhances the aroma and produces a mellower taste.**

## EXCITING FRUIT AND HERBAL TEAS

Blending for fruit and herbal teas begins with selecting the base – green tea, black tea, rooibos, mate, herbal, or a combination of these. The next step is choosing a flavour to enhance the mouthfeel or to add functional effects. There are more than one hundred ingredients to work with, which ingredient is chosen is determined by the impact it is expected to generate. Roasted chicory root, dandelion root, cocoa nibs, and roasted barley all add heavy, roasted flavour and dark colour. Rose petals and other flowers add floral aromas and smoothness. Hibiscus, rosehips, lemon peel, orange peel add fruity character while cardamom, cloves, nutmeg add spice notes. These are only a few from the available library of ingredients, to create the perfect tea infusion.

While each blend goes through an extensive selection and blending process, whether it is black, green or fruit & herbals, the key ingredients in each are care and attention – after all, that's what goes into making a great cup of tea.

## UNDERSTANDING THE CONTEXT

One of the key beverage trends we're seeing across the world is focus on health and wellness. Green tea is well positioned as a category to leverage this trend.

### PROJECTED SIZE OF THE GLOBAL GREEN TEA MARKET BY 2018 (US\$)

Source: Euromonitor

With more consumers open to experimentation and new beverage experiences, there exists an opportunity to deliver delicious fruit & herbal teas with surprising twists in flavour. The positioning of many of our brands, points to the ways we're leveraging these trends. Today, a consumer reaches out for a cup of tea during multiple consumption occasions throughout the day. One may have a cup of green tea mid-morning, perhaps a peppermint tea after lunch, a fruit tea in the evening and a soothing tea like chamomile at bedtime. Green tea's health benefits are thought to be many. It is a rich source of anti-oxidants. A cup of green tea every day helps stimulate your metabolism and keep you fit.

### THE GLOBAL GREEN TEA EVOLUTION

While black tea leads in volume, the market for green tea is growing in terms of value. Though we're seeing growth in green tea across markets, the key differentiator lies in how we adapt our blends, taking into consideration regional taste preferences and consumer behaviour. For example, in India the health and wellness trend has been gaining momentum so we recently launched Tata Tea Acti Green to popularise green tea by making it available at convenient price points, in

**Green Tea comprises 27% of the global tea market and is estimated to grow at a CAGR of more than 10% in the next five years.**

flavours customised to the Indian palate. In the UK, the vitamin market is growing rapidly with one in three consumers taking vitamin supplements every day. Leveraging this insight, we created Tetley Super Green Tea, fortified with vitamins. In Poland, herbal tea is the fastest growing segment by value and so we recently launched the Herbal Inspirations range. Our Steamed Green Tea range in Canada and Australia is adapted for consumers who prefer a milder taste.

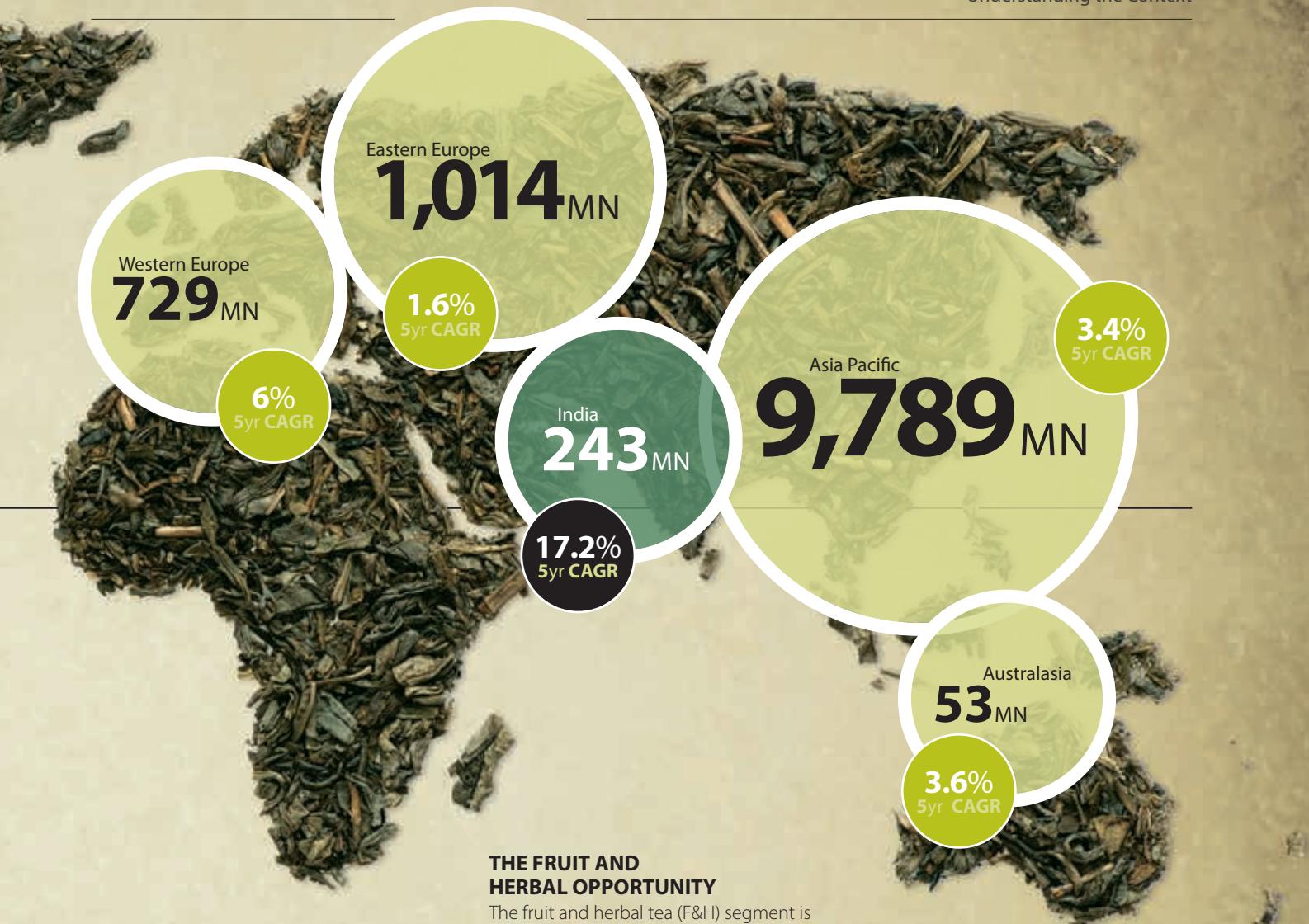
### GREEN TEA IN INDIA

The green tea market in India is valued at Rs. 1,292 million with TGB leading the market. The branded green tea market continues to grow at a healthy rate in India with a 60% increase in market share (Source: Nielsen Retail Measurement Service). This growth is mainly due to the fact that Indian consumers are experimenting more and more with premium varieties of tea and exploring healthier options. Health awareness and changing lifestyles is continuing to push

**3.3%  
5yr CAGR**

**461 MN**

people towards making better choices. TGB has been successful in making the most of this trend by introducing a range of green tea variants to cater to a wider consumer base. We have Tetley Green Tea which capitalises on health and wellness without sacrificing taste. It positions the brand as a lifestyle choice while Tata Tea Acti Green broadens the consumer base for the brand. New marketing media and campaigns, including those on digital and social media are being used to reach a wider audience.



## MARKET INSIGHTS

### GREEN TEA

- Sales of green tea are driven by its healthy image** especially among female consumers who perceive it as a method of natural weight loss.
- Green tea is also perceived as **a healthy energy alternative to coffee**.
- Innovative activities including **new flavour launches and premium-positioned packaging** changes will have a positive impact on sales of green tea.

### THE FRUIT AND HERBAL OPPORTUNITY

The fruit and herbal tea (F&H) segment is a US\$ 7 billion market which constitutes 16% of the global tea market. Western Europe's fruit and herbal tea market is the largest, with Germany contributing to more than half of the region's absolute value growth. The US is the second largest market, growing quickly due to consumers' interest in fruit/herbal teas as an alternative to coffee.

Markets in the Middle East and Africa are also opening up for F&H teas. Consumers today are also looking to try fruit & herbal teas, drawn to the segment because of the health and wellness benefits and unique flavour profiles in addition to those of relaxation and rejuvenation, associated commonly with drinking tea. Widespread advertising campaigns on the health benefits of F&H tea are playing a key role in the rapid growth.

## MARKET INSIGHTS

### FRUIT & HERBAL TEA

- Health and wellness trends combined with changing consumer habits** contributed to fruit/herbal tea market development.
- The **premiumisation trend** provides an opportunity to find a niche for high-quality products with **sophisticated flavours** in the UK, exotic/seasonal flavours in Germany, dessert tea in Russia and **innovative formats** include silk sachets and cold-brewed tea bags.

## CREATING UNIQUE BLENDS



With over 175 years of tea category expertise, TGB is committed to sourcing, buying and blending quality teas from around the world. We are the world's second largest tea company. Close to 50 skilled tea blenders taste and choose the best teas and blends for our discerning consumers every day. Backed by sharp insights, we continuously innovate to create new products and experiences to meet consumer needs. This has enabled us to bring to the market refreshing new blends in green tea and fruit and herbals – the fastest growing segments in the tea category.

Here is a representation of our extensive portfolio of green teas and fruit and herbal teas. Know more about our unique blends of tea infusions, made magical with varieties of herbs, botanicals and flavours.



### TETLEY GREEN TEA (INDIA)

Rolled out in 2006 in India, Tetley Green Tea promises health and wellness. It is positioned as a product that cleanses you from within, helping reduce the harmful effects of modern day lifestyle. Made of 100% natural ingredients, it is enriched with an array of unique flavours including Aloe Vera, Citrus & Spice, Lemon & Honey, Cinnamon & Honey and Ginger, Mint & Lemon.



### TATA TEA ACTI GREEN (INDIA)

Tata Tea Acti Green aims at democratising green tea and making it more accessible. Its specialty is that it tastes less bitter and is available in customised Indian flavours with the health and wellness attributes of Elaichi (Cardamom), Tulsi-Nimbu (Basil-Lemon) and regular Green Tea.



### TETLEY SUPER GREEN TEA (UK)

Tetley's Super Green Tea is the first functional green tea in the UK with added vitamins known for their proven health benefits. The Immune range is enriched with Vitamin C and comes in Tropical and Lemon and Honey flavours. The Boost range, in Berry Burst and Lime flavours, is enhanced with Vitamin B6 to reduce tiredness.



### TETLEY GREEN TEA PLUS (CANADA)

Tetley Green Tea Plus combines green tea with herbs and other ingredients that are known to address specific health concerns. It is available in three variants to cater to different needs: 'Figure' addresses obesity, 'Aware' aids mental alertness and 'Glow' addresses aging.



### TETLEY STEAMED GREEN (AUSTRALIA & CANADA)

Tetley's 100% Steamed Green Tea was launched as the only such green tea product on grocery shelves in Australia. 'Steamed' has both a strong health and a more delicate taste profile connotation, thereby addressing key barriers for the segment. The tea is packed in unique pyramid bags, a first in the green tea segment in Australia. Tetley 100% Steamed Green Tea is also available in Canada in a tin format.



### GOOD EARTH (USA)

Good Earth's Tea Untamed™ range offers 14 all natural tea fusions that span a gamut of tea varietals, herbs, botanicals and flavours. Fusions such as Sweet & Spicy®, Wild Chaild™, Mango Me Crazy™, and Organic Tropical Rush™ have been carefully chosen and masterfully blended together for a one-of-a-kind taste.



### TETLEY BLACK AND GREEN (USA)

We developed Tetley Black and Green to draw those consumers taking time to acquire a taste for green tea. Black and Green tea is a combination of full flavoured black tea and the refreshing goodness of green tea, without the bitterness that consumers are often found to be averse to.



### TETLEY WITH VITAMIN C (POLAND)

Launched in the Polish market as a unique offering in the premium fruit-flavoured segment, Tetley with Vitamin C is a tasty tea proposition fortified with vitamins. This is a black tea based product with additional ingredients that are a natural source of Vitamin C. One glass of this tea can provide 15% of the recommended daily allowance of the vitamin.



### JEMČA (CZECH REPUBLIC)

Jemča is the market leader in Czech Republic and has a strong presence with its forest fruit variant. Jemča's green tea range also boasts of unique blends with Peach, Pineapple and Orange.



### VITAX INSPIRATIONS (POLAND)

Vitax is a well-established fruit and herbal tea brand in Poland. Its flagship brand Inspirations is a premium line of high quality tea that is trademark of the brand. In addition to its existing successful line of fruity flavours, the brand recently launched a category extension comprising of innovative and surprising combinations based on exotic fruits: Papaya & Quince, Cranberry & Passionfruit, Strawberry & Mango, and two green tea based blends: Cranberry & Lychee, Mango & Acerola.



### TETLEY INFUSIONS (AUSTRALIA)

Our Tetley Infusions range in Australia provides consumers with a unique twist of fruit and herbal flavoured fun. This range twists traditional flavours with interesting accents, like Peppermint with Lemongrass, or Chamomile with Lemon. Another unique attribute is that these teas are packed in pyramid infuser bags and are naturally caffeine-free.

## SPECIAL BLENDS



Consumer preferences, geographic distribution and buying habits have changed over the last 10 years and will continue to evolve further. Understanding our consumers to create meaningful experiences and products is therefore key. The journey for our brands begins with honing in on the consumer need. Crafting a product that fulfils this need – be it the taste profile, functional benefits, or the price point, is the next step, followed by impactful communication.



## TATA TEA ACTI GREEN INDIA

### The context

Increasing societal awareness about health and wellness has led to a change in consumer behaviour. Many people, globally, want to take steps to 'live better'. The situation in India is no different, consumers are seeking products that don't just taste good, but contribute to a healthy lifestyle. Not surprising then, that green tea with its health benefit association found favour with many Indian consumers. It is a category that has recorded steep growth in the last few years.

However, trial and adoption, among India's burgeoning middle-class consumer base was low, despite high awareness of the product. A couple of reasons contributed to this – low availability, a taste profile that wasn't conducive to the palate of the people and higher price than black tea. As a result, green tea has often been thought of as a product not for the masses, creating a host of entry barriers and preventing large-scale consumption.

### Breaking the barrier

At TGB, our big goal was to change consumer perception of green tea in India. Armed with extensive market research, we launched Acti Green, a brand aimed at popularising green tea and making it accessible to a wide range of consumers. Launched under the Tata Tea umbrella, Acti Green promises to keep consumers active throughout the day, and is targeted at health conscious individuals around 25-44 years old who are looking for convenient and healthy options in tea.

The blend was made more flavourful by incorporating herbs and spices that are commonly used in tea preparation in the country and considered to be beneficial to health. Tulsi (Basil), Lemon and Elaichi (Cardamom) were chosen keeping in mind regional preferences thus creating blends that are unique in flavour and aroma.

Launched during the festive season of Diwali, the communication of the brand aimed at helping consumers balance the

The blend was made more flavourful by incorporating herbs and spices that are commonly used in tea preparation in the country and considered to be beneficial to health. Tulsi (Basil), Lemon and Elaichi (Cardamom) were chosen keeping in mind regional preferences thus creating blends that are unique in flavour and aroma.

overindulgence during festive seasons, by positioning Acti Green tea as a beverage that cleanses the system.

The brand set out to demystify the notion of green tea being highly priced and is offered in smaller packaged quantities, for experimental first time consumers. Tata Tea Acti Green is available in packs of 5s at Rs. 20 and in 50 gm at Rs. 40 at leading retail outlets and supermarkets.

### Consumer Testimonial

"While I had heard much about the many benefits of green tea, I had never tried it myself. Nor had my family. I saw Tata Tea Acti Green, and decided to give it a try. We have always consumed Tata Tea in my household. I was pleasantly surprised by the delicate flavors of many Indian herbs we usually use in tea. It was a refreshing drink, and I enjoyed it especially the Tulsi-Nimbu variant. Both my husband and I have replaced our evening cup of tea with Tata Tea Acti Green," a 36-year-old homemaker and Tata Tea consumer from Lucknow.



## TETLEY 100% STEAMED GREEN TEA AUSTRALIA

### The context

The green tea segment in Australia has been posting rapid growth, predominantly because of the health benefits associated with the beverage. Despite this increasing demand, there was no major innovation in the product offerings or its communication by any major tea brand in Australia in recent years.

Remaining relevant to consumers is critical at TGB. We therefore conducted a research study to understand the consumers' usage and attitudes with green tea. Our findings revealed taste to be the largest barrier to green tea consumption. Health was highlighted as the strongest driver.

### Innovating for growth

We identified the need for an innovation that would address both the health need and the taste barrier. Over a period of ten months, the project team created a range that could be positioned as healthy and tasty, capitalising on the widely known

benefits of steaming green vegetables as being a healthier and tasty way of cooking 'greens'.

Tetley's 100% Steamed Green Tea range is a delicious tea that is gently steamed immediately after picking to lock-in its fresh, pure flavour. Steaming the tea is a centuries old Japanese technique. The result is a green tea with a light, refreshing, taste without the bitterness. 'Steamed' in Australia has both a strong health and a more delicate taste profile connotation, thereby addressing both the key barrier and driver for the segment.

The brand proposition 'we like to steam our greens just like you' effectively summed up the benefit and overarching brand promise of health and wellness. The product was targeted towards health conscious shoppers, typically women who are 35-40 years old and are actively choosing a pro-health lifestyle. Since taste was found to be the biggest barrier, we introduced variants within the range – Pure & Natural, Ginger and Lemon.

Tetley's 100% Steamed Green Tea range is a delicious tea that is gently steamed immediately after picking to lock-in its fresh, pure flavour.

Tetley 100% Steamed Green Tea was a first-to-market innovation in Australian supermarkets, offering a unique fresh flavour that was less bitter. The new tea bag design in the shape of a pyramid was introduced, providing more room for tea infusion. The packaging design was kept simple and clean, to focus on the central brand promise of being pure, natural and good for health.

### End result

Both retailers and consumers were delighted with the product. Retailers sought to give prominence to the product. Tetley became the fastest growing green tea brand in the market and catapulted TGB to the number three position in the segment. In addition, 100% Steamed Green Tea won the 'Tea Product of the Year' in 2014, less than six months after its launch in an independent Nielsen survey.



## TETLEY HERBAL TEA CANADA

### The context

In Canada, the herbal tea market was positioned to grow given the increasing consumer trend towards health and wellness. Our aim was to ensure we were ready to take advantage of this growth. After extensive market research, we realised that Canadian consumers are looking for a higher level of benefit in their herbal tea. It was not just ingredients and flavour that they sought; it was in fact a need-state they wanted their cuppa to deliver. So instead of a ginger and mint tea, they were looking for a 'soothing' tea.

### What we did differently

We therefore decided to structure our positioning based on this learning about the consumer's decision-making process in the herbal category. With our packaging, we focused on creating need-state based names as the primary focus like: Cleanse, Calm, Warmth and Clarity. The ingredients were given

secondary importance in the hierarchy of the packaging communication. Our formula was to pair popular and accessible flavour variants with generally recognisable herbs, under the umbrella of a relevant need-state name. The range later expanded into cocktail-inspired flavours like Mojito, Bellini, Cosmo and Piña Colada to promote the aspect of fun and celebration that we wanted our customers to associate with the brand.

The product's USP was based on the fact that we focused on consumer need-states to drive interest. We conducted an integrated campaign targeted at 25-54 year old females who were health conscious and were interested in a new healthy product experience. To drive awareness of the different products and new colourful packages, the campaign was based on 'colour therapy' – relating the different colours of the package to a consumer need-state

Our formula was to pair popular and accessible flavour variants with generally recognisable herbs, under the umbrella of a relevant need-state name. The range later expanded into cocktail-inspired flavours like Mojito, Bellini, Cosmo and Piña Colada.

to arouse consumers' curiosity about the products. The campaign comprised TV commercials, out of home, social media, a dedicated website and even an interactive app. Launched in 2010, we continue to use this integrated campaign strategy even today.

### End result

Once the product was able to connect with consumers, there was no looking back. It catapulted us to the position of the second largest player in the herbal tea segment in Canada. The herbal category is currently the fastest growing category in tea.



At TGB we considered fortifying our teas with vitamins. Our bold idea was validated by consumer research, which revealed green tea drinkers to be experimental and open to adopting a product that would help them achieve their health goals.

## TETLEY SUPER GREEN TEA UK

### The context

Healthy lifestyle preferences have grown exponentially over the recent past and have spurred the demand for healthy foods and beverages. Interestingly, consumers were increasingly taking supplements, to close the nutrition gap. Our UK team discovered that the vitamin market is growing rapidly with 1 in 3 consumers taking vitamin supplements every day. At TGB we considered fortifying our teas with vitamins. Our bold idea was validated by consumer research, which revealed green tea drinkers to be experimental and open to adopting a product that would help them achieve their health goals.

### UK's first functional tea

Leveraging the insights from our research, we launched Tetley Super Green Tea,

fortified with Vitamin B to reduce tiredness and fatigue and Vitamin C to boost the immune system. This was the first range of functional green teas in the UK, with approved health benefits.

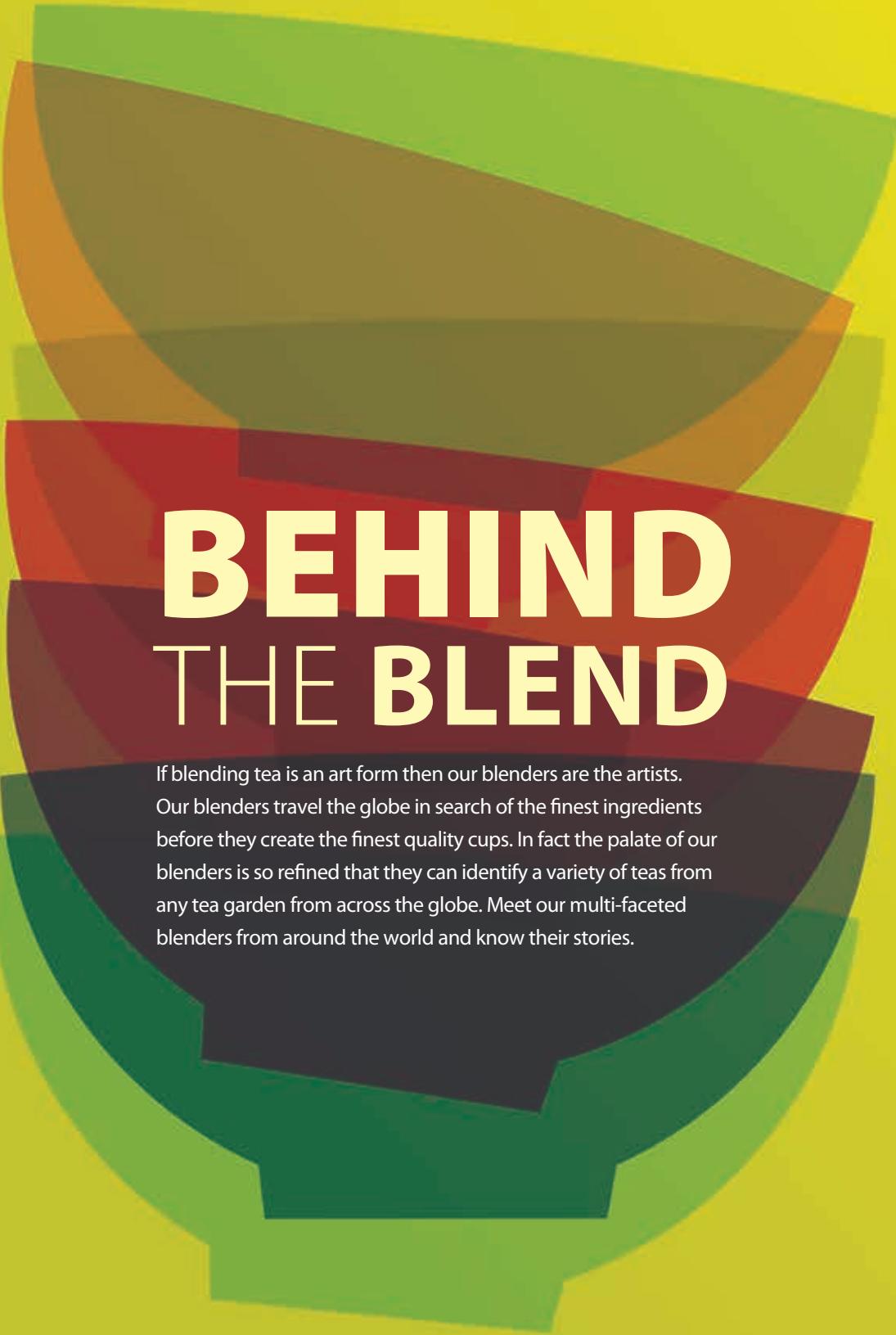
The main challenge was to ensure that the vitamins could withstand the hot brewed process and were evenly distributed in the product such that it did not affect taste. We formulated the products with care and redefined the manufacturing process to ensure that every single tea bag had the right amount of vitamins.

Four new Super Green Tea variations were developed. To boost the immune system, Super Green Tea Immune containing Vitamin C was introduced in two delicious flavours – Tropical and Lemon and Honey.

To reduce tiredness, Super Green Tea Boost with added Vitamin B6 brought into the market Berry Burst and Lime flavours. In addition to the vitamin enhancement, the new range delivered on taste too.

### End Result

This innovation and subsequent communication helped drive trial and adoption of our new Super Green teas. In addition, sales of Tetley Green Tea are up by 30%.



# BEHIND THE BLEND

If blending tea is an art form then our blenders are the artists.

Our blenders travel the globe in search of the finest ingredients before they create the finest quality cups. In fact the palate of our blenders is so refined that they can identify a variety of teas from any tea garden from across the globe. Meet our multi-faceted blenders from around the world and know their stories.

# OUR EXPERTS



I'M  
**JOANNE**

As a part of the Tea Buying & Blending team in the UK, I have close to two decades of experience in the industry. My favourite TGB product is Tetley Extra Strong.



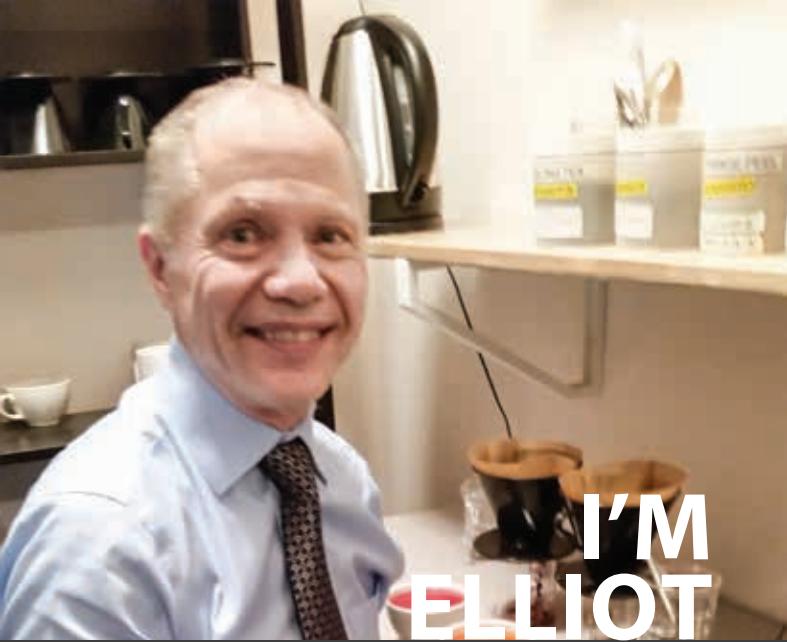
I'M  
**ZOE**

I am a part of the Tea Buying & Blending team in the UK and specialise in green tea. My favourite TGB product is the Tetley Australian Forest Fruit blend.



I'M  
**JUSTIN**

I am a part of the Tea Buying & Blending team in the UK and have over three decades of experience. My favourite TGB product is Tetley Kenyan Gold.



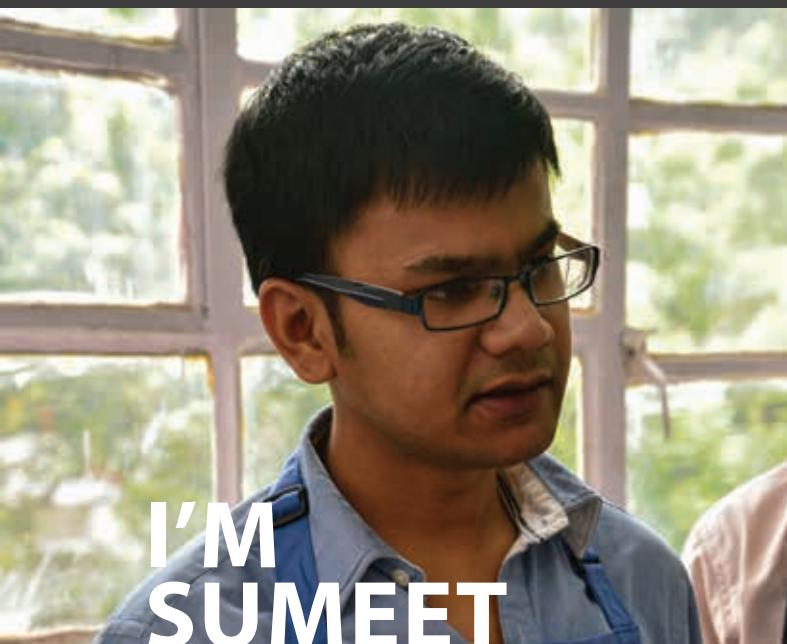
## I'M ELLIOT

A fruit and herbal specialist, I am a part of the Tea Buying & Blending team in the US. One of my favourite TGB products is Tetley Elaichi Green Tea.



## I'M SRINI

I have been tasting tea for over three decades and am a part of the Tea Buying & Blending team in India. I specialise in black tea. My favourite TGB product is Tata Tea Chakra Gold.



## I'M SUMEET

I have been a part of the Tea Buying & Blending team in India for about four years now. My favourite TGB product is the Tetley Lemon and Honey Green Tea.



## I'M ROBIN

I am a second generation employee at TGB and am part of the Tea Buying & Blending team in India. My favourite TGB product is Tata Tea Gold.



## ZOE KING

**TEA BUYING & BLENDING, UK  
EXPERTISE GREEN TEA**

I joined Tata Global Beverages as a trainee after graduating from Warwick University in Politics and International Relations and have been working in TGB for nearly eight years now. I am currently the blender for the Marietta factory and the commercial support contact for the USA and Canadian markets.

A graduate in Politics and International Relations from Warwick University, Zoe chanced upon blending as a career. It was, however, a happy twist of fate! In the last eight years, Zoe has evolved to become the blender for the Marietta factory in the US, and the commercial support contact for the USA and Canadian markets. She is also responsible for sourcing green and specialty tea.

An eye for detail, an excellent palate and a real passion for tea is Zoe's mantra for excelling at this craft. Also significant, she feels, is an absolute commitment to the job and a fondness of meeting people while being culturally sensitive.

According to Zoe, it is critical to understand the basic nature of teas and the geographic conditions that shape their flavour, taste and aroma. Teas grown in different environmental conditions and geographies add different characteristics to the blend. Other factors to consider are cost and packing constraints. These play an important role in deciding the flavour

and taste of the tea and must be given due importance to create the perfect blend. Zoe opines that the team at TGB has a deep understanding of all of these factors that make any particular blend the best in the industry and in fact manage more than 400 variants of such blends in any given year. After all, a tea taster's success lies in understanding what the customer wants.

What's a day in the life of a tea taster? Every day, Zoe grades various teas for their different characteristics: zing, flavour, colour, sparkle, and body. She also assesses the leaves for aroma. Along with her team she then designs blends, using consumer research and insight as well as in-house knowledge and expertise of the market and the teas available. Each blend has a unique taste profile and it is important to understand this and the combination of teas that goes into creating this profile.

What makes a tea blenders' role interesting? Zoe says that it is an

appreciation of the fact that each blend can be experimented with in an infinite number of ways by adding herbs, flavours, fruit extracts and other ingredients to create the best offerings for customers. To stay ahead of the curve, Zoe emphasises the importance of tasting different variants of teas, often. There is a lot to discover about the craft. There is also a lot to teach, to mentor a new generation of blenders.

Zoe's most memorable moment in the company is from her early days as a trainee. It was her maiden trip to Kolkata – the first stop for her training schedule. Having never crossed European shores, this experience was completely overwhelming yet exciting. She reminisces about exploring the city, culture and food while her first visit to Assam during the rainy season confirmed that she had fallen in love with India and it remains to this day her favourite tea growing country.



## ELLIOT RAYNSFORD

**TEA BUYING & BLENDING, USA**  
**EXPERTISE FRUIT & HERBAL TEAS**

Health and wellness has been at the forefront of lifestyle discussions for many years now with special focus on food and beverages that affect our lifestyle. This is what piqued Elliot Raynsford's interest as a young college goer and led to a growing curiosity about herbs, teas and diets that are healthy and promote well-being.

After graduating from college as a pre-med, Elliot began work in a small company that distributed herbs, teas, and other food items. Here, he was involved in every aspect from testing to tasting as with the subsequent roles he took up during the course of his career in the tea industry. Each role, whether that of a Quality Manager or a Product Manager, helped him gain a better understanding of teas and herbs. It also enlightened him on the different factors: region, location, season and size, among others, that go into creating the perfect blend.

A quality that Elliot looks for in a tea is a smooth aroma that preferably comprises a vegetal and floral base. He also looks for fruity or spicy undertones to the aroma. Elliot believes Chinese fired greens make for the best blending greens while Japanese teas possess a more subtle taste that he loves blending with a bright Kenyan green, a smooth Malawi green or even Indian greens to create a broad palette of tastes and flavours to work with.

In Elliot's opinion a black tea base for flavoured or specialty tea, is best when strong and smooth. An example of this would be Assam or a blend of Assam with Sri Lankan. The best way to enhance the taste and flavour of black teas like these is to use them as a base to create blends.

Creating the best blend depends on what the consumer wants or what mood or effect is desired to be produced through a blend. Depending on this, Elliot first

My entry into the tea industry has been a rather interesting one. It began in college when I started gaining awareness of how food and beverages could affect lifestyles. This led to me being exceedingly interested in herbs, teas, and diets that are healthy and promote well-being.

picks the base, followed by selecting herbs and spices to add to the blend. Experimenting with a vast selection of ingredients, from passion flower, chamomile, cloves, nutmeg, to lemon-peel, rose-peel and elderberry is what Elliot enjoys most. He believes the larger the purview to try out new flavours, the better the blend turns out to be.

Elliot's stint at TGB has been exciting and challenging in equal measure.

And what drives this fruit and herbal specialist every day? It is the possibility of creating an innovative blend at any time or striving to maintain consistency of older blends. The people he works with are a bonus. Together they make an exceptional team that is consistently producing market leading blends and brands.



## K. SRINIVASAN

**TEA BUYING & BLENDING, INDIA  
EXPERTISE BLACK TEA**

My association with the tea industry spans over 30 years. It is a wonderful challenge to be able to convert tea into different blends – one that the consumer loves and looks forward to drinking every day. Even after all these years, my job excites me on account of many reasons: it is never mundane and brings in something new every day. This is because no two teas are similar and to create the perfect blend is a new endeavour, every time.

K. Srinivasan is a veteran in the tea industry. Over 36 years of experience has not reduced the thrill of being able to convert tea into different blends – one that consumers love and look forward to drinking every day. When no two tea leaves are similar and there is an opportunity to create the perfect blend every time, one can be assured that 'mundane' is not part of the job profile.

Being a skilled blender requires innovation, a fine palate, a keen understanding of teas, a passion to excel as well as strong analytical skills. Srini points out that it is important to learn continuously on the job as well as gain a deep insight into consumers' tastes and preferences across geographies

and demographic boundaries. In this domain, Srini is a skilled expert. He is continuously on the lookout to create an exciting, new flavour, while maintaining the consistency of taste and aroma of the older brands. His expertise also lies in providing coherence and sameness to the taste of a particular blend despite the varied sources and types of tea that go into making the blend. Srini elaborates that no tea stands out in any particular region, without solid reason. A consumer is used to drinking that particular flavour and blend and is unlikely to suddenly develop appetite for a tea that bears no semblance with what he already drinks or is without other attributes of taste and health that he may be looking for.

However, that said, there is always room for innovation and experimentation. It is part of Srini's daily role to achieve exactly this, i.e. to experiment through various blending techniques to craft a decisively innovative flavour, aroma and texture. The key attributes of tea that he considers while creating the perfect blend are the origin of the tea, size, visual appeal, season of growth and added flavouring.

In his long association with TGB, Srini has had the pleasure of seeing the company grow from strength to strength while creating products that intrigue, satisfy and offer better value to consumers.



# A day in the life of a blender.



It is 8:15 am and I've just stepped into office. The day has started with me addressing a host of administrative functions and duties.

My next task is to prioritise the issue of blends to keep the continuity of production. To do this, I need to check requirements for blends from our factories.

As soon as I have completed this, I move on to tasting and fingerprinting various batches of tea which have arrived from the plants (packing factories).

Then I taste the first mix of production samples received from our factories. I need to ensure that these samples match the standards of the mix blend issued. I taste around 300-400 cups every day for the fingerprinting and tasting of the first mix alone!

After lunch, I taste market samples of various other brands and competitors and communicate the insights I gain to our brand team. I also interact with brand managers to understand any ongoing blend development activities or new projects.

I move back to my administrative role to check the movement of our teas, sort out any packing issues and Sales and Operation Planning while taking care of supply chain concerns, packing demands in plants, priorities and shortages. I often have to fit in a meeting or two with buyers as well.



I look at the clock and it is after 6:30 pm! Taste buds tingling, I head home.



## EMBRACING DIVERSITY



Many of TGB's teas are blends of leaves from across the world, grown in multiple plantations, at differing altitudes and varying climatic conditions. Interestingly though, they blend together brilliantly to make our consumers' favourite cup. In a rather similar vein, colleagues across genders, regions and cultures come together to make a diverse and effective team at TGB.

Multiple research studies prove that diversity is good for business, and we agree. The varied mix of team members at TGB bring diversity of thought, perspectives and decision making to the organisation.

There is another benefit as well – we leverage our diverse cultural and experiential base to deliver products that appeal to consumers across geographies. As a global organisation with brand presence in over 40 countries, our consumer base is vast and with varied

preferences. In India, consumers prefer their tea with spices, while in Russia many add a spoonful of jam to their black tea to sweeten it. Our challenge is to create and market products that are relevant to consumers across geographies. The rich experience of our team helps us understand cultural nuances and taste profiles, to deliver a cup consumers love.

Here are a few stories of colleagues across the organisation who take pride in being part of a team adept in the science and art of blending.

**Our challenge is to create and market products that are relevant to consumers across geographies.**



## JOANNE ROWLAND

**TEA BLENDER & BUYER, UK**

A job advert for a Tea Taster sparked my curiosity and led to my career in the tea industry. I grew up in Malvern, Worcestershire, a small town in the West Midlands. After completing my A levels, I studied International Business at Sheffield Hallam University. My education helped me develop a cosmopolitan outlook and enabled me to adjust to living in new countries.

My journey with the Tata group started in 1996, after being employed by the Tetley Group. My first role at TGB was as a Trainee Tea Taster. As part of my training, I spent six months living overseas in Kenya, Malawi and Sri Lanka. Working and living in other countries was a great experience. Long before the days of satellite-navigation, I would negotiate my way around town armed with a scrap of paper on which I noted down my own landmarks to find my way from my accommodation to the office!

Working within Tea Buying and Blending has given me a number of different work experiences from buying black teas and botanical teas from across the world to creating blends for our worldwide factories in Cochin in South India and Marietta in USA. I was also involved in establishing our blending systems in Karachi, Pakistan. Currently, my role requires me to blend for the company's Eaglescliffe Factory in the UK. I am responsible for the black, green, and botanical blends sold in Europe and North America.

Working with TGB has been a huge learning experience for me. Each day brings something new. I taste as many as 200 to 300 variants of tea every day, to create an end-product that satisfies consumer demands. It is challenging, and rewarding, to have a job where one has to ensure that the consumer can't distinguish between two different packs of his favourite blend, despite them

containing different variants of tea from across the world.

In a career spanning close to two decades in the company, I have also created some very special memories here. I will never forget my first ever visit to a tea estate – Chisunga in Malawi, and the amazing aroma that surrounded me, or the first time I bought tea in a Mombasa auction in Kenya.

Other things that make the work environment at TGB truly special, is the diverse set of people who work here. It is truly exciting to be part of a team that has professionals from across the world, working under one roof. This brings the best solutions to the table, to help in problem solving. It also creates a company and work culture that's resilient, open to differences and possesses diverse strengths.



I live in the South East of the UK, in a county called West Sussex. My first stint in the tea industry was as a Tea Buyer's Assistant. My interest in tea-tasting was given impetus by a senior taster. After that, there was no looking back and I have worked in the industry for more than 30 years now, of which I've spent seven years with the Tata group.

What I love about my work is that it's not an everyday office job! I love challenging my taste-buds and perfecting the skill of tasting tea. A day at work typically requires me to taste tea, developing and amending blends, dealing with queries and interacting with people.

## **JUSTIN PANTON**

**TEA BLENDER & BUYER, UK**



## **SUMEET SETHIA**

**TEA BLENDER & BUYER, INDIA**

I am originally from Rajasthan but was born and brought up in Kolkata. I have done my post-graduation in Marketing. I believe that work becomes play the day you find what you love doing. I, thankfully, happened to find this fairly early in life, when I joined Tata. This was my first job, after completing my studies. I have worked here for almost four years, and for a considerable period of time during this tenure, my role has been that of a tea-taster.

My job excites me as I find that it brings in new challenges every day. Each cup has a story to tell and it takes a lot of effort to create a consistent taste, blend and aroma. Being at TGB has helped me further improve my skills as a blender and has provided me an excellent training ground, as my job requires that I taste hundreds of cups of tea every day. These comprise teas from all over the world, and they give immense insight about the product and its various characteristics, to the tea-taster.

Another upside of being at TGB is that one gets to work with a wide variety of people, of different nationalities. Despite working on projects from different countries, we at TGB, manage to work, seamlessly with each other. An example of this is the launch of the Tetley Tea Masters range in Australia. The launch had extremely tight timelines. Our aim was to develop a range of new stylish leaf blends to go into Pyramid bags. We worked across continents, co-ordinating with our teams in Australia, Europe and Asia, to get the product approved and launched on time.

It is only through our blend of capabilities that we were able to achieve this, and that's what makes working at TGB special. It's amazing to be part of this global team. Apart from tasting, one of the highlights of the role is providing support to various regions throughout the world. TGB is more than just a work place or a place to hone one's skills. It's a place where people are warm and hospitable, inspiring and drawing from each other's strengths to realise diverse possibilities.

At TGB, tea-tasters are also trained to grade tea using UHURU, a unique tasting language for TGB. The ability to forecast and quote availability of quality bands is also developed during this time. We are made familiar with creating the magic formula that goes into making the perfect cup of tea, right from manufacturing, to using techniques to innovate with the blend to delight the consumer.

Other than being deeply involved with the craft of tea-tasting, what I love about my job is the wonderful opportunities it gives me to interact with people from across the world. This helps create a problem solving approach that provides a blend of many perspectives. A recent example of this, was the discussion held at TGB on El Nino and La Nina's impact across geographies on tea supplies and prices. We had several interesting perspectives on the topic from participants from different regions, and this proved useful in framing our procurement strategies for the year, enabling us to go that extra mile to meet our consumers' demands.



## ROBIN KUNDU

### HELPER – TEA BLENDING, INDIA

Prior to joining the tea industry, I used to work as an electrician. My family has had a long-standing tradition of working at TGB and I simply followed in their footsteps and joined the company in 1990. Before me, my father and brother have worked with the company.

I initially worked as a tea-boy. My duties required me to set up the blending room, sort samples and clean up after all work is done. I moved to blending in 2006-07 as I felt this would give me a wider base of opportunities and make for steady growth in my career.

Today, my job requires me to create blends by combining different varieties of tea. Central to this endeavour lies consistency and taste – a tea should be blended in a manner that the customer cannot tell the difference between the first and the hundredth cup. I, on an average, create around 25 blends and mini-blends in a day.

I owe all my knowledge of tea-blending to this wonderful company. It has mentored and made me who I am today. My seniors and the management have supported me unconditionally and helped me better my skills. I share a very special relationship with the company and all its members. I have taken it upon myself to give back to it in every measure possible and I do this by helping new entrants and guiding them.

It is a blend of this love, support, creativity and ingenuity that makes the team at TGB a wonderful melting pot of diverse skills and talents. One that helps the company rise above challenges and create value for and bring the best to its customers.

## SUSTAINABLE PRACTICES



At TGB, it has been our constant commitment to work for the communities we serve. We attempt to achieve this by taking steps to reduce our carbon footprint, save energy and enable livelihood opportunities. We believe that it is the blend of these endeavours that make our business better.

Our Sustainability Policy is based on our commitment to integrate environmental, social and ethical principles into business to improve the quality of life of the communities we serve globally, as well as to enhance long-term value for our stakeholders. Our sustainability programmes are largely based on five pillars: Sustainable Sourcing, Climate Change, Water Management, Waste Management and Community Development.

Among the many measures taken was the introduction of the Natural Beverages Policy. This is an apex policy that incorporates all relevant elements of sustainability, corporate social responsibility, affirmative action, community initiatives and volunteering.

The policy is applicable to all units of TGB, including associate companies and joint ventures.

In 2014, for the third year in a row, TGB was recognised on the Climate Disclosure Leadership Index (CDLI), and ranked first for the second time in the Consumer Staples sector in India by CDP (Carbon Disclosure Project). This recognition highlights our attempts to reduce carbon intensity. Over the last three years, we have managed to decrease this by 28%.

We have partnered with UNICEF, to fund the Ethical Tea Partnership (ETP) programme to promote child protection in the tea gardens of the Indian state of Assam. This aims to reduce children's vulnerability to trafficking and abuse, and

is funded by IDH, Tesco, OTG (Meßmer), TGB, and Taylors & Typhoo. It will initially work with 350 communities on over 100 estates in three districts of Assam.

TGB has also initiated Project S-PPF (Sustainable Plant Protection Formulations), a collaboration between Tata Group companies – Tata Global Beverages, Tata Chemicals, Rallis, and associate plantation companies of KDHP and APPL. It endeavours to develop a portfolio of bio-pesticides and Package of Practices (PoP) that can be used in tea crops. In this unique initiative, over 20 multidisciplinary scientists from the Tata Group have studied the biology and ecology of tea pests, evaluated alternative practices for their management, and conducted over 20 field trials on



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bio-pesticide control of significant tea pests. TGB has also signed a Letter of Intent with United Planters' Association of Southern India (UPASI) to collaborate in developing pheromone management of the helopeltis pest.

TGB is one of the founding members of Trustea, a multi stakeholder initiative led by the Tea Board to sustainably transform the tea industry in India. Till May 2015, Trustea has already certified about 80 million kg of Indian tea with the support of internationally reputed implementation partners such as Solidaridad and Ethical Tea Partnership (ETP).

In our other endeavours to ensure sustainable sourcing of tea, our associate company – Kanan Devan Hills Plantations

Company (KDHP), in Munnar, has set an industry benchmark by facilitating 1,260 small tea growers in Wayanad and Idukki regions of Kerala to achieve both the Rainforest Alliance and Trustea certifications.

We believe that the right to health is a fundamental part of human rights and of a life led with dignity. So, we have invested in hospitals in Munnar and Chubwa that provide inclusive and affordable healthcare facilities to about 100,000 people annually from local communities. We also have a deep association with St. Jude Child Care Centres located in Kolkata and Mumbai. These centres ensure that children suffering from cancer have a hygienic, safe place to stay while undergoing treatment.

Another cause that we are closely associated with is providing people with the opportunity to better their lives through skill development. Aligned with our group's initiative, Tata Strive, we have facilitated skill development initiatives for the communities that we serve. To achieve this aim, we currently support Unnati, an NGO based in Bangalore. Through this initiative, we have trained and helped over 425 youth to find employment.

## THE BOARD OF DIRECTORS



CYRUS P. MISTRY

CHAIRMAN

Mr. Cyrus P. Mistry is the sixth Chairman of Tata Sons Limited. He has been a Director of Tata Sons since 2006. He was appointed as the Chairman of the Board of Tata Global Beverages in December 2012. He was earlier Managing Director of the Shapoorji Pallonji Group. He is a graduate in Civil Engineering from Imperial College, UK and has an M.Sc. in Management from the London Business School. Mr. Mistry is a Fellow of the Institution of Civil Engineers, London.



MALLIKA SRINIVASAN

INDEPENDENT DIRECTOR

Ms. Srinivasan is the Chairman and Chief Executive Officer of Tractors and Farm Equipment Limited, a flagship company of the Amalgamations Group. A thought leader and strategist, recognised for her commitment to excellence and contribution to Indian Industry, she has been at the helm of affairs of several industry bodies and trade associations. Ms. Srinivasan is a recipient of several business awards and has also been recognised by Business Today for seven consecutive years as one of the 25 most powerful women in Indian business.



DARIUS PANDOLE

INDEPENDENT DIRECTOR

Mr. Pandole is a Partner at New Silk Route Advisors Pvt. Ltd., a private equity firm focused on investing in India and other Asian economies. Mr. Pandole had earlier worked with Kraft General Foods in the US and returned to India in 1993 and managed the operations of his family owned soft drinks business, Duke and Sons Limited, which was a market leader in Western India. Mr. Pandole holds a BA (Economics) degree from Harvard and an MBA from the University of Chicago.



S. SANTHONAKRISHNAN

DIRECTOR

Mr. Santhanakrishnan, FCA is a partner in PKF Sridhar & Santhanam, Chartered Accountants and has more than 30 years of experience in Finance and Accounting 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). He is actively involved in numerous industry oriented initiatives of the Reserve Bank of India and the Ministry of Corporate Affairs.



IREENA VITTALE

INDEPENDENT DIRECTOR

Ms. Vittal is a former partner with McKinsey & Co. and has also served governments and public institutions to design and implement solutions core to India's development, such as inclusive urban development and sustainable rural growth. Ms. Vittal was a founding member of the economic development practice and the global emerging-markets practice at McKinsey. Ms. Vittal graduated in electronics and has an MBA from the Indian Institute of Management, Calcutta.

**ANALJIT SINGH****INDEPENDENT DIRECTOR**

Mr. Singh is the Chairman of the Max Group and has been the driving force behind its sustained growth and success since inception. He was conferred the prestigious Padma Bhushan Award by the Government of India in 2011. Mr. Singh is a Member of the Prime Minister's Joint Indo-US CEO's Forum. He is actively involved in governing several educational institutes of prominence including as an Executive Board Member of the Indian School of Business (ISB), Hyderabad.

**V. LEELADHAR****INDEPENDENT DIRECTOR**

Mr. Leeladhar has extensive experience in the banking industry having served as the Executive Director of the Bank of Maharashtra, Chairman and Managing Director of Vijaya Bank and Chairman and Managing Director of Union Bank of India. He also served as the Deputy Governor of the Reserve Bank of India for over four years. He was also a member of the Securities & Exchange Board of India for about three years.

**RANJANA KUMAR****INDEPENDENT DIRECTOR**

Ms. Kumar retired as Vigilance Commissioner in Central Vigilance Commission, Government of India. She was also a Member, Governing Council, National Innovation Foundation, Ahmedabad. She has held very significant positions in her career, including that as the Chairperson and Managing Director of Indian Bank and Chairperson of National Bank for Agriculture and Rural Development (NABARD), among others.

**R. HARISH BHAT****DIRECTOR**

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 his appointment as a member of the GEC, he led Tata Global Beverages as Managing Director and CEO. He has played a key role in the acquisition of Tetley. Mr. Bhat is an alumnus of BITS Pilani and IIM Ahmedabad, graduating at the top of his class in both institutions.

**AJOY K. MISRA****MANAGING DIRECTOR**

Mr. Misra is CEO of Tata Global Beverages Group and Managing Director of Tata Global Beverages Limited. He was with the Indian Hotels for nearly 30 years and was leading its sales and marketing function in his most recent assignment. His prior roles include heading Sales for the Taj Group and being Area Director in the Sri Lanka and Maldives regions. He is a Civil Engineering graduate from BITS Pilani and holds an MBA from FMS, Delhi University.

**L. KRISHNAKUMAR****EXECUTIVE DIRECTOR**

Mr. Krishnakumar is Group CFO and Executive Director of Tata Global Beverages Limited. He is currently the Executive Director and Group CFO and supervises the Finance, Governance and IT functions. He also oversees the Global Buying and Blending and part of the Operations functions. He took over as Head of the Finance function of Tata Tea in 2004 and has been part of its rapid growth story since then. He holds professional qualifications in Chartered Accountancy, Cost Accountancy and Company Secretarial Services and has over 30 years' experience.

## MANAGEMENT TEAM

**AJOY K. MISRA****CEO & MANAGING DIRECTOR**

Mr. Misra is Chief Executive Officer of Tata Global Beverages Group and Managing Director of Tata Global Beverages Limited. He was with the Indian Hotels for nearly 30 years and was leading its sales and marketing function in his most recent assignment. His prior roles include heading Sales for the Taj Group and being Area Director in the Sri Lanka and Maldives regions. He is a Civil Engineering graduate from BITS Pilani and holds an MBA from FMS, Delhi University.

**L. KRISHNAKUMAR****GLOBAL CHIEF FINANCIAL OFFICER**

Mr. Krishnakumar joined the Tata Group in 2000 in the hotels business as its Vice President - Finance and in 2004 took over as Head of Finance of Tata Tea in India. In TGB, he supervises the finance, governance and IT functions. He also oversees the Global Buying and Blending and part of the Operations functions. A graduate from Loyola College, Madras, he is a qualified Chartered Accountant, Cost Accountant and Company Secretary.

**ADIL AHMAD****CHIEF MARKETING OFFICER**

Mr. Ahmad joined Tata Global Beverages in 2015 to align our efforts and drive synergies across geographies and markets to develop a strong portfolio of global brands. As brand custodian, he focuses on overall health, profitability and premiumisation of brands across various markets. Adil graduated from St Stephens College, Delhi and holds an MBA from Case Western University, USA.

**K. S. SRINIVASAN****GLOBAL CHIEF HUMAN RESOURCES OFFICER**

Mr. Srinivasan joined Tata Global Beverages as Chief Human Resources Officer in 2013 and supervises Business Excellence, Global Communications and Sustainability functions. He has over 30 years of global experience in the Human Resources function and has worked with the Tata group for 24 years.

**SUSHANT DASH****REGIONAL PRESIDENT, INDIA**

Mr. Dash joined Tata Global Beverages in 2000, and has successfully handled various strategic and operational roles. Prior to joining the company, he worked in ORG Marg, in various capacities in consumer and market research. Mr. Dash holds a post graduate degree from MICA (Mudra Institute of Communication, Ahmedabad) and is a graduate in Economics from Ravenshaw University, Cuttack.

**PRADEEP PODDAR****CEO & MD, MOUNT EVEREST MINERAL WATER LTD.**

Mr. Poddar has over thirty years' experience in the consumer sector having held positions at senior level positions at Glaxo India and Heinz. He has also served as the Chief Executive Officer of Special Projects at Tata Global Beverages Limited in the past. Mr. Poddar holds an MBA from IIM Ahmedabad and is a Chemical Engineer from UDCT.

**STEPHEN RICE****REGIONAL PRESIDENT, CAA**

Mr. Rice joined Tetley in 1999 as a Marketing Manager and was appointed Vice President Marketing in 2004. He assumed the role of Regional President Canada in 2007 and took on North America in 2008 and Australia in 2010. He is responsible for Canada, America and Australia (CAA). Prior to joining Tetley, he worked for Coca Cola and Cadbury Beverages. Mr. Rice graduated with an Honours BCOMM, majoring in Marketing.

**SANJIV SARIN****CEO & MD, TATA COFFEE LTD.**

Mr. Sarin has over 38 years of experience in a variety of significant roles. Prior to his stint at Tata Global Beverages, he was associated with Cadbury Schweppes in the Philippines, Egypt, India and the UK. He graduated from the Asian Institute of Management, Manila, Philippines with a Distinction and has a Masters in Economics from Bombay University, where he graduated with a Gold Medal.

**NIGEL HOLLAND****REGIONAL PRESIDENT, EMEA**

Mr. Holland joined the management team in 2011 and is responsible for Europe, Middle East & Africa (EMEA). Nigel is also Executive Director and Chairman of Joekels Tea Packers Ltd (SA); as well as the President of the UK Tea & Infusions Association (UKTIA). Prior to joining Tetley in 1998, he worked with a number of leading FMCG brands, including Scottish & Newcastle Breweries, Kraft Jacobs Suchard and Boots Healthcare International. Mr. Holland has a degree in Economics and an MBA.

**VISH GOVINDASAMY****CEO, WATAWALA PLANTATIONS**

Mr. Govindasamy assumed duties at Watawala Plantations as its CEO in the year 1997 and has since helped it grow into one of the largest tea plantation companies in Sri Lanka. Mr. Govindasamy is also closely associated with the Planters' Association of Ceylon and the Employers' Federation of Ceylon for the Plantation Sector. He holds an MBA from the University of Hartford, USA.

# TEN-YEAR FINANCIAL HIGHLIGHTS

		Rs. in Lakhs									
	2014-15 <sup>#</sup>	2013-14 <sup>#</sup>	2012-13 <sup>#</sup>	2011-12 <sup>#</sup>	2010-11 <sup>#</sup>	2009-10	2008-09	2007-08	2006-07	2005-06	
<b>STANDALONE FINANCIAL HIGHLIGHTS</b>											
Total Revenue	<b>303968</b>	286784	243907	212938	192408	183684	152464	126329	114611	104017	
EBITDA	<b>31694</b>	28394	23851	23177	14690	19145	15251	17631	19768	17579	
Operating Profits	<b>29700</b>	26759	22212	21973	13454	17913	14186	16614	17914	15636	
Profit before Tax	<b>34905</b>	58549	32095	36991	23023	49543	22906	38586	34977	23052	
Tax	<b>6005</b>	13852	6230	6723	4964	10396	7000	7300	4320	4359	
Profit after Tax	<b>28900</b>	44697	25865	30268	18059	39147	15906	31286	30657	18693	
Dividend payout @	<b>16177</b>	14709	15364	15365	14154	14313	12533	25322	10852	7693	
Equity Capital	<b>6184</b>	6184	6184	6184	6184	6184	6184	6184	5903	5622	
Share Warrants / Share Suspense Account	<b>127</b>	-	-	-	-	-	-	-	2183	-	
Reserves & Surplus	<b>243854</b>	251141	225645	214827	199461	201600	173748	174221	148469	110505 <sup>#</sup>	
Shareholders' Funds	<b>250165</b>	257325	231829	221011	205645	207784	179932	180405	156555	116127	
Borrowings ^	<b>47750</b>	45651	50857	36685	50547	49966	75500	75751	79700	24136	
Capital Employed	<b>297915</b>	302976	282686	257696	256192	257750	255432	256156	236255	140263	
Net Block	<b>20461</b>	16195	15045	14278	12600	11136	10396	9810	24658	25031	
Contribution to Exchequer	<b>11844</b>	14085	9621	8666	7202	11999	8045	8270	5358	5654	
Payments relating to Employees	<b>16192</b>	13611	12006	10069	9545	9503	9175	7183	17915	17631	
No. of Employees	<b>2549</b>	2466	2489	2218	2373	2419	2422	2510	34506	34596	
Book value per Share (Rs.) *	<b>39.29<sup>+</sup></b>	41.26 <sup>+</sup>	37.13 <sup>+</sup>	35.39 <sup>+</sup>	32.90 <sup>+</sup>	332.47	287.43	288.19	261.51	202.67	
Earnings per Share (Rs.)	<b>4.58<sup>+</sup></b>	7.23 <sup>+</sup>	4.18 <sup>+</sup>	4.89 <sup>+</sup>	2.92 <sup>+</sup>	63.3	25.72	50.79 <sup>**</sup>	53.56 <sup>**</sup>	33.25	
Dividend per Share (Rs.)	<b>2.25<sup>+</sup></b>	2.25 <sup>+</sup>	2.15 <sup>+</sup>	2.15 <sup>+</sup>	2.00 <sup>+</sup>	20.00	17.50	35.00 <sup>§</sup>	15.00	12.00	
Total Debt to Equity *	<b>0.19</b>	0.18	0.22	0.17	0.25	0.24	0.42	0.43	0.52	0.21	
<b>CONSOLIDATED FINANCIAL HIGHLIGHTS</b>											
Total Revenue	<b>806337</b>	781941	743698	673456	610036	585499	490730	437597	410323	315112	
EBITDA	<b>77486</b>	75189	76849	62305	60812	72164	64562	70866	70421	56247	
Operating Profits	<b>64175</b>	62283	66339	52691	50868	61872	54693	61703	60750	48663	
Profit before Tax	<b>49988</b>	70686	63679	57362	49436	64098	125631	205928	56561	41840	
Net Profit	<b>24782</b>	48052	37275	35614	25433	39030	70055	154255	44335	29915	
Book value per Share (Rs.) *	<b>86.38<sup>+</sup></b>	93.90 <sup>+</sup>	77.08 <sup>+</sup>	73.15 <sup>+</sup>	63.37 <sup>+</sup>	596.35	580.94	557.34	359.96	275.27	
Basic Earnings per Share (Rs.)	<b>3.93<sup>+</sup></b>	7.77 <sup>+</sup>	6.03 <sup>+</sup>	5.76 <sup>+</sup>	4.11 <sup>+</sup>	63.11	113.28	250.41 <sup>**</sup>	77.46 <sup>**</sup>	53.21	
Total Debt to Equity *	<b>0.21</b>	0.21	0.25	0.16	0.21	0.38	0.53	0.59	1.67	1.03	

# Figures as per Schedule III/Revised Schedule VI

@ Includes Tax On Dividend

## Inclusive of Rs. 288.47 Lakhs credited pursuant to a scheme of amalgamation

^ Includes current maturities of long term debts

\* Computation excludes Revaluation Reserves

+ Computation based on revised face value of shares

\*\* On the average Share Capital for the year/period

& Includes one time special dividend of Rs. 20 per share

# NOTICE

Notice is hereby given that the Fifty Second Annual General Meeting of the Members of Tata Global Beverages Limited will be held at The Oberoi Grand, 15 Jawaharlal Nehru Road, Kolkata – 700 013 on Friday, 14<sup>th</sup> August 2015 at 10.30 a.m. to transact the following businesses:

## Ordinary Business

1. To receive, consider and adopt:
  - (a) the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March 2015, together with the reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March 2015 together with the report of the Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. S Santhanakrishnan, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Harish Bhat, who retires by rotation and, being eligible, offers himself for reappointment.
5. Appointment of Auditors

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

"RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of Lovelock & Lewes (Firm Registration No. 301056E), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the fifty-third AGM of the Company to be held in the year 2016 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors."

## Special Business

6. Remuneration of Cost Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shome & Banerjee, Cost Accountants, (Firm Registration Number 000001), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company, for the financial year ending 31<sup>st</sup> March 2016, be paid a remuneration of Rs. 3,00,000 plus service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.

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

## Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 5 and 6 are annexed hereto. Information under Clause 49 of the listing agreement relating to Directors proposed to be reappointed is provided in Annexure to this Notice.
2. The Register of Members and Transfer Books of the Company will be closed from Saturday, 1<sup>st</sup> August 2015 to Friday, 14<sup>th</sup> August 2015, both days inclusive.
3. If the Final Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on Tuesday, 19<sup>th</sup> August 2015 as under:
  - i) To all the beneficial owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of the business hours on Friday, 31<sup>st</sup> July 2015.

- ii) To all the members in respect of shares held in physical form after giving effect to all valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Friday, 31<sup>st</sup> July 2015.
- 4. A member of the Company entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself 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. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be accompanied by appropriate resolution/ authority as applicable, issued on behalf of the nominating organisation.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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.**

- 5. Shareholders are requested to immediately notify their bank particulars giving the name of the bank and the branch, 9 digits MICR number, the nature of account and their Core Banking Solutions account number (CBS A/c No.) to the Company's Registrar and Share Transfer Agent, TSR Darashaw Limited, in respect of shares held in physical form and to their Depository Participant in case of shares held in electronic form.

Shareholders may note that the bank details registered against their account in physical form will not be applicable to their electronic account and vice versa. The Company or its Registrars cannot act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the depository participant of the shareholders.

Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the shareholders, it is important that bank

account details are correctly provided to the depository participants.

It is in interest of the shareholders to register their bank details against their account and avail of NECS (National Electronic Clearing Service) facility being extended by the Company for receiving dividend payment. The shareholders may please note that under instructions from the Securities and Exchange Board of India, furnishing of bank particulars by the shareholders has become mandatory.

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

Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed / unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of 7 years from the date they became due for payment, have been transferred to the IEPF established by the Central Government. No claim shall be entertained against the IEPF or the Company for the amounts so transferred prior to 31<sup>st</sup> March 2015. Shareholders who have not yet encashed their dividend warrant(s) pertaining to the dividend for the financial year 2007-08 and /or any subsequent year are requested to make their claims without any delay to the Registrars. It may be noted that the unclaimed dividend for the financial year 2007-08 declared by the Company on 22<sup>nd</sup> August 2008 can be claimed by the shareholders by 22<sup>nd</sup> August 2015. Attention of the shareholders is also drawn to the "Corporate Governance" section of the Annual Report in respect of unclaimed dividend.

- 7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or TSRDL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.**
- 8. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per register of members of the Company will be entitled to vote.**

9. Shareholders holding shares in physical form are requested to advise any change of address, email address, bank details immediately to Company's Registrar and Share Transfer Agents, TSR Darashaw Limited. Shareholders holding shares in electronic form must advise their respective depository participants about any change in address, email address and bank details and not to the Company or the Registrars.
10. In accordance with the Companies Act, 2013 read with the Rules, the Notice of the AGM along with the Annual Report for 2014-15 are sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. Updation of Members' Details  
  
The format of Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Share Registrar & Transfer Agents to record additional details of the members, including their PAN details, email address, Bank details for payment of dividend etc. A form seeking to capture the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Share Registrars and Transfer Agents, M/s TSR Darashaw Limited, 6-10 Haji Moosa Patrawala Industrial Estate, 20 Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant.
12. Voting through electronic means
  - I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35 B of the listing agreement, the Company is pleased to provide members holding shares either in physical form or in dematerialised form, the facility to exercise their right to vote at the 52<sup>nd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). In order to enable its members, who do not have the access to e-voting

facility to send their assent or dissent in writing in respect of the resolutions set out in this Notice, the Company is enclosing a Ballot Form with this Notice. Instructions for Ballot Form are given on the reverse of the said form. 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 email and open PDF file viz; "TGBL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the 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) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
  - (v) The password change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. 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 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 the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) You need to login again with the new credentials. Home page of e-voting will open.
  - (vii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password and cast your vote.
  - (viii) Once the e-voting Home page opens Click on e-Voting > Active Voting Cycles.
  - (ix) Select "EVEN" (E-Voting event number) of Tata Global Beverages Limited which is 102137. Now you are ready for e-voting as Cast Vote page opens.
  - (x) Cast your vote by selecting appropriate option "For" or "Against" and click on "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 and click on "Submit".
  - (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xii) You may 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. 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.
  - (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to [asimsecy@gmail.com](mailto:asimsecy@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants or requesting physical copy]:
    - (i) Initial password is provided in the enclosed ballot form along with EVEN (E Voting Event Number), USER ID and PASSWORD/PIN
    - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xi) in A. above, to cast vote.
  - C. Members who are already registered with NSDL for e-voting can use their existing user Id and password for casting their votes.
  - II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - III. The e-voting period commences on 11<sup>th</sup> August 2015 (9.00 am) and ends on 13<sup>th</sup> August 2015 (5.00 pm). During this period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 7<sup>th</sup> August 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, which is 7<sup>th</sup> August 2015. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut off date only shall be entitled to avail the facility of remote e-voting, voting through Ballot Form as well as voting at the AGM.

- V. The facility to vote at the AGM will be provided by any electronic means/ Poll paper to the shareholders who will be attending the AGM and have not cast their vote either by Physical Ballot or through remote e-voting.
- VI. Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary (Membership No. FCS 2303 & CP No. 880) has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting through post in a fair and transparent manner.
- VII. The Scrutinizer after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the Meeting and thereafter will unblock the votes in the presence of at least two witnesses not in the employment of the Company.
- The Scrutinizer will collate the votes cast at the Meeting, votes downloaded from the e-voting system and votes received through post and make not later than two days from the conclusion of the Meeting, a Consolidated Scrutinizer's Report of total votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.
- VIII. Members who do not have access to e-voting facility may send duly completed ballot forms (enclosed with the annual report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Dr. Asim Kumar Chattopadhyay, Practicing Company Secretary (Membership No. FCS 2303& CP No. 880), in the enclosed self addressed and pre-paid envelope not later than 8<sup>th</sup> August 2014 (5.00 pm IST). Members have the option to request for physical copy of the ballot form by sending an email to investor.relations@tataglobalbeverages.com by mentioning their Folio No. / DP ID and Client ID number. However, the duly completed ballot form should reach the office of the Scrutinizer not later than 8<sup>th</sup> August 2015. Ballot form received after this date will be treated as invalid. A member can opt for only one mode of voting, i.e., either through e-voting or by ballot. If a member casts vote by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
- IX. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login id and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "forget User details/ Password" option available on www.evoting.nsdl.com.
- X. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tataglobalbeverages.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") and Calcutta Stock Exchange ("CSE"), where the shares of the Company are listed.

By Order of the Board



**V. Madan**

Vice President & Company Secretary

**Registered Office:**

1, Bishop Lefroy Road,

Kolkata – 700 020

28<sup>th</sup> May 2015

CIN - L15491WB1962PLC031425

E-mail id: investor.relations@tataglobalbeverages.com

Website address: www.tataglobalbeverages.com

## Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 ("the Act")

**As required by Section 102 of the Companies Act, 2013 ("the Act"), the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. 5 and 6**

### Item No. 5

#### Appointment of Auditors and fixing their remuneration

This explanatory statement is provided though strictly not required as per Section 102 of the Companies Act, 2013.

Lovelock & Lewes (Firm Registration No. 301056E), Chartered Accountants, were appointed as the statutory auditors of the Company for a period of three years to hold office from the conclusion of the fifty first AGM till the conclusion of the fifty-fourth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM). In pursuance of the same, their ratification for appointment from the conclusion of the fifty second AGM till the conclusion of the fifty third AGM is being put up to the shareholders for their ratification.

The Board commends the Resolution at Item No. 5 for approval by the members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

### Item No. 6

#### Remuneration of Cost Auditors

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Shome & Banerjee as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending 31<sup>st</sup> March 2016.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March 2016.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

By Order of the Board



V. Madan

Vice President & Company Secretary

#### Registered Office:

1, Bishop Lefroy Road,  
Kolkata – 700 020  
28<sup>th</sup> May 2015

CIN - L15491WB1962PLC03142  
E-mail id: investor.relations@tataglobalbeverages.com  
Website address: www.tataglobalbeverages.com

## PARTICULARS OF DIRECTORS SEEKING REAPPOINTMENT

<b>Particulars</b>	<b>Mr. S Santhanakrishnan</b>	<b>Mr. Harish Bhat</b>
Date of Birth	November 1, 1950	November 8, 1962
Date of Appointment	May 28, 2013	April 1, 2014
Qualifications	BSc, BL, FCA	B.E. (Hons.), PGDM
Expertise in specific functional areas	Wide experience in Finance, Accounts including IFRS, Strategy and Planning, Global Assurance and Corporate Laws	Overall business management including functional expertise in Sales, Marketing and Corporate Management
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	<ul style="list-style-type: none"> <li>• The Catholic Syrian Bank Limited – Non Executive Chairman</li> <li>• Tata Coffee Limited</li> <li>• Tata Realty and Infrastructure Limited</li> <li>• Tata Housing Development Company Limited</li> <li>• IDBI Federal Life Insurance Co. Ltd</li> <li>• ICICI Home Finance Limited</li> <li>• XBRL India Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Tata Coffee Limited - Chairman</li> <li>• Infiniti Retail Limited</li> <li>• Trent Limited</li> <li>• Tata Unistore Limited</li> </ul>
Memberships / Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders' Relationship Committee)	<p>Chairman- Audit Committee</p> <ul style="list-style-type: none"> <li>• Tata Coffee Limited</li> <li>• Tata Housing Development Company Limited</li> <li>• IDBI Federal Life Insurance Co. Ltd</li> </ul> <p>Member – Stakeholders’ Relationship Committee</p> <ul style="list-style-type: none"> <li>• Tata Coffee Limited</li> </ul>	<p>Member – Audit Committee</p> <ul style="list-style-type: none"> <li>• Tata Starbucks Private Limited</li> </ul> <p>Member – Stakeholders’ Relationship Committee</p> <ul style="list-style-type: none"> <li>• Tata Coffee Limited</li> </ul>
Number of shares held in the Company	Nil	Nil

# DIRECTORS' REPORT TO THE MEMBERS

Your Directors are pleased to submit their fifty second report together with the audited financial statements of the Company for the year ended 31<sup>st</sup> March 2015.

## Financial Results

Rs. in crores	Consolidated		Standalone	
	2014-15	2013-14	2014-15	2013-14
Revenue from Operations	7,993	7,738	2,885	2,683
Profit from Operations before Other Income, Finance Costs, Depreciation and Exceptional Items	775	752	317	283
Less : Depreciation	(133)	(129)	(20)	(16)
Profit from Operations before Other Income, Finance Costs and Exceptional Items	642	623	297	267
Add: Other Income (Standalone results includes intra-group dividends eliminated on consolidation)	70	82	155	185
Less : Finance Costs	(82)	(87)	(34)	(39)
Profit before exceptional items and taxes	630	618	418	413
Exceptional items (net)	(130)	89	(69)	172
Profit before tax	500	707	349	585
Provision for tax	(216)	(185)	(60)	(138)
Profit after tax	284	522	289	447
Share of Net loss in Associates	(11)	(13)	-	-
Minority Interest	(25)	(28)	-	-
Profit for the year	248	481	289	447
Add: Surplus brought forward from previous year	3,276	2,990	820	565
Add: Transfer from debenture redemption reserve	-	81	-	81
Add: Adjustment on Amalgamation	20	-	2	-
Amount available for appropriation	3,544	3,552	1,111	1,093
Proposed dividend	(142)	(139)	(142)	(139)
Dividend distribution tax	(21)	(10)	(19)	(8)
Transfer to debenture redemption reserve	-	(81)	-	(81)
Transfer to general reserve	(49)	(46)	(29)	(45)
Adjustment on evaluation of useful life of Fixed Asset	(1)	-	(1)	-
	(213)	(276)	(191)	(273)
Retained in profit and loss statement	3,331	3,276	920	820

## State of Company's Affairs

### Consolidated Performance

For the year ended 31<sup>st</sup> March 2015, your Company's consolidated Income from Operations at Rs. 7,993 crores registered a growth of 3%. The increase was higher at 5% at prior year exchange rates. The improvement in the topline reflects improved performance from our branded business and a stable

performance from the non-branded business. Markets such as India, Canada, and Australia along with new businesses like Starbucks, NourishCo and MAP business in Australia contributed to revenue growth within the branded business. As regards the non branded business, while Coffee extraction sales were higher, plantation business was impacted by seasonality and pest infestation translating to lower crop available for sale.

Profit from Operations at Rs. 642 crores grew 3% over the prior year. The improvement in operational profits was attributable to the improved performance in the branded business despite lower profits in the plantation business and higher spends in new ventures. The growth in income and profits were achieved in context of a highly competitive environment mainly in the international markets.

Profit before and after tax was however lower because of the impact of exceptional items. Your Company recognised non-cash impairment losses amounting to Rs. 95 crores relating to businesses in China and Eastern Europe. The impairment relating to the China business is on account of delays in start up and stabilisation of technology for an enhanced product range. In the case of Eastern Europe, the goodwill impairment mainly relates to Russia and to a lesser extent to Eastern European branded business. In Russia, the impairment is arising due to adverse macroeconomic environment with resultant adverse impact on interest and discounting rates used for impairment assessment.

The year saw a strong focus on the green and specialty tea category and innovative product launches. In the UK, Tetley launched a range of 'super green teas' that are the first functional green teas in the UK with proven health benefits. The teas have added vitamins and premium natural flavours. In Canada, Tetley launched a premium line of specialty teas called the Tetley Signature Collection to reinforce Tetley's leadership position in Specialty teas in Canada. In Poland, the Vitax brand launched Herbal Inspirations – a unique fusion of well-known herbal tastes with a hint of sweetness: Mint & Honey, Chamomile & Caramel and Lemon Balm & Vanilla. We have expanded our footprint in the Middle East with new distribution and new product launches with encouraging early results.

In the coffee segment, the acquisition of the MAP brand gave TGB entry into the coffee segment in Australia in roast & ground coffee as well as the fast growing single serve segment.

We are delighted to report that our strategic partnership with Starbucks and PepsiCo has reflected good growth.

### **Standalone Performance**

Your Company's Income from Operations for the year ended 31<sup>st</sup> March 2015 was Rs. 2,885 crores, registering an improvement against the prior year, driven by increase in volumes and prices with improved performance of both national and regional

brands. Profit from operations at Rs. 297 crores was higher than previous year mainly driven by top line improvements. Profit before and after tax was however lower because of the impact of exceptional items. Your Company recognised non-cash impairment losses amounting to Rs. 62 crores relating to its investment in the China business. The impairment is on account of delays in start up and stabilisation of technology for an enhanced product range.

The Indian business recorded good growth under the flagship 'Tata Te'a' brand and most of the regional brands. We continue to be the market leaders in both volume and value terms. Your Company is pleased to announce record sales achieved in volume terms. In line with your Company's strategy of promoting "good for you" beverages and recognising the consumer shift to health and wellness, the Indian operations strengthened focus on the green tea category. In addition to significant improvement in performance by Tetley Green tea, Tata Tea Acti green was launched aimed at popularising green tea and making it accessible to a wide range of consumers with convenient price points and milder blends, in exciting Indian flavours. Your Company is also the market leader in the green tea segment.

Himalayan water, a brand inherited on amalgamation, is focussing on profitable growth. The brand profitability was impacted due to the imposition of an excise duty which was previously exempt and became applicable effective September 2014. Whilst, NourishCo, our JV with PepsiCo, is focussing on sale of this brand in the Indian market, your Company is also evaluating options for scale up in the international markets.

### **Amalgamation of Mount Everest Mineral Water Limited with the Company**

Pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Courts at Calcutta and Himachal Pradesh, Mount Everest Mineral Water Limited (MEMW), a subsidiary of your Company, engaged in sourcing and selling of natural mineral water, has been amalgamated with the Company with effect from 1<sup>st</sup> April 2013. The Scheme came into effect on 18<sup>th</sup> May 2015, the day on which both the orders were filed with the respective Registrar of Companies, and pursuant thereto the entire business and all the assets and liabilities, duties and obligations of MEMW have been transferred to and vested in the Company with effect from 1<sup>st</sup> April 2013.

In consideration of the Scheme of Amalgamation, your Company will be issuing 1.27 crores equity shares to the shareholders of

MEMW as of the Record date. Post issue of such shares, the paid up capital would go up to Rs. 63.11 crores.

### **Dividend**

Your Directors are pleased to recommend for the approval of the shareholders a dividend of Rs. 2.25 per share on the equity share capital of the Company with respect to the financial year 2014-15. The said dividend of Rs. 2.25 per share is also payable on the new equity shares to be issued to the shareholders of the erstwhile Mount Everest Mineral Water Limited on the amalgamation of MEMW with the Company. The total outgo on account of dividend, inclusive of taxes, for 2014-15 is Rs. 162 crores which represents a pay-out of 56% of the Company's stand alone profits.

### **Transfer to Reserves**

An amount of Rs. 28.90 crores is proposed to be transferred to General Reserves out of the amount available for appropriation and an amount of approximately Rs. 100 crores is proposed to be retained in the profit and loss statement.

### **Review of Subsidiaries, Associates and Joint Venture Companies**

Pursuant to Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company and its subsidiaries, joint ventures and associates, prepared in accordance with the relevant Accounting Standard specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, form part of this Annual Report. Pursuant to the provisions of said section, a statement containing the salient features of the financial statements of the Company's subsidiaries, associates and joint ventures in Form AOC-1 is given in this Annual Report. Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate accounts in respect of subsidiaries are available on the website of the Company.

There have been no material changes in the nature of the business of the subsidiaries (including associates and joint ventures) during the financial year 2014-15. Acquisitions/ divestments, as applicable have been adequately disclosed in the financial statements.

Your Company has adopted a policy for determining material subsidiaries in terms of Clause 49 of the Listing Agreement. The Policy as approved may be accessed on the Company's website at the link: <http://www.tataglobalbeverages.com/our-investors/governance>

### **Performance highlights of key operating subsidiaries / associates / joint ventures**

#### **Indian Operations**

##### **Tata Coffee Limited**

Tata Coffee Limited recorded a turnover of Rs. 684 crores during 2014-15 compared to Rs. 651 crores in the previous year, registering an increase of 5% attributed to improved instant coffee sales even as coffee plantation sales was impacted due to seasonality and tea plantation was affected by pest infestation translating to lower crops available for sale. The instant coffee export sales to regions other than Russia improved whilst sales to Russia were at the previous year's levels. Coffee plantation operations however remained flat with volume shortfall being partially offset through better realisations. Profit from Operations for the year ended 31<sup>st</sup> March 2015, at Rs. 104 crores was lower than the previous year. Profit before and after Tax for the year 2014-15 was Rs. 142 crores and Rs. 102 crores vis-à-vis Rs. 148 crores and Rs. 107 crores respectively in the previous year.

The Directors of Tata Coffee Limited have recommended a dividend of Rs.1.30 per share for the year 2014-15 which is same as last year.

To avoid over dependence on selected markets such as Russia, for the instant coffee export business, the management has continually focussed on newer geographies and witnessed improvements in sales by identifying new customers in various new countries. In keeping with the group focus on innovation, Tata Coffee launched new instant coffee products and new packaging as a hedge against commoditisation.

The instant coffee operation in Tata Coffee continues to demonstrate their focus on process centric approach and operational discipline. As part of sustaining operational excellence, the Theni unit had been certified for ISO 14001, Halal & Kosher, BRC&IFS and Toopran unit was certified for ISO 14001 and 18000. Both the Theni and Toopran sites won the CII Environment systems award for the year.

#### **NourishCo Beverages Limited**

NourishCo Beverages Limited, the Joint venture with PepsiCo, is driving our water agenda in India. It distributes the 'Himalayan' brand which operates in the premium segment, manufactures and distributes Tata Water Plus which is fortified water in the mass segment and Tata Gluco Plus in the enhanced water segment.

Himalayan brand is focussing on profitable growth. A new TV advertisement for Himalayan went live on media in February 2015 to communicate the Himalayan 'Live Natural' proposition and build source 'Himalayan'.

Both Tata Gluco Plus and Tata Water plus reflected good growth through distribution expansion. NourishCo Beverages is now present in 7 states – Maharashtra, Gujarat, UP, MP, Karnataka, Tamil Nadu and Andhra Pradesh. Tata Gluco Plus underwent a brand refresh including a packaging change and a catchy TVC highlighting its glucose energy benefit.

#### **Tata Starbucks Private Limited**

Tata Starbucks added 29 new stores during the year taking the store count to 72 stores as at the end of the financial year. The business continues to perform well and the overall performance of most stores continues to be robust. The company launched its loyalty programme during the year and received encouraging response. The focus during the year has been improving customer experience and sharing coffee knowledge. In order to achieve this, we commenced coffee master certification program and as at March 2015, we have 60 certified coffee masters. Our commitment to community continues to be a key priority at our stores and participated in 172 community initiatives during the year.

Tata Starbucks which was originally incorporated as a Public Company under the name 'Tata Starbucks Limited' was converted into a private limited company on 16<sup>th</sup> March 2015 pursuant to Section 18 of the Companies Act, 2013 and Rules framed thereunder.

#### **Amalgamated Plantations Private Limited (APPL)**

For financial year 2014-15, APPL's turnover was in line with prior year. However, its performance was severely affected by lower crop due to severe drought conditions and higher wages reflecting wage revision during the year.

#### **Kanan Devan Hills Plantation Company Private Limited (KDHP)**

For financial year 2014-15, KDHP's turnover was marginally lower than previous year. Profits were lower compared to previous year due to lower realisation in South India and increase in wages reflecting wage revision during the year.

#### **International Operations**

##### **Eight O Clock Coffee Company (EOC)**

EOC's total income during 2014-15 at Rs.1,008 crores, under Indian GAAP, was marginally lower than the previous year's total income of Rs. 1,026 crores. The reduction in top-line is due to lower bagged coffee volumes in the first half of the year. However, in the second half, EOC volumes increased, driven by its popular consumer programs and effective promotional listings.

EOC's total Income also includes royalty income from the single serve K-cups sold under a licensing agreement with Keurig.

K-cup volumes increased significantly year on year due to growth in the single serve business and addition of four new EOC SKU's. Overall profitability of EOC improved over the previous year.

#### **Tata Global Beverages Group Limited, UK**

The consolidated income from Tata Global Beverages Group Limited UK, under Indian GAAP which substantially reflects the financial performance of the Tetley business and other international brands, at Rs 3,462 crores was flat over the prior year. At prior year exchange rate, the underlying growth is 3%. The underlying growth in sales is mainly attributable to growth in Canada, improvements in Australia and growth in Middle East. The Russian business had reflected an improved operating performance in underlying currency but currency devaluation resulted in a decrease in the reported numbers. Profit from Operations in underlying terms was lower than prior year levels due to one off costs and launch expenses incurred in Middle East.

Non-cash goodwill impairment losses were recognised in these financial statements. The goodwill impairment mainly relates to Russia and to a lesser extent to Eastern European branded business. In Russia, the impairment arose due to adverse macroeconomic environment with resultant adverse impact on interest and discounting rates used for impairment assessment.

#### **Tata Tea Extractions Inc**

Tata Tea Extractions Inc, a wholly owned subsidiary in the USA supplies customer specific tea ingredients to Iced Tea Beverage companies. Despite a tough year mainly due to the challenging market conditions with a marginal drop in sales, the Company posted an increase in its operating earnings against previous year driven by a combination of favourable product mix, improved realisation from the customers and lower input costs.

The income from operations at USD 14.3 million was marginally lower than prior year. Net earnings after tax for 2014-15 was also marginally lower as compared to the previous year.

#### **China Joint Venture - Zhejiang Tata Tea Extraction Company Limited**

Delays continue in stabilisation of the China project. There has, however, been some improvement in recent months with stabilisation of production relating to certain product lines. Alternative technology is being examined for other product lines. Going forward production stabilisation and establishing a pipeline of external customers in various overseas markets will be the key to the success of the project.

#### **Estate Management Services Private Limited (EMSPL)**

EMSPL, Sri Lanka in which your company holds 31.85% shares, is the holding company for Watawala Plantations Limited. Watawala is one of the largest producers of tea and palm oil

in Sri Lanka. During the year, the topline of EMSPL reflected a good growth over the prior year attributable to improved volumes. Consequently profitability has also been robust. The EMSPL group continues to perform well under difficult trading conditions.

### **Companies which have become or ceased to be Subsidiaries, Associates and Joint Ventures**

During the year 2014-15, while TRIL Constructions Limited and Earth Rules Pty Limited became subsidiaries of the Company, Alliance Coffee Limited and B Jets Pte Limited ceased to be subsidiary and associate respectively. No company either became or ceased to be a Joint Venture during 2014-15.

### **Community Development, Employees' Welfare and Environment Conservation**

The Company pursued several community/ employee welfare activities, the highlights of which are as follows:

- Symposium organised in Guhawati to announce the ETP – UNICEF partnership towards women empowerment. This is expected to cover 350 communities over 100 estates in three districts in Assam.
- General Hospital in Munnar and the Chubwa Hospital in Assam continued to provide quality medical services in their respective communities. The Muthuvan Tribal patients in Munnar are continued to be provided free medical treatment.
- Your company continues to support the St. Judes India Childcare Centres, an organisation that provides needy children undergoing treatment for cancer with a clean, safe, hygienic place to stay along with nutritional support and transportation to hospital for treatment, as well as recreation, education and counseling.

### **Human Resources and Industrial Relations**

During the year under review, industrial relations remained harmonious at all our offices and establishments. Two long-term wage settlements were signed at Cochin and Munnar.

We sustained our focus on attracting and nurturing talent and developing organisational capabilities in order to strengthen the foundation for future business growth.

As part of re-energizing the organisation, people managers created impact plans, post the last Employee Engagement survey, in collaboration with their teams, and put those to action. Investment was made in enhancing people manager's capability in driving high performance and unleashing the potential of their teams. A new Global program named "Brewing Brilliance"

was launched in order to create a culture of appreciation and recognition; which is playing an important role in strengthening the high performance culture and people feeling valued. Leadership effectiveness was also improved through the 360° survey which provided feedback to senior leaders on Tata Leadership practices.

We consistently improved our Affirmative action initiatives in the areas of Employment, Employability, Entrepreneurship and Education. A need and impact study was conducted through Tata Institute of Social Sciences (TISS) to help sharpen our Affirmative action strategy.

### **Corporate Governance and MD &A**

A detailed report on Corporate Governance is separately attached together with a report on Management Discussion and Analysis (MDA). The MDA also covers the consolidated operations and reflects the global nature of our business.

### **Business Responsibility Report**

Vide its Circular dated 13<sup>th</sup> August 2012, Securities and Exchange Board of India (SEBI) mandated the inclusion of Business Responsibility Report (BRR) as a part of the Annual Report for top 100 listed entities based on their market capitalisation on BSE Limited and National Stock Exchange of India Limited, as on 31<sup>st</sup> March 2012. Pursuant to the above, the Stock Exchanges amended the listing agreement by inclusion of Clause 55 providing a suggested framework of a BRR, describing initiatives taken by the company from an environmental, social and governance perspective. The Company's BRR is hosted on its website [www.tataglobalbeverages.com](http://www.tataglobalbeverages.com). Any shareholder interested in obtaining a physical copy of the same may write to the Company Secretary at the Registered Office of the Company.

### **Tata Business Excellence Model (TBEM)**

At TGB, we have been focussing on nurturing the company's internal team to create 'Quality' conscious leaders, who will support our journey of business excellence. Towards this end, we have conducted programs on "Essentials of Excellence" across our 3 regions covering employees across functions and regions. TBEM 2014 External Application was completed and submitted to Tata Quality Management Services on time, involving 100+ employees in the application writing process this year. TGB's score on TBEM has moved up the excellence band and is now in the 450 – 550 which indicates Good Performance. TBEM action plan workshops were conducted in the 3 regions in February and March 2015, to develop action plans on areas for improvement and to enable us to move forward in the excellence journey.

### **Vigil Mechanism / Whistle Blower Policy**

The Company has a vigil mechanism for directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct/business

ethics that provides for adequate safeguards against victimization of the director(s) and employee(s) who avail of the mechanism. No director/employee has been denied access to the Chairman of the Audit Committee.

### **Internal Financial Controls**

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

### **Annual Evaluation of the Board, its Committees and Individual Directors**

The Board of directors had carried out an annual evaluation of its own performance, board committees and individual directors as required under the Companies Act, 2013 and the listing agreement. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as board composition, structure, board processes and their effectiveness, information given to the board etc. The performance of the board committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as committee composition, structure, effectiveness of committee meetings etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the individual directors on the basis of criteria such as contribution at meetings, their preparedness on the issues to be discussed etc. Additionally the Chairman was also evaluated on key aspects of his role.

### **Remuneration Policy**

The NRC has formulated a policy relating to the remuneration for the directors, key managerial personnel and other employees. The philosophy for remuneration is based on the commitment of fostering a culture of leadership with trust. The remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013, and Clause 49 of the Listing Agreement. While formulating this policy, the NRC has considered the factors laid down in Section 178(4) of the Companies Act, 2013, which are as under:

- that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The key principles governing the remuneration policy are as follows:

- Market competitiveness
- Role played by the individual
- Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay
- Consistent with recognised best practices and
- Aligned to any regulatory requirements.

In accordance with the policy, the Managing / Executive directors / KMPs / employees are paid basic/ fixed salary, benefits, perquisites and allowances and annual incentive remuneration/ performance linked bonus subject to achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

The non-executive Directors, including Independent Directors, are paid Sitting fees for attending the meetings of the Board and Committees of the Board. The Company paid a fee of Rs. 20,000 per meeting per director for attending meetings of the Board, Audit and Executive Committees. For meetings of all other Committees of the Board, a Sitting fee of Rs. 10,000 per meeting per director was paid. Within the ceiling of 1% of net profits of the Company computed under the applicable provisions of the Companies Act, 2013, the Non-Executive Directors including Independent Directors are also paid a commission, the amount whereof is determined by the Board. The basis of determining the specific amount of commission payable to a Non-Executive Director is related to his attendance at meetings, role and responsibility as Chairman/Member of the Board/Committees and overall contribution as well as time spent on operational matters other than at the meetings. The shareholders of the Company had approved payment of commission to the non-executive directors at the Annual General Meeting held on 26<sup>th</sup> August 2014, which is valid up to the financial year ended 31<sup>st</sup> March 2019. No Stock option has been granted to the Non-Executive Directors.

The NRC is also responsible for developing competency requirements for the Board and in this regard conducts a gap analysis to determine the Board composition on a periodic basis including each time a directors appointment or reappointment is required. The NRC has framed a policy to determine the

qualifications, positive attributes and independence of a director. The key features of the policy are:

- Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- Positive Attributes- Apart from the duties of directors as prescribed in the Companies Act, 2013, the directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The directors are also expected to abide by the respective Code of Conduct as applicable to them.
- Independence - A director will be considered independent if he / she meet the criteria laid down in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

### **Number of meetings of the Board**

Six meetings of the Board of Directors were held during the year 2014-15. For further details, please refer to the Corporate Governance Report, which forms part of this Annual Report.

### **Audit Committee**

The details pertaining to composition of audit committee are included in the Corporate Governance Report which forms part of this Annual Report.

### **Significant and material orders passed by the Regulators or Courts**

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

### **Corporate Social Responsibility**

The Corporate Social Responsibility (CSR) Committee has framed the Natural Beverages Policy which is its CSR policy indicating the activities to be undertaken by the Company which has been approved by the Board. The objective is to contribute to our vision to be the most admired natural beverages company in the world, and strive to be the consumer's first choice in sustainable beverage production and consumption. This is built around five pillars of sustainability - community development, sustainable sourcing, climate change, water management and waste management.

The report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure 1 forming part of this report.

The CSR Policy may be accessed on the Company's website at the link <http://www.tataglobalbeverages.com/docs/document-manager/csr-policy.pdf?sfvrsn=2>

During the year under review, the Company has spent Rs. 3.91 crores (around 2.10 % of the average net profits of last three financial years) on CSR activities on projects qualifying as per Section 135 of the Companies Act, 2013 duly approved by the CSR Committee.

In addition to the projects specified under CSR activities under section 135 of Companies Act 2013, the Company has also carried out several other sustainability / welfare initiatives and projects on a global level.

In 2014, for the third year in a row, Tata Global Beverages (TGB) was recognised on the Climate Disclosure Leadership Index (CDLI), and ranked first in the Consumer Staples sector in India by CDP. Our carbon intensity has decreased by 28% over the past three financial years. In August 2014, TGB initiated Project Sustainable Plant Protection Formulation (S-PPF), which is a collaboration between Tata Group companies – TGBL, Rallis, Tata Chemicals, Amalgamated Plantations (APPL), Kanan Devan Hill Plantations (KDHP) and Tata Coffee. S-PPF is being implemented with the objective of developing a portfolio of bio-pesticides and corresponding package of practices. TGB is committed to 100% sustainable sourcing of its tea by 2020. Tetley has achieved 63% Rainforest Alliance certified tea in FY 2014-15. TGB is one of the founding members of trustea – the India Sustainable Tea Code which is a multi-stakeholder initiative led by the Tea Board of India. The program has the ambitious goal to sustainably transform 500 million Kg of Indian tea and make a positive impact on the livelihood of 500,000 tea plantation workers and 40,000 small holders by 2016. During the year, KDHP set an industry benchmark by facilitating 1260 small tea growers in Wayanad and Idukki regions of Kerala to achieve both the Rainforest Alliance and trustea certifications. In Tata Coffee, water catchment areas are identified with GPS survey and 227 large water storage reservoirs equivalent to 110 hectares of water area have been built to store 583 million gallons (2.2 billion litres) of water that meets 95% of the annual water requirements in the plantations. The Company also supports a general hospital and school in Munnar which caters to the Company employees, its associate Company as well as the local communities. The Company as a part of its business activities pursues various social and rural engagement initiatives. The Gaon Chalo program, our effort in last mile rural distribution, is present in 18 states with direct reach in 70,000 villages. The Jaago Re- Power of 49 campaign had over 2 million direct interactions and 0.8 million issues, and 1.2 million fans on facebook. The Company maintained leadership in gender diversity of 39.1% for graded employees globally.

## **Particulars of employees**

The Information required under Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure 2 which forms part of this report.

Pursuant to Section 149 (14) of the Companies Act, 2013 the details of remuneration received from the Managing and Executive directors from the Company's subsidiary company during 2014-15 is also given in Annexure 2 attached to this report.

## **Particulars of Loans, Guarantees or Investments by the Company**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in Annexure 3 attached to this report.

## **Risk Management**

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's risk management framework. The Company has a comprehensive Risk policy and a Risk Register detailing the risks that the Company faces under various categories like strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks and these have been identified and suitable mitigation measures have also been formulated. The Risk Management Committee reviews the key risks and the Risk register and the mitigation measures periodically which was hitherto being carried out by the Audit Committee. The Audit Committee has additional oversight in the area of financial risks and control.

## **Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

## **Deposits from public**

The Company has not accepted any deposits from the public during the year under review. No amounts on account of principal or interest on deposits from public was outstanding as on 31<sup>st</sup> March 2015.

## **Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Dr. Asim Kumar Chattopadhyay, Company Secretary in Practice, to carry out the Secretarial Audit of the Company. The Report of the Secretarial Audit for 2014-15 is attached herewith as Annexure 4. There are no Secretarial qualifications in the said report.

## **Annual Return**

As provided under Section 92(3) of the Companies Act, 2013, the extract of annual return in Form MGT-9 is given in Annexure 5 which forms part of this report.

## **Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) In the preparation of the accounts for the financial year ended 31<sup>st</sup> March 2015, the applicable accounting standards have been followed and that there are no material departures;
- (ii) That the Directors 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 the Directors 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, 2013 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 31<sup>st</sup> March 2015 on a 'going concern' basis.
- (v) The Directors have laid down internal financial controls for the company which are adequate and are operating effectively.
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

Based on the existing system of internal financial controls and compliance systems established and maintained by

the Company, work performed by the internal, statutory and secretarial auditors and representation made by the Management to the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15.

### **Related Party Transactions**

All Related party transactions that were entered into during the financial year were on an arms length basis and in the ordinary course of business. There are no material significant related party transactions made by the Company during the year that would have required shareholder approval under Clause 49 of the Listing Agreement. All related party transactions are reported to the Audit Committee. Prior approval of the Audit Committee is obtained on a yearly basis for the transactions which are planned and/ or repetitive in nature and omnibus approvals are taken within limits laid down for unforeseen transactions. The disclosure under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. The Policy on Related Party transactions as approved by the Board has been uploaded on the Company's Website and may be accessed at the link <http://www.tataglobalbeverages.com/our-investors/governance>.

The details of the transactions with related parties during 2014-15 are provided in the accompanying financial statements.

None of the Directors had any pecuniary relationship or transactions with the Company during the year under review.

### **Directors and key managerial personnel**

At the Annual General Meeting of the Company held on 26<sup>th</sup> August 2014, the members had approved the appointments of Mr. Analjit Singh, Mrs. Mallika Srinivasan, Mr. V Leeladhar, Mrs. Ranjana Kumar, Mr. Darius Pandole and Mrs. Ireena Vittal as Independent Directors for a term of five years from 26<sup>th</sup> August 2014. All the independent directors have given declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made thereunder and they are independent of the management.

Mr. S Santhanakrishnan and Mr. Harish Bhat retire by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for re-election. Brief particulars and expertise of these directors and their other directorships and committee memberships have been given in the annexure to the Notice of the Annual General Meeting in accordance with the requirements of listing agreement with Stock Exchanges.

No Director has been appointed or has retired or resigned during the year under review.

Mr. K. Venkataraman, Chief Financial Officer of the Company was transferred to Tata Coffee Limited with effect from 25<sup>th</sup> October 2014 and Mr. John Jacob was appointed as the Chief Financial Officer in his place. Other than this, no other Key Managerial Person has been appointed or retired or resigned during the year under review.

### **Auditors and Auditors' Report**

The Members at the Annual General Meeting held on 26<sup>th</sup> August 2014, had appointed M/s. Lovelock and Lewes, as the Statutory Auditors for three years subject to ratification by the members each year. The members are requested to ratify the appointment of M/s. Lovelock and Lewes as Statutory Auditors from the conclusion of the fifty second Annual General Meeting till the conclusion of the fifty third Annual General Meeting. The Auditors' report on the financial statements for the year 2014-15 does not contain any qualifications, reservations or adverse remarks.

### **Cost Auditors**

Your Board has appointed M/s. Shome and Banerjee, 5A Nurulla Doctor Lane, 2<sup>nd</sup> Floor, Kolkata - 700 017 as cost auditors of the Company for conducting cost audit for the financial year 2015-16. The members are requested to ratify the remuneration payable to the Cost Auditors for 2015-16.

### **Disclosure requirements**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure 6 attached to this report.

Details of the familiarisation programme of the independent directors are available on the website of the Company <http://www.tataglobalbeverages.com/docs/documents/tgbl-familiarisaiton-programme-for-ids.pdf?sfvrsn=2>.

### **Concluding Remarks**

The Directors are sure that the shareholders would like to join them in conveying their appreciation to all employees of the Company for their sincere and dedicated services during 2014-15.

On behalf of the Board of Directors



Mumbai,  
28<sup>th</sup> May 2015

**CYRUS P. MISTRY**  
Chairman

# ANNEXURE 1 TO DIRECTORS' REPORT

## ANNUAL REPORT ON CSR ACTIVITIES

### 1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Tata Global Beverages (TGB) is committed to be the most admired natural beverage company in the world by making a big and lasting difference through Sustainability and Corporate Social Responsibility. We shall achieve this by being the consumer's first choice in sustainable beverage production and consumption.

TGB shall focus on Climate Change, Water Management, Sustainable Sourcing, Waste Management and Community Development.

Towards community development, we shall undertake programs focused on education and skills, healthcare and women empowerment. We shall actively participate in Tata Group activities and programs for volunteering and affirmative action.

We shall achieve this by being knowledgeable, responsive and trustworthy, and by adopting environmentally and socially-friendly technologies, business practices and innovation, while pursuing long-term growth aspirations and the enhancement of stakeholder value.

The Corporate Social Responsibility (CSR) Policy of the company is available at link <http://www.tataglobalbeverages.com/docs/document-manager/csr-policy.pdf?sfvrsn=2>

### Overview of CSR projects for 2014-15 as identified for the purpose of Section 135 of the Companies Act, 2013:

#### Education

- The DARE (Development Activities in Rehabilitative Education) School, an initiative of Srishti supported by TGB, focuses on enhancing the hidden talents of differently abled children most of whom are the families of local tea pickers of Munnar. Srishti runs 3 programs that aims to equip disabled children to secure a better future: Development Activities in Rehabilitation (DARE), Aranya and Athulya which manufactures hand-made paper products. The welfare centre serves differently-abled children of the members of the plantation community. TGB supports the welfare centre entirely by sponsoring the operational expenses.

#### Healthcare

- Providing affordable healthcare has always been a key community intervention for TGB. The Chubwa General Hospital in Assam provides free medical aid to general population and the employees of APPL. TGB's CSR contribution to the hospital is accounted for by covering the deficit incurred by the hospital.

- TGB supports the St. Jude's Hospital in Kolkata to extend help to the cancer affected children.
- TGB's efforts towards healthcare also facilitates medical camps held over the year in the areas of operations.

#### Skill Development

- TGB works with Unnati (a Bangalore based NGO) in providing on-the-job training with 100% job placements. TGB sponsors the cost of training AA youth through Unnati. Further, work is also done to integrate the AA agenda with contract packers and to build a process of developing AA vendors.

#### Women Empowerment

- TGB has partnered with UNICEF for implementation in three key tea-growing districts of Assam (Dibrugarh, Sivasagar, Tinsukia), which are important to ETP members and where UNICEF already has strong programmes with local government and experience of working with tea estates and the communities from which they draw most of their temporary labour. TGB sponsors the cost of the awareness and on-ground implementation of the programme to prevent human trafficking.

#### Affirmative Action

- TGB has a clear focus and strategic approach towards driving Affirmative Action (AA) in India. This means that the organisation is committed to directly conducting and supporting initiatives for socially and economically disadvantaged sections in the country at large, and in particular the AA initiatives are specifically focused on the Scheduled Caste and Scheduled Tribe communities in India. The Tata Affirmative Action Programme has defined criteria and the processes are driven through 4Es – Employment, Employability, Entrepreneurship and Education.

### 2. Composition of the CSR Committee

Tata Global Beverages Limited (TGBL) has constituted a robust governance structure to oversee the implementation of the CSR projects, in compliance with the requirements of Section 135 of the Companies Act, 2013. The CSR governance structure of TGBL will be headed by the Board CSR Committee. The Board CSR Committee grants auxiliary power to the Working Committee of the company to act on their behalf.

The CSR Committee of the Board comprises of the following Members:

- Ranjana Kumar (Mrs.) (Chairperson)
- V. Leeladhar
- S. Santhanakrishnan
- Ajoy Misra
- Prof. S. Parasuraman (Expert Member)

**3. Average net profit of the company for last three financial years :**

Rs. 185.79 crores

**4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):**

Rs. 3.72 crores

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

a. Total amount to be spent for the financial year:  
Rs. 3.72 crores

b. Total amount spent during this year : Rs.3.91 crores (2.1% of average net profit)  
Amount unspent, if any : Nil

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

Sr. No.	CSR Project or Activity identified Relevant section of Schedule VII in which the project is covered	(1) Local Area or other (2) Specify the State and District where the projects or programs was undertaken	Projects or programs Amount Outlay (Budget)	Amount spent on the projects or programs Subheads:	Cumulative Expenditure upto the reporting period	Amount Spent: Direct or through implementing agency	
			(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)		
			Direct	Overheads			
1	Skill development trainings to AA youth	(ii) Bangalore, Karnataka	20	18	-	18	
2	Skill development trainings to differently abled	(ii) Munnar, Kerala	95	95	-	95	
3	Affordable Healthcare for all	(i) Chubwa, Assam	225	225	-	225	
4	Creating awareness on human trafficking	(iii) Assam	50	19	-	19	
5	Enhancing skills of women in up cycling of laminates	(ii) Chennai	12	12	-	12	
6	Supporting Cancer affected children	(i) Kolkata	22	22	-	22	
			424	391	-	391	

**Schedule VII**

- (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

**CSR Committee responsibility statement**

Through this report, TGB seeks to communicate its commitment towards CSR to the Ministry of Corporate Affairs. The implementation and monitoring of our CSR Policy is in compliance with the CSR objectives and policies as laid down in this report. The Board of the Company and the CSR Committee is responsible for the integrity and the objectivity of all the information provided in the disclosure above.

Ajoy Misra  
Chief Executive Officer and  
Managing Director

Mumbai  
28<sup>th</sup> May 2015

Ranjana Kumar  
Chairperson, CSR Committee

## ANNEXURE 2 TO DIRECTORS' REPORT

### PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

<b>Non- executive directors</b>	<b>Ratio to median remuneration*</b>
Mr. Cyrus P. Mistry	1.32
Mr. Harish Bhat	2.74
Mrs. Mallika Srinivasan	11.12
Mr. Analjit Singh	7.59
Mr. V Leeladhar	56.40
Mrs. Ranjana Kumar	40.07
Mr. Darius Pandole	33.19
Mr. S Santhanakrishnan	28.95
Mrs. Ireneeta Vittal	24.10

<b>Executive directors</b>	<b>Ratio to median remuneration*</b>
Mr. Ajoy Misra	242.38
Mr. L Krishnakumar	208.33

\*Median salary computation is based on a total employee head count of 2549, out of which approximately 2000 employees are within collective bargaining process.

- b) The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

<b>Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>% increase in remuneration in the financial year^</b>
Mr. Cyrus P. Mistry	(12%)
Mr. Harish Bhat#	-
Mrs. Mallika Srinivasan	35%
Mr Analjit Singh	59%
Mr. V Leeladhar	25%
Mrs. Ranjana Kumar	50%
Mr. Darius Pandole	63%
Mr. S Santhanakrishnan*	17%
Mrs. Ireneeta Vittal*	285%
Mr. Ajoy Misra, Chief Executive Officer and Managing Director**	37%
Mr. L Krishnakumar, Executive Director and Group CFO**	17%
Mr. John Jacob , Chief Financial Officer(w.e.f 25 <sup>th</sup> October 2014)***	-
Mr. K Venkataraman, Chief Financial Officer(till 25 <sup>th</sup> October 2014)***	-
Mr. V Madan , Company Secretary	27%

^ For the purposes of these computations, incentive remuneration has been considered based on accruals and payments relating to earlier years have been excluded.

#Managing director upto 31<sup>st</sup> March 2014 and was subsequently appointed as Non Executive Director effective 1<sup>st</sup> April 2014 and hence remuneration figures are not comparable.

\* Commission for financial year 2013-14 was for part of the year and hence strictly not comparable.

\*\* Compensation paid from TGBL and a Subsidiary Company has been considered for computation of increase to make it comparable. Additionally, Mr. Ajoy Misra was appointed as MD and CEO w.e.f 1<sup>st</sup> April 2014.

\*\*\* For a part of the year and hence remuneration numbers are not comparable.

c) The percentage increase in median remuneration of employees in the financial year: 23% ( after considering increase in headcount on account of amalgamation of Mount Everest Mineral Water Limited with the Company)

d) The number of permanent employees on the rolls of the Company: 2549

e) The explanation on the relationship between average increase in remuneration and Company performance :

On an average, employees (excluding unionised staff) received an annual increase of around 10%. The increase in remuneration is in line with current market trends. In order to ensure that remuneration reflects Company performance, the performance pay is linked to both individual performance rating and business performance.

f) Comparison of the performance of the key managerial personnel against the performance of the Company :

In line with Company's remuneration policy, salary and annual bonus pay-outs of its employees including Key Managerial Personnel are directly linked to individual performance as well as Company's performance. The remuneration to key managerial personnel in addition to these factors also takes into account various other parameters as decided and approved by Nomination and Remuneration Committee.

g) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

<b>Particulars</b>	<b>31<sup>st</sup> March 2015</b>	<b>31<sup>st</sup> March 2014</b>	<b>% Change</b>
Market Capitalisation (Rs. in Crores)	<b>9201.77</b>	9279.07	(0.83%)
Price Earnings Ratio	<b>32.50</b>	20.76	56.53%

Over a 5 year period, market capitalisation has increased by approximately 53%

h) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

<b>Particulars</b>	<b>31<sup>st</sup> March 2015</b>	<b>Issue price at last IPO</b>	<b>% Change</b>
Market Price (Rs.)*	<b>148.80</b>	1	14780%

\*Face value of share was sub-divided to Re. 1 from Rs. 10 on 2<sup>nd</sup> July 2010.

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

Average percentage increase for other than managerial personnel (excluding unionised staff) works to around 10 %, the percentage increase for all employees was 5.82%. Increase in the managerial remuneration was 19.56 % on a like to like basis (including compensation paid from a Subsidiary Company). Percentage increases for various categories are granted based on market trends and performance criteria.

- j) Comparison of each remuneration of the key managerial personnel against the performance of the Company

<b>Particulars</b>	<b>Mr Ajoy Misra, CEO and Managing Director</b>	<b>Mr L Krishna Kumar, Executive Director and Group CFO</b>	<b>Mr John Jacob, CFO (w.e.f 25<sup>th</sup> October 2014)*</b>	<b>Mr K Venkataraman CFO(till 25<sup>th</sup> October 2014)*</b>	<b>Mr V Madan, Company Secretary</b>
Remuneration(Rs. in Crores)	2.75	2.36	0.61	0.65	0.98
Standalone Revenue(Rs. in Crores)			3039.68		
Remuneration as a % of Standalone Revenue	0.09	0.08	0.02	0.02	0.03
Standalone Operating profit (Rs. in Crores)			297.00		
Remuneration as a % of Standalone Operating profit	0.93	0.79	0.21	0.22	0.33
Consolidated Revenue(Rs. in Crores)			8063.37		
Remuneration as a % of Consolidated Revenue	0.03	0.03	0.007	0.008	0.01
Consolidated Operating profit (Rs. in Crores)			641.74		
Remuneration as a % of Consolidated Operating profit	0.42	0.37	0.10	0.10	0.15

\* Only for proportionate period.

- k) The key parameters for any variable component of remuneration availed by the directors :

The variable Pay for the directors is recommended by the Nomination and Remuneration Committee based on the actual performance of the organisation against the performance criteria laid down in addition to the evaluation of directors' personal contribution.

- l) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not Applicable

- m) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

- n) The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report . However, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

- o) Disclosure under Section 197(14) of the Companies Act, 2013

Mr. Ajoy Misra, Managing Director, and Mr. L. Krishnakumar, Executive Director, received remuneration of Rs. 36.44 Lakhs and Rs.37.13 Lakhs respectively from the Company's overseas subsidiary, Tata Global Beverages GB Ltd. during the year 2014-15. (The remuneration drawn in GBP has been converted into INR at average exchange rate).

On behalf of the Board of Directors



CYRUS P. MISTRY

Chairman

## ANNEXURE 3 TO DIRECTORS' REPORT

### PARTICULARS OF INVESTMENT MADE AND GUARANTEE/LOAN GIVEN DURING THE YEAR

Particulars of Investment made, Guarantee given and Loan given	Name of the Entity	Amount (Rs. in Crores)	Purpose for which Loan, Guarantee is proposed to be utilised by recipient
Investments	The Indian Hotels Company Limited	2.09	Not Applicable
	NourishCo Beverages Limited	15.00	
	Tata Starbucks Private Limited	60.00	
	Mutual Funds	10.83	
Guarantee	Zhejiang Tata Tea Extractions Limited	43.59	Corporate guarantees were issued against loans drawn by a Subsidiary Company from banks as working capital loans and term debts
Inter Corporate Deposits	Kerala Ayurveda Limited	5.00	Cash Management/ Trade Deposits
	Casa Décor Private Limited*	5.00	
	Taj Air Limited*	7.50	
	Tata Housing Limited*	9.00	

\* Acquired on amalgamation of the Mount Everest Mineral Water Limited with the Company

On behalf of the Board of Directors

CYRUS P. MISTRY  
Chairman

Mumbai,  
28<sup>th</sup> May 2015

# ANNEXURE 4 TO DIRECTORS' REPORT

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2015

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

To,  
The Members,  
Tata Global Beverages Limited  
1, Bishop Lefroy Road  
Kolkata – 700 020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Global Beverages Limited,(hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2015 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Tata Global Beverages Limited for the financial year ended on 31<sup>st</sup> March 2015 according to the provisions as may be applicable to the company of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) The Food Safety and Standards Act, 2006 along with Food Safety and Standards Rules 2011;
- (vii) The Tea Board Guidelines and Orders;
- (viii) Pollution Control Act , Rules and Notification issued thereof;
- (ix) Legal Metrology Act, 2009 and Rules made thereunder;
- (x) The Tea Act, 1953 and Tea Warehouse (Licensing) Order, 1989;
- (xi) The Factories Act, 1948 and Rules made thereunder;
- (xii) Shops and Establishment Act, 1953;
- (xiii) The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules made thereunder;
- (xiv) The Maternity Benefits Act, 1961;
- (xv) The Minimum Wages Act, 1948;
- (xvi) The Payment of Bonus Act, 1965;
- (xvii) The Payment of Gratuity Act, 1972;
- (xviii) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959;
- (xix) The Payment of Wages Act, 1936 and other applicable Industrial and Labour laws.

**I have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Ltd, BSE Ltd and The Calcutta Stock Exchange Ltd.

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

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes has taken place in the composition of the Board of Directors during the period under review. Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The Resolutions passed by the Board of Directors and Committees thereof had no dissenting views which were required to be captured and minuted.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I also report that with regard to Amalgamation of Mount Everest Mineral Water Limited with the Company, the Hon'ble High Court at Calcutta has sanctioned the Scheme of Amalgamation of Mount Everest Mineral Water Limited with the Company on 16<sup>th</sup> February 2015 as well as the Hon'ble High Court of Himachal Pradesh has also sanctioned the said Scheme of Amalgamation on 23<sup>rd</sup> March 2015.

**Dr. Asim Kumar Chattopadhyay**

Practising Company Secretary  
FCS No. 2303

Date : 7<sup>th</sup> May 2015

Certificate of Practice No. 880

## ANNEXURE "A"

### (TO THE SECRETARIAL AUDIT REPORT OF TATA GLOBAL BEVERAGES LIMITED FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2015)

To,  
The Members  
Tata Global Beverages Limited  
1, Bishop Lefroy Road  
Kolkata 700020

My Report for the financial year ended 31<sup>st</sup> March 2015 of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Dr. Asim Kumar Chattopadhyay**

Practising Company Secretary  
FCS No. 2303

Date : 7<sup>th</sup> May 2015

Certificate of Practice No. 880

# ANNEXURE 5 TO DIRECTORS' REPORT

## FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> MARCH 2015

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

#### I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L15491WB1962PLC031425
ii)	Registration Date	18 <sup>th</sup> October 1962
iii)	Name of the Company	Tata Global Beverages Limited
iv)	Category / Sub Category of the Company	Company Limited by shares / Indian Non-Government Company
v)	Address of the Registered office and contact details	1, Bishop Lefroy Road, Kolkata – 700 020 Tel: 033-22836917 Fax: -22833032 Email: investor.relations@tataglobalbeverages.com
vi)	Whether listed company (Yes / No)	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	TSR Darashaw Limited 6-10 Haji Moosa Patrawala Ind. Estate 20 Dr. E Moses Road, Mahalaxmi Mumbai – 400 011 Telephone : 022-66568484 Fax : 022-66568494 Website : www.tsrdarashaw.com E-mail: csg-unit@tsrdarashaw.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY -

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Processing and blending of tea including manufacture of Instant tea	NIC Code 107921	99.35

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Tata Global Beverages Group Limited 325 Oldfield Lane North, Greenford, Middlesex , UB6 0AZ, UK	N.A.	Subsidiary	88.65	2 (87)
2	Tata Global Beverages Holdings Limited 325 Oldfield Lane North, Greenford, Middlesex , UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)

<b>Sl. No.</b>	<b>Name and Address of the Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
3	Tata Global Beverages Services Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
4	Tata Global Beverages GB Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
5	Tata Global Beverages Overseas Holdings Limited 325 Oldfield Lane North, Greenford, Middlesex , UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
6	Tata Global Beverages Overseas Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
7	Lyons Tetley Limited 325 Oldfield Lane North, Greenford, Middlesex , UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
8	Tata Global Beverages US Holdings Inc. 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
9	Tetley USA Inc. 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
10	Tata Global Beverages Canada Inc. 10 Carlson Street, Etobicoke, Ontario M9W6L2, Canada	N.A.	Subsidiary	100	2 (87)
11	Tata Global Beverages Australia Pty. Limited 620 Church Street, Richmond, Victoria 3121, Australia	N.A.	Subsidiary	100	2 (87)
12	Stansand Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
13	Stansand (Brokers) Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
14	Stansand (Africa) Limited 3 <sup>rd</sup> Floor Tea House, Nyerere Avenue P. O. Box 90683-80100, Mombasa, Kenya	N.A.	Subsidiary	100	2 (87)
15	Stansand (Central Africa) Limited Along Masauko Chipembere Highway-Maselema Area- Limbe, P. O. Box 546, Blantyre,Malawi	N.A.	Subsidiary	100	2 (87)

<b>Sl. No.</b>	<b>Name and Address of the Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
16	Tata Global Beverages Polska Sp.zo.o. UL Zolny 33 02-815 Warszawa, Poland	N.A.	Subsidiary	100	2 (87)
17	Drassington Limited 325 Oldfield Lane North, Greenford, Middlesex ,UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
18	Good Earth Corporation 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
19	Good Earth Teas Inc 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
20	Teapigs Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
21	Teapigs US LLC 195 Chrystie Street, #602E, New York 10002, USA	N.A.	Subsidiary	100	2 (87)
22	Tata Global Beverages Czech Republic a.s. Znojemska 687, 675 31 Jemnice Czech Republic	N.A.	Subsidiary	100	2 (87)
23	Joekels Tea Packers (Proprietary) Limited Joekels, 12 Caversham Road, Pinetown 3610 Kwazulu Natal, South Africa	N.A.	Subsidiary	51	2 (87)
24	Tata Global Beverages Investments Limited 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
25	Campestres Holdings Limited Capital Center, 9 <sup>th</sup> Floor, 2-4 Makarios Avenue, 1065 Nicosia, Cyprus	N.A.	Subsidiary	100	2 (87)
26	Kahutara Holdings Limited Capital Center, 9 <sup>th</sup> Floor, 2-4 Makarios Avenue, 1065 Nicosia, Cyprus	N.A.	Subsidiary	65	2 (87)
27	Suntyco Holding Limited Capital Center, 9 <sup>th</sup> Floor, 2-4 Makarios Avenue, 1065 Nicosia, Cyprus	N.A.	Subsidiary	100	2 (87)
28	Onomento Co. Limited Capital Center, 9 <sup>th</sup> Floor, 2-4 Makarios Avenue, 1065 Nicosia, Cyprus	N.A.	Subsidiary	100	2 (87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
29	OOO Tea Trade LLC Prospect Mira Street, 69 Building 1, Moscow 129110, Russian Federation	N.A.	Subsidiary	100	2 (87)
30	OOO Sunty LLC Prospect Mira Street, 69 Building 1, Moscow 129110, Russian Federation	N.A.	Subsidiary	100	2 (87)
31	Tata Coffee Ltd Pollibetta, Kodagu, Karnataka, India	L01131KA1943PLC000833	Subsidiary	57.48	2 (87)
32	Consolidated Coffee Inc. 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
33	Eight' O Clock Holdings Inc. 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
34	Eight' O Clock Coffee Company 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	100	2 (87)
35	Tata Tea Extractions Inc 1001 W Dr M L King Jr Blvd Plant City, FL 33563, USA	N.A.	Subsidiary	100	2 (87)
36	Tata Global Beverages Capital Limited 325 Oldfield Lane North, Greenford, Middlesex , UB6 0AZ, UK	N.A.	Subsidiary	100	2 (87)
37	Mount Everest Mineral Water Limited* Village Dhaula Kuan, District Sirmour – 173 025 Himachal Pradesh, India	L15543HP1991PLC019065	Subsidiary	50.07	2 (87)
38	Zhejiang Tata Tea Extraction Co. Limited Economic Development Zone, Anji, Zhejiang, China	N.A.	Subsidiary	70	2 (87)
39	Tata Tea Holdings Private Limited 4 <sup>th</sup> Floor, New Excelsior Building, Amrit Keshav Nayak Marg, Fort, Mumbai – 400 001	N.A.	Subsidiary	100	2 (87)
40	Earth Rules Pty. Limited 620 Church Street, Richmond, Victoria 3121, Australia	N.A.	Subsidiary	100	2 (87)
41	TRIL Constructions Limited Elphinstone Building, 2 <sup>nd</sup> Floor, 10 Veer Nariman Road, Mumbai - 400 001, India	U45201MH2007PLC171985	Subsidiary	32.50	2 (87)
42	RBC HoldCo, LLC 1614 15 <sup>th</sup> Street, Suite 200 Denver, CO 80202, USA	N.A.	Subsidiary	59.89	2 (87)

<b>Sl. No.</b>	<b>Name and Address of the Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
43	Empirical Group, LLC 155 Chestnut Ridge Road, Montvale, New Jersey 07645, USA	N.A.	Subsidiary	56	2 (87)
44	B Jets Pte. Limited # 80, Raffles Place, #32-01 UOB Plaza 1 Singapore - 048624	N.A.	Associate	49.31	2 (6)
45	Estate Management Services Private Ltd No.60, Dharmapala Mawatha, Colombo 03, Srilanka	N.A.	Associate	31.85	2 (6)
46	Amalgamated Plantations Private Ltd 1, Bishop Lefroy Road, Kolkata – 700 020, India	U01132WB2007PTC112852	Associate	41.03	2 (6)
47	Kanan Devan Hills Plantations Private Ltd KDHP House, Munnar, Kerala- 685612, India	U01132KL2005PTC018014	Associate	28.52	2 (6)
48	NourishCo Beverages Limited 3B, DLF Corporate Park'S' Block Phase 3, Gurgaon 122002, Haryana, India	U15500HR2010PLC041616	Joint Venture	50	2 (6)
49	Tata Starbucks Private Limited 4 <sup>th</sup> Floor, New Excelsior Building, Amrit Keshav Nayak Marg, Fort, Mumbai – 400 001	U74900MH2011PTC222589	Joint Venture	50	2 (6)
50	Tetley ACI (Bangladesh) Limited 245 Tejgaon Industrial Area, Dhaka - 1208, Bangladesh	N.A.	Joint Venture	50	2 (6)
51	Southern Tea, LLC 1267 Cobb Industrial Drive, Marietta, Georgia 30066, USA	N.A.	Joint Venture	50	2( 6)
52	Tetley Clover (Private) Limited Lakson Square, Building No. 2, Sarwar Shaheed Road, Karachi, Pakistan	N.A.	Joint Venture	50	2 (6)

% of shares held shown above is by the immediate parent Company

\* Amalgamated with Tata Global Beverages Limited w.e.f. 18<sup>th</sup> May 2015 (Appointed date 1<sup>st</sup> April 2013)

# Divested during 2014-15

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2014				No. of Shares held at the end of the year i.e. 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individuals/ HUF	0	0	0	0.00	0	0	0	0	0.00
b) Central Government / State Government(s)	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corporate	21,70,83,190	0	21,70,83,190	35.10	21,70,83,190	0	21,70,83,190	35.10	0.00
d) Banks / Financial Institutions	0	0	0	0.00	0	0	0	0	0.00
e) Any Other	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (A)(1)</b>	<b>21,70,83,190</b>	<b>0</b>	<b>21,70,83,190</b>	<b>35.10</b>	<b>21,70,83,190</b>	<b>0</b>	<b>21,70,83,190</b>	<b>35.10</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0	0.00
d) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0	0.00
e) Any other	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>21,70,83,190</b>	<b>0</b>	<b>21,70,83,190</b>	<b>35.10</b>	<b>21,70,83,190</b>	<b>0</b>	<b>21,70,83,190</b>	<b>35.10</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	1,47,59,972	90,690	1,48,50,662	2.40	2,49,90,354	90,690	2,50,81,044	4.05	1.65
b) Banks / Financial Institutions	5,83,29,739	96,270	5,84,26,009	9.45	5,61,35,315	96,270	5,62,31,585	9.09	-0.35
c) Central Government / State Government(s)	13,16,591	5,850	13,22,441	0.21	3,53,281	5,850	3,59,131	0.06	-0.16
d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e) Insurance Companies	1,28,79,630	0	1,28,79,630	2.08	37,43,054	0	37,43,054	0.61	-1.48
f) Foreign Institutional Investors	13,33,91,647	13,260	13,34,04,907	21.57	10,59,09,066	8,260	10,59,17,326	17.13	-4.44
g) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Portfolio Investors (Corporate)	0	0	0	0.00	1,91,78,855	0	1,91,78,855	3.10	3.10
i) Others (specify)	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (B)(1)</b>	<b>22,06,77,579</b>	<b>2,06,070</b>	<b>22,08,83,649</b>	<b>35.71</b>	<b>21,03,09,925</b>	<b>2,01,070</b>	<b>21,05,10,995</b>	<b>34.04</b>	<b>-1.67</b>
<b>2. Non-Institutions</b>									
a) Bodies Corporate	1,65,59,379	2,66,730	1,68,26,109	2.72	1,46,30,622	2,61,470	1,48,92,092	2.41	-0.31
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	12,41,89,286	1,57,06,851	13,98,96,137	22.62	12,06,76,684	1,43,27,708	13,50,04,392	21.83	-0.79
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	43,60,093	14,11,910	57,72,003	0.93	79,31,359	10,19,370	89,50,729	1.45	0.51
c) Qualified Foreign Investor	1,250	0	1,250	0.00	0	0	0	0.00	0.00
d) Any Other									
i) Trusts	24,45,156	4,630	24,49,786	0.40	31,81,986	4,630	31,86,616	0.51	0.11
ii) Non-Resident Individuals	50,17,617	77,955	50,95,572	0.82	47,39,159	85,835	48,24,994	0.78	-0.04
iii) Foreign Bodies - DR	29,190	0	29,190	0.01	2,92,566	0	2,92,566	0.05	0.05
iv) Foreign Institutional Investors - DR	87,955	0	87,955	0.02	12,49,030	0	12,49,030	0.20	0.18
v) Foreign Nationals - DR	500	0	500	0.00	500	0	500	0.00	0.00
vi) Directors & their Relatives	33,500	0	33,500	0.01	33,500	0	33,500	0.01	0.00
<b>Sub-Total(B)(2)</b>	<b>15,27,23,926</b>	<b>1,74,68,076</b>	<b>17,01,92,002</b>	<b>27.53</b>	<b>15,27,35,406</b>	<b>1,56,99,013</b>	<b>16,84,34,419</b>	<b>27.24</b>	<b>-0.29</b>
<b>Total Public Shareholding (B)=(B) (1)+(B)(2)</b>	<b>37,34,01,505</b>	<b>1,76,74,146</b>	<b>39,10,75,651</b>	<b>63.24</b>	<b>36,30,45,331</b>	<b>1,59,00,083</b>	<b>37,89,45,414</b>	<b>61.28</b>	<b>-1.96</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>1,02,39,729</b>	<b>0</b>	<b>1,02,39,729</b>	<b>1.66</b>	<b>2,23,69,966</b>	<b>0</b>	<b>2,23,69,966</b>	<b>3.62</b>	<b>1.96</b>
<b>Grand Total (A+B+C)</b>	<b>60,07,24,424</b>	<b>1,76,74,146</b>	<b>61,83,98,570</b>	<b>100.00</b>	<b>60,24,98,487</b>	<b>1,59,00,083</b>	<b>61,83,98,570</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2014			Shareholding at the end of the year i.e. 31.03.2015			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Tata Sons Limited	14,28,54,570	23.10	1.86	14,28,54,570	23.10	1.86	0.00
2	Tata Chemicals Limited	4,31,75,140	6.98	0.00	4,31,75,140	6.98	0.00	0.00
3	Tata Investment Corporation Limited	2,69,00,000	4.35	0.00	2,69,00,000	4.35	0.00	0.00
4	Ewart Investments Limited	34,16,360	0.55	0.00	34,16,360	0.55	0.00	0.00
5	Tata Industries Limited	7,31,120	0.12	0.00	7,31,120	0.12	0.00	0.00
6	Titan Company Limited	6,000	0.00	0.00	6,000	0.00	0.00	0.00
<b>Total</b>		<b>21,70,83,190</b>	<b>35.10</b>	<b>1.86</b>	<b>21,70,83,190</b>	<b>35.10</b>	<b>1.86</b>	<b>0.00</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
	At the beginning of the year	21,70,83,190	35.10
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity, etc):			
	At the end of the year	21,70,83,190	35.10

There is no change in Promoters' Shareholding between 01.04.2014 and 31.03.2015

**iv. Shareholding Pattern of top ten Shareholders:**

(other than Directors, Promoters and holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding				Cumulative Shareholding during the year			
		No. of shares at the beginning of the Year (01.04.2014 / end of year (31.03.2015)	% of total shares of the company	Date	Reason	Increase / Decrease in shareholding	% of total shares of the company	No. of shares	% of total shares of the company
1	LIC Of India Profit Plus Growth Fund	3,46,76,286	5.61	1-Apr-14					
	LIC Of India Child Fortune Plus Growth Fund			4-Apr-14	Transfer	-2,00,000	-0.03	34,476,286	5.58
	LIC Of India Profit Plus Balanced Fund			11-Apr-14	Transfer	-6,50,000	-0.11	33,826,286	5.47
	Life Insurance Corporation Of India			18-Apr-14	Transfer	-2,67,896	-0.04	33,558,390	5.43
	LIC Of India Money Plus Growth Fund			25-Apr-14	Transfer	-8,38220	-0.13	32,720,170	5.30
	LIC Of India Market Plus 1 Growth Fund			2-May-14	Transfer	-3,00,000	-0.05	32,420,170	5.25
	Life Insurance Corporation Of India P & Gs Fund			13-Jun-14	Transfer	-8,04,464	-0.13	31,615,706	5.12
	Life Insurance Corporation Of India - Ulif002180912licflx+Mix512			20-Jun-14	Transfer	-19,15,921	-0.31	29,699,785	4.81
	Life Insurance Corporation Of India			30-Jun-14	Transfer	-26,50,000	-0.43	27,049,785	4.38
				4-Jul-14	Transfer	-15,41,866	-0.25	25,507,919	4.13
				11-Jul-14	Transfer	-3,67,000	-0.06	25,140,919	4.07
				18-Jul-14	Transfer	-3,95,886	-0.06	24,745,033	4.01
				25-Jul-14	Transfer	5,00,000	0.08	25,245,033	4.09
				25-Jul-14	Transfer	-3,00,000	-0.05	24,945,033	4.04
				1-Aug-14	Transfer	17,90,119	0.29	26,735,152	4.33
				6-Aug-14	Transfer	20,12,121	0.33	28,747,273	4.66
				8-Aug-14	Transfer	5,00,000	0.08	29,247,273	4.74
				15-Aug-14	Transfer	14,04,490	0.23	30,651,763	4.97
				22-Aug-14	Transfer	6,17,963	0.10	31,269,726	5.07
				29-Aug-14	Transfer	60,005	0.01	31,329,731	5.08
				5-Sep-14	Transfer	1,50,000	0.02	31,479,731	5.10
				17-Oct-14	Transfer	-3,00,075	-0.05	31,179,656	5.05
				24-Oct-14	Transfer	4,05,013	0.07	31,584,669	5.12
				31-Oct-14	Transfer	4,12,805	0.07	31,997,474	5.19
				7-Nov-14	Transfer	-6,85,819	-0.11	31,311,655	5.08
				14-Nov-14	Transfer	-1,00,000	-0.02	31,211,655	5.06
				5-Dec-14	Transfer	-4,31,268	-0.07	30,780,387	4.99
				19-Dec-14	Transfer	4,00,840	0.06	31,181,227	5.05
				30-Jan-15	Transfer	-2,28,578	-0.04	30,952,649	5.01
				6-Feb-15	Transfer	-5,33,385	-0.09	30,419,264	4.92
				27-Feb-15	Transfer	-80,814	-0.01	30,338,450	4.91
				13-Mar-15	Transfer	-1,00,000	-0.02	30,238,450	4.89
				31-Mar-15	Transfer	-7813	0.00	30,230,637	4.89
		31,213,954	5.05	31-Mar-15	Transfer	9,83,317	0.16	31,213,954	5.05

Sl. No.	Name of the Shareholder	Shareholding					Cumulative Shareholding during the year		
		No. of shares at the beginning of the Year (01.04.2014 / end of year (31.03.2015)	% of total shares of the company	Date	Reason	Increase / Decrease in share- holding	% of total shares of the company	No. of shares	% of total shares of the company
2	Skagen Kon-Tiki Verdipapirfond	1,23,04,260	1.99	1-Apr-14					
				24-Oct-14	Transfer	-2,555,347	-0.41	9,748,913	1.58
				31-Oct-14	Transfer	-729,590	-0.12	9,019,323	1.46
				14-Nov-14	Transfer	-1,515,574	-0.25	7,503,749	1.21
				21-Nov-14	Transfer	-3,344,000	-0.54	4,159,749	0.67
				28-Nov-14	Transfer	-3,340,263	-0.54	819,486	0.13
		0	0	31-Mar-15	Transfer	-819,486	-0.13	0	0.00
3	Platinum International Brands Fund	1,08,43,060	1.75	1-Apr-14					
				13-Jun-14	Transfer	-1,226,000	-0.20	9,617,060	1.56
				4-Jul-14	Transfer	-810,000	-0.13	8,807,060	1.42
				19-Sep-14	Transfer	-801,000	-0.13	8,006,060	1.29
				27-Feb-15	Transfer	-614,247	-0.10	7,391,813	1.20
				6-Mar-15	Transfer	-218,753	-0.04	7,173,060	1.16
				13-Mar-15	Transfer	-793,000	-0.13	6,380,060	1.03
4	HDFC Standard Life Insurance Company Limited HDFC Shareholders Solvency Margin Account	63,80,060	1.03	31-Mar-15				6,380,060	1.03
		86,44,462	1.40	1-Apr-14					
				4-Apr-14	Transfer	-51,563	-0.01	8,592,899	1.39
				11-Apr-14	Transfer	-125,823	-0.02	8,467,076	1.37
				25-Apr-14	Transfer	34,739	0.01	8,501,815	1.37
				2-May-14	Transfer	40,582	0.01	8,542,397	1.38
				9-May-14	Transfer	13,972	0.00	8,556,369	1.38
				6-Jun-14	Transfer	-2,00,000	-0.03	8,356,369	1.35
				13-Jun-14	Transfer	-1,229,685	-0.20	7,126,684	1.15
				30-Jun-14	Transfer	-350,186	-0.06	6,776,498	1.10
				4-Jul-14	Transfer	-1,072,471	-0.17	5,704,027	0.92
				11-Jul-14	Transfer	-27,461	0.00	5,676,566	0.92
				25-Jul-14	Transfer	-66,387	-0.01	5,610,179	0.91
				1-Aug-14	Transfer	-83,613	-0.01	5,526,566	0.89
				15-Aug-14	Transfer	-26,717	0.00	5,499,849	0.89
				22-Aug-14	Transfer	-700,000	-0.11	4,799,849	0.78
				5-Sep-14	Transfer	-25,000	0.00	4,774,849	0.77
				12-Sep-14	Transfer	-300,000	-0.05	4,474,849	0.72

Sl. No.	Name of the Shareholder	Shareholding					Cumulative Shareholding during the year		
		No. of shares at the beginning of the Year (01.04.2014 / end of year (31.03.2015)	% of total shares of the company	Date	Reason	Increase / Decrease in shareholding	% of total shares of the company	No. of shares	
								% of total shares of the company	
				10-Oct-14	Transfer	-100,000	-0.02	4,374,849	0.71
				17-Oct-14	Transfer	-62,000	-0.01	4,312,849	0.70
				14-Nov-14	Transfer	-210,545	-0.03	4,102,304	0.66
				21-Nov-14	Transfer	-1,427,159	-0.23	2,675,145	0.43
				28-Nov-14	Transfer	-277,500	-0.04	2,397,645	0.39
				5-Dec-14	Transfer	-79,803	-0.01	2,317,842	0.37
				19-Dec-14	Transfer	5	0.00	2,317,847	0.37
				31-Dec-14	Transfer	9	0.00	2,317,856	0.37
				2-Jan-15	Transfer	21	0.00	2,317,877	0.37
				16-Jan-15	Transfer	-199,483	-0.03	2,118,394	0.34
				23-Jan-15	Transfer	-222,401	-0.04	1,895,993	0.31
				6-Feb-15	Transfer	-451,336	-0.07	1,444,657	0.23
				13-Feb-15	Transfer	-26,263	0.00	1,418,394	0.23
				27-Feb-15	Transfer	-100,000	-0.02	1,318,394	0.21
				6-Mar-15	Transfer	-625,000	-0.10	693,394	0.11
		575,113	0.09	31-Mar-15	Transfer	-118,281	-0.02	575,113	0.09
5	Government Pension Fund Global	7,496,507	1.21	1-Apr-14					
				18-Apr-14	Transfer	200,000	0.03	7,696,507	1.24
				30-May-14	Transfer	-111,698	-0.02	7,584,809	1.22
				6-Jun-14	Transfer	-493,537	-0.08	7,091,272	1.14
				13-Jun-14	Transfer	-381,530	-0.06	6,709,742	1.08
				20-Jun-14	Transfer	-452,428	-0.07	6,257,314	1.01
				30-Jun-14	Transfer	-387,795	-0.06	5,869,519	0.95
				25-Jul-14	Transfer	-1,229,347	-0.20	4,640,172	0.75
				1-Aug-14	Transfer	-949,172	-0.15	3,691,000	0.60
				22-Aug-14	Transfer	100,000	0.02	3,791,000	0.62
				5-Sep-14	Transfer	50,000	0.01	3,841,000	0.63
				12-Sep-14	Transfer	210,000	0.03	4,051,000	0.66
				19-Sep-14	Transfer	1,380,000	0.22	5,431,000	0.88
				30-Sep-14	Transfer	600,000	0.10	6,031,000	0.98
				3-Oct-14	Transfer	100,000	0.02	6,131,000	1.00
				10-Oct-14	Transfer	170,000	0.03	6,301,000	1.03
				14-Nov-14	Transfer	30,000	0.00	6,331,000	1.03
				21-Nov-14	Transfer	6,331,000	1.02	12,662,000	2.05
				16-Jan-15	Transfer	80,000	0.01	12,742,000	2.06
				23-Jan-15	Transfer	181,500	0.03	12,923,500	2.09
				30-Jan-15	Transfer	28,500	0.00	12,952,000	2.09

Sl. No.	Name of the Shareholder	Shareholding					Cumulative Shareholding during the year	
		No. of shares at the beginning of the Year (01.04.2014 / end of year (31.03.2015)	% of total shares of the company	Date	Reason	Increase / Decrease in share- holding	% of total shares of the company	
							No. of shares	% of total shares of the company
6	National Insurance Company Ltd	6,255,780	1.01	1-Apr-14				
				12-Dec-14	Transfer	250,000	0.04	6,505,780
				19-Dec-14	Transfer	200,000	0.03	6,705,780
				31-Dec-14	Transfer	100,000	0.02	6,805,780
				13-Feb-15	Transfer	100,000	0.02	6,905,780
		7,005,780	1.13	31-Mar-15	Transfer	100,000	0.02	7,005,780
7	Merrill Lynch Capital Markets Espana S.A. S.V.	5,897,665	0.95	1-Apr-14				
				4-Apr-14	Transfer	325,190	0.05	6,222,855
				11-Apr-14	Transfer	148,956	0.02	6,371,811
				18-Apr-14	Transfer	-98,085	-0.02	6,273,726
				25-Apr-14	Transfer	30,955	0.01	6,304,681
				9-May-14	Transfer	561,695	0.09	6,866,376
				16-May-14	Transfer	19,900	0.00	6,886,276
				23-May-14	Transfer	50,800	0.01	6,937,076
				6-Jun-14	Transfer	-57,115	-0.01	6,879,961
				13-Jun-14	Transfer	-917,265	-0.15	5,962,696
				20-Jun-14	Transfer	-459,367	-0.07	5,503,329
				30-Jun-14	Transfer	-619,493	-0.10	4,883,836
				18-Jul-14	Transfer	-255,641	-0.04	4,628,195
				1-Aug-14	Transfer	-29,550	0.00	4,598,645
				8-Aug-14	Transfer	-2,250	0.00	4,596,395
				15-Aug-14	Transfer	63,340	0.01	4,659,735
				26-Aug-14	Transfer	-3,720	0.00	4,656,015
				5-Sep-14	Transfer	-163,714	-0.03	4,492,301
				12-Sep-14	Transfer	-14,080	0.00	4,478,221
				30-Sep-14	Transfer	84,000	0.01	4,562,221
				10-Oct-14	Transfer	4,115	0.00	4,566,336
				17-Oct-14	Transfer	-55,060	-0.01	4,511,276
				31-Oct-14	Transfer	-67,525	-0.01	4,443,751
				14-Nov-14	Transfer	122,680	0.02	4,566,431
								0.73

Sl. No.	Name of the Shareholder	Shareholding					Cumulative Shareholding during the year	
		No. of shares at the beginning of the Year (01.04.2014 / end of year (31.03.2015)	% of total shares of the company	Date	Reason	Increase / Decrease in shareholding	% of total shares of the company	No. of shares
		21-Nov-14	Transfer	-133,785	-0.02	4,432,646	0.71	
		28-Nov-14	Transfer	599,766	0.10	5,032,412	0.81	
		5-Dec-14	Transfer	27,840	0.00	5,060,252	0.81	
		19-Dec-14	Transfer	-57,640	-0.01	5,002,612	0.80	
		31-Dec-14	Transfer	-13,735	0.00	4,988,877	0.80	
		9-Jan-15	Transfer	-504,000	-0.08	4,484,877	0.72	
		16-Jan-15	Transfer	-215,963	-0.03	4,268,914	0.69	
		23-Jan-15	Transfer	-39,565	-0.01	4,229,349	0.68	
		6-Feb-15	Transfer	650,900	0.11	4,880,249	0.79	
		13-Feb-15	Transfer	-9,000	0.00	4,871,249	0.79	
		20-Feb-15	Transfer	-37,395	-0.01	4,833,854	0.78	
		27-Feb-15	Transfer	12,390	0.00	4,846,244	0.78	
		13-Mar-15	Transfer	17,435	0.00	4,863,679	0.78	
		20-Mar-15	Transfer	-66,230	-0.01	4,797,449	0.77	
		27-Mar-15	Transfer	25,135	0.00	4,822,584	0.77	
		4,818,644	0.77	31-Mar-15	Transfer	-3,940	0.00	4,818,644
								0.77
8	The Scottish Oriental Smaller Companies Trust Plc	5,209,888	0.84	1-Apr-14				
				13-Jun-14	Transfer	-446,029	-0.07	4,763,859
				20-Jun-14	Transfer	-11,583	0.00	4,752,276
				30-Jun-14	Transfer	-530,838	-0.09	4,221,438
				4,221,438	0.68	31-Mar-15		4,221,438
								0.68
9	General Insurance Corporation Of India	5,202,120	0.84	1-Apr-14	NIL	0		
					Movement During the year			
				5,202,120	0.84	31-Mar-15	0	5,202,120
								0.84
10	National Westminster Bank Plc As Depositary Of First State Asia Pacific Fund A Sub Fund Of First State Investments Icvf	4,992,566	0.81	1-Apr-14	NIL	0		
					Movement During the year			
				4,992,566	0.81	31-Mar-15	0	4,992,566
								0.81
11	Dimensional Emerging Markets Value Fund	4,978,918	0.81	1-Apr-14				
				9-May-14	Transfer	18,928	0.00	4,997,846
				13-Jun-14	Transfer	188,263	0.03	5,186,109
				20-Jun-14	Transfer	134,750	0.02	5,320,859
								0.86

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		No. of shares at the beginning of the Year (01.04.2014 / end of year (31.03.2015)	% of total shares of the company	Date	Reason	Increase / Decrease in share- holding	% of total shares of the company	No. of shares	% of total shares of the company
12	The New India Assurance Company Limited			30-Jun-14	Transfer	41,922	0.01	5,362,781	0.87
				4-Jul-14	Transfer	45,414	0.01	5,408,195	0.87
				12-Sep-14	Transfer	204,380	0.03	5,612,575	0.91
				27-Feb-15	Transfer	11,498	0.00	5,624,073	0.91
				6-Mar-15	Transfer	168,949	0.03	5,793,022	0.94
				13-Mar-15	Transfer	13,301	0.00	5,806,323	0.94
				20-Mar-15	Transfer	103,437	0.02	5,909,760	0.96
				27-Mar-15	Transfer	57,336	0.01	5,967,096	0.96
		5,996,268	0.97	31-Mar-15		29,172	0.00	5,996,268	0.97
		4,318,673	0.70	1-Apr-14					
13	ICICI Prudential Mutual Fund ICICI Prudential Fmcg Fund ICICI Prudential Top 100 Fund ICICI Prudential Tax Plan ICICI Prudential Balanced Advantage Fund ICICI Prudential Midcap Fund ICICI Prudential Blended Plan - Plan A ICICI Prudential Dynamic Plan ICICI Prudential Target Returns Fund ICICI Prudential Nifty Junior Index Fund ICICI Prudential Cnx 100 Etf ICICI Prudential Value Fund Series 1 ICICI Prudential Value Fund Series 2 ICICI Prudential Value Fund-Series 5 ICICI Prudential Equity Income Fund ICICI Prudential Growth Fund-Series 8			30-Jan-15	Transfer	25,000	0.00	4,343,673	0.70
				6-Feb-15	Transfer	125,000	0.02	4,468,673	0.72
				13-Feb-15	Transfer	275,000	0.04	4,743,673	0.77
				20-Feb-15	Transfer	125,000	0.02	4,868,673	0.79
				27-Feb-15	Transfer	175,000	0.03	5,043,673	0.82
				6-Mar-15	Transfer	39,541	0.01	5,083,214	0.82
				13-Mar-15	Transfer	95,000	0.02	5,178,214	0.84
				20-Mar-15	Transfer	140,459	0.02	5,318,673	0.86
		5,318,673	0.86	31-Mar-15				5,318,673	0.86
		1,499,444	0.24	1-Apr-14					

Sl. No.	Name of the Shareholder	Shareholding					Cumulative Shareholding during the year	
		No. of shares at the beginning of the Year (01.04.2014 / end of year (31.03.2015)	% of total shares of the company	Date	Reason	Increase / Decrease in shareholding	% of total shares of the company	No. of shares
		30-Jun-14	Transfer	-123,811	-0.02	1,266,475	0.20	
		30-Jun-14	Transfer	456	0.00	1,266,931	0.20	
		4-Jul-14	Transfer	-4,764	0.00	1,262,167	0.20	
		11-Jul-14	Transfer	-3,601	0.00	1,258,566	0.20	
		18-Jul-14	Transfer	795	0.00	1,259,361	0.20	
		25-Jul-14	Transfer	715	0.00	1,260,076	0.20	
		1-Aug-14	Transfer	-1,316	0.00	1,258,760	0.20	
		22-Aug-14	Transfer	6	0.00	1,258,766	0.20	
		12-Sep-14	Transfer	-165	0.00	1,258,601	0.20	
		19-Sep-14	Transfer	-171	0.00	1,258,430	0.20	
		30-Sep-14	Transfer	-430	0.00	1,258,000	0.20	
		3-Oct-14	Transfer	246,000	0.04	1,504,000	0.24	
		31-Oct-14	Transfer	-168	0.00	1,503,832	0.24	
		14-Nov-14	Transfer	-162	0.00	1,503,670	0.24	
		21-Nov-14	Transfer	-223	0.00	1,503,447	0.24	
		5-Dec-14	Transfer	-104	0.00	1,503,343	0.24	
		5-Dec-14	Transfer	-4	0.00	1,503,339	0.24	
		12-Dec-14	Transfer	193	0.00	1,503,532	0.24	
		19-Dec-14	Transfer	318	0.00	1,503,850	0.24	
		31-Dec-14	Transfer	-214	0.00	1,503,636	0.24	
		9-Jan-15	Transfer	4,640,624	0.75	6,144,260	0.99	
		16-Jan-15	Transfer	1,497,056	0.24	7,641,316	1.23	
		23-Jan-15	Transfer	750,917	0.12	8,392,233	1.35	
		23-Jan-15	Transfer	-1,122	0.00	8,391,111	1.35	
		30-Jan-15	Transfer	2,120,855	0.34	10,511,966	1.69	
		30-Jan-15	Transfer	-610,000	-0.10	9,901,966	1.59	
		6-Feb-15	Transfer	1,186,495	0.19	11,088,461	1.78	
		6-Feb-15	Transfer	-558	0.00	11,087,903	1.78	
		13-Feb-15	Transfer	160,611	0.03	11,248,514	1.81	
		20-Feb-15	Transfer	364	0.00	11,248,878	1.81	
		20-Feb-15	Transfer	-28	0.00	11,248,850	1.81	
		27-Feb-15	Transfer	321,250	0.05	11,570,100	1.86	
		27-Feb-15	Transfer	-39	0.00	11,570,061	1.86	
		6-Mar-15	Transfer	735,569	0.12	12,305,630	1.98	
		6-Mar-15	Transfer	-117	0.00	12,305,513	1.98	
		13-Mar-15	Transfer	378,868	0.06	12,684,381	2.04	
		13-Mar-15	Transfer	-1	0.00	12,684,380	2.04	
		20-Mar-15	Transfer	-116,006	-0.02	12,568,374	2.02	

Sl. No.	Name of the Shareholder	Shareholding					Cumulative Shareholding during the year		
		No. of shares at the beginning of the Year (01.04.2014 / end of year (31.03.2015)	% of total shares of the company	Date	Reason	Increase / Decrease in shareholding	% of total shares of the company	No. of shares	% of total shares of the company
14	Citigroup Global Markets Mauritius Private Limited	435,041	0.07	20-Mar-15	Transfer	1,044,719	0.17	13,613,093	2.19
				27-Mar-15	Transfer	-1,785	0.00	13,611,308	2.19
				27-Mar-15	Transfer	1,794,236	0.29	15,405,544	2.48
				31-Mar-15	Transfer	-17	0.00	15,405,527	2.48
		15,803,894	2.54	31-Mar-15	Transfer	398,367	0.06	15,803,894	2.54
				1-Apr-14					
				18-Apr-14	Transfer	16,465	0.00	451,506	0.07
				25-Apr-14	Transfer	5,272	0.00	456,778	0.07
				2-May-14	Transfer	118,000	0.02	574,778	0.09
				9-May-14	Transfer	10,952	0.00	585,730	0.09
				16-May-14	Transfer	280,736	0.05	866,466	0.14
				23-May-14	Transfer	203,301	0.03	1,069,767	0.17
				13-Jun-14	Transfer	1,210,000	0.20	2,279,767	0.37
				20-Jun-14	Transfer	373,641	0.06	2,653,408	0.43
				4-Jul-14	Transfer	1,237,227	0.20	3,890,635	0.63
				11-Jul-14	Transfer	11,544	0.00	3,902,179	0.63
				18-Jul-14	Transfer	24,132	0.00	3,926,311	0.63
				25-Jul-14	Transfer	234,000	0.04	4,160,311	0.67
				1-Aug-14	Transfer	286,000	0.05	4,446,311	0.72
				15-Aug-14	Transfer	6,200	0.00	4,452,511	0.72
				22-Aug-14	Transfer	6,150	0.00	4,458,661	0.72
				30-Sep-14	Transfer	4,000	0.00	4,462,661	0.72
				10-Oct-14	Transfer	-6,341	0.00	4,456,320	0.72
				17-Oct-14	Transfer	33,426	0.01	4,489,746	0.73
				7-Nov-14	Transfer	23,343	0.00	4,513,089	0.73
				14-Nov-14	Transfer	192,000	0.03	4,705,089	0.76
				21-Nov-14	Transfer	426,000	0.07	5,131,089	0.83
				28-Nov-14	Transfer	74,000	0.01	5,205,089	0.84
				5-Dec-14	Transfer	1,056,000	0.17	6,261,089	1.01
				12-Dec-14	Transfer	60,000	0.01	6,321,089	1.02
				19-Dec-14	Transfer	10,222	0.00	6,331,311	1.02
				31-Dec-14	Transfer	6,500	0.00	6,337,811	1.02
				27-Mar-15	Transfer	-71,000	-0.01	6,266,811	1.01
		6,266,811	1.01	31-Mar-15				6,266,811	1.01

Shareholding is consolidated based on Permanent Account Number (PAN) of the Shareholder.

## (v) Shareholding of Directors and Key Managerial Personnel:

SI No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Cyrus Pallonji Mistry				
	At the beginning of the year	33000	0.01	33000	0.01
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc):			No Movement during the financial year 2014-15	
	At the end of the year	33000	0.01	33000	0.01
	Key Managerial Personnel				
1	K Venkataramanan*				
	At the beginning of the year	4000	0.00	4000	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc):			No Movement during the financial year 2014-15	
	At the end of the year	4000	0.00	4000	0.00

\* ceased to be Key Managerial Personnel of the Company w.e.f. 25.10.2014

No other Director and Key Managerial Personnel of the Company holds shares in the Company.

## V. INDEBTEDNESS

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

Rs. in Crores

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	368.89	87.62	-	456.51
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4.30	0.05	-	4.35
<b>Total (i+ii+iii)</b>	<b>373.19</b>	<b>87.67</b>	-	<b>460.86</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	32.07	855.00	-	887.07
• Reduction	-	870.38	-	870.38
<b>Net Change</b>	<b>32.07</b>	<b>15.38</b>	-	<b>16.69</b>
Indebtedness at the end of the financial year				
i) Principal Amount	405.26	72.24	-	477.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4.30	0.02	-	4.32
<b>Total (i+ii+iii)</b>	<b>409.56</b>	<b>72.26</b>	-	<b>481.82</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration		Name of MD/WTD/Manager	Rs. in Lakhs	
			Ajoy Misra (Managing Director)	L. Krishnakumar (Executive Director)	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		198.06	164.65	362.71
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		54.27	51.32	105.59
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission		-	-	-
	- as % of profit		-	-	-
	- others, specify		-	-	-
5	Others (contribution to PF, Gratuity and superannuation)		22.26	20.05	42.31
	<b>Total</b>		<b>274.59</b>	<b>236.02</b>	<b>510.61</b>
	Ceiling as per the Act		-	-	4,185.99
	Payment from overseas subsidiary		36.44	37.13	73.58

### B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors									Total Amount
		Mr. Cyrus P. Mistry	Mrs. M Srinivasan	Mr. Analjit Singh	Mr. V. Leeladhar	Mrs. Ranjana Kumar	Mr. Darius Pandole	Mrs. Ireema Vittal	Mr. S. Santhanakrishnan	Mr. H. Harish Bhat	
<b>1 Independent Directors</b>											
	Fee for attending board/ committee meetings	-	0.60	0.60	3.90	3.40	2.60	2.30	-	-	13.40
	Commission	-	12.00	8.00	60.00	42.00	35.00	25.00	-	-	182.00
	Others, please specify	-	-	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	<b>12.60</b>	<b>8.60</b>	<b>63.90</b>	<b>45.40</b>	<b>37.60</b>	<b>27.30</b>	-	-	<b>195.40</b>
<b>2 Other Non-Executive Directors</b>											
	Fee for attending board/ committee meetings	1.50	-	-	-	-	-	-	2.80	3.10	7.40
	Commission	-	-	-	-	-	-	-	30.00	-	30.00
	Others, please specify	-	-	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	<b>1.50</b>	-	-	-	-	-	-	<b>32.80</b>	<b>3.10</b>	<b>37.40</b>
	<b>Total =(1+2)</b>	<b>1.50</b>	<b>12.60</b>	<b>8.60</b>	<b>63.90</b>	<b>45.40</b>	<b>37.60</b>	<b>27.30</b>	<b>32.80</b>	<b>3.10</b>	<b>232.80</b>
	Total Managerial Remuneration										<b>232.80</b>
	Overall Ceiling as per the Act										<b>418.60</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD** Rs. in Lakhs

SI No.	Particulars of Remuneration	Key Managerial Personnel			
		John Jacob (w.e.f. 25.10, 2014) CFO	K. Venkataraman (Till 25.10.2014)	V. Madan Company Secretary	Total
<b>1</b>	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36.60	44.05	65.77	146.42
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	18.79	14.99	22.81	56.59
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
<b>2</b>	Stock Option	-	-	-	-
<b>3</b>	Sweat Equity	-	-	-	-
<b>4</b>	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others	-	-	-	-
<b>5</b>	Others (contribution to PF, Gratuity and superannuation)	5.22	6.15	9.41	20.78
	<b>Total</b>	<b>60.61</b>	<b>65.19</b>	<b>97.99</b>	<b>223.79</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**NIL**

On behalf of the Board of Directors

CYRUS P. MISTRY

Chairman

Mumbai,  
28<sup>th</sup> May 2015

# ANNEXURE 6 TO DIRECTORS' REPORT

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

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

### (A) CONSERVATION OF ENERGY

#### Energy conservation measures taken during 2014-15

##### (i) Steps Taken or Impact on conservation of Energy :

1. Pullivasal and Perikanal Estate
  - Fixation of additional Tuflite sheet (translucent fibre-glass sheets)
2. Tetley Cochin Division
  - Installation of low wattage LED light fixers in the plant.
  - Replacement of high wattage light fittings.
3. Instant Tea Division Munnar
  - Installation of auto surface blow down system for the Boilers.
  - Phase wise replacement of old motors with Energy efficient motors.
  - Heat recovery/ Alternate heating mechanism in STW drier- usage of flue gas from HASCO Boiler.
  - Replacement of old steam traps with upgraded technology traps.
4. Packaging Centres
  - Installation of 50 HP compressor for load balancing.
  - Installation of energy efficient LED & high Lux lights
  - Modification of Sealing system in the Multitrack Machinery

#### Impact of measures taken

The efforts at Pullivasal, Perikanal Estates and Packaging centres have resulted in significant savings in power usage.

The efforts at Tetley Cochin Unit resulted in estimated power savings of 17,600 KWH for the year at the plant.

These efforts resulted in power savings and cost savings of approximately Rs.10 Lakhs. Various initiatives at Instant Tea Unit in Munnar is expected to result in a savings of around Rs. 35 Lakhs per annum.

##### (ii) Steps taken by the Company for utilising alternate sources of Energy :

The Company has resorted to usage of firewood, own generation and solar sources in addition to resorting to electricity purchase.

##### (iii) Capital investment on Energy Conservation Equipments:

Pullivasal and Perikanal Estates are in the process of installation of new dryers at the Estates.

Tetley Cochin unit is in the process of installation of VFD logic power control for management of compressed air system which would result in savings for power costs.

Instant Tea unit at Munnar is planning for following Initiatives during FY 2015-16:

- Installation of Auto Start Delta convertor for some of the heavy duty motors to reduce Power consumption.
- Phase wise replacement of heavy duty motors with energy efficient ones
- Plant Lightings Up gradation using the latest LED Lighting
- Steam Pressure Control System
- Energy Saving VFD's
- Improved Steam Traps for spray dryer & Oxygen control system for Boiler.

The above would involve an additional investment of Rs. 116 Lakhs.

Packeting Centres are planning the following initiatives during FY 2015-16

- Installation of additional LED lights and a 20 KVAR capacitor and compressed airline to improve power factor.
- Installation of Induction light high masts and air ventilators

## (B) TECHNOLOGY ABSORPTION

### (i) Efforts made towards Technology Absorption:

TGBL is engaging with various Companies for technical collaborations for process improvement and product development. Technical discussions were held to identify appropriate technologies / support. TGBL has entered into MOU with certain Companies and Non-disclosure agreements have been signed to work further on various collaborations.

### (ii) Benefits derived like product improvement, cost reduction, product development or import substitution.

TGBL has partnered with Facile Machines and Nichrome to develop new packaging for tea. TGBL is progressing on a Project with Tata Chemicals to develop functional ingredients. TGBL has also entered into agreements with Tata Elxsi (for Coffee packaging), DuPont (for development of Sustainable packaging and exploration of ingredients for Nutrition platform), Sami Labs and Sarvotham Care (for development of ingredients and products in Health & Wellness category) and Zeon Life Sciences (for exploring new technology platform for tea beverages).

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

- (a) the details of technology imported: The Company has not imported any technology during the last three financial years.
- (b) the year of import : Not Applicable
- (c) whether the technology has been fully absorbed: Not Applicable
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Not Applicable

### (iv) Expenditure incurred on Research and Development :

	Rs. in crores
Capital expenditure	0.34
Revenue expenditure	4.99
Total R&D expenditure as a percentage of net sales	0.19%

## (C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

	Rs. in crores
1. Foreign Exchange Earned	323.17
2. Outgo of Foreign Exchange	86.05

On behalf of the Board of Directors



Mumbai,  
28<sup>th</sup> May 2015

**CYRUS P. MISTRY**  
Chairman

# MANAGEMENT DISCUSSION AND ANALYSIS- 2014-15

## Business Overview

Tata Global Beverages is a global natural beverage business with brand presence in over 40 countries. Your Company is the second largest player in branded tea in the world and has growing interests in tea, coffee and water. Over 250 million servings of its brands are consumed every day around the world. Your Company focuses on creating 'magical beverage moments' for its consumers through its stable of innovative regional and global beverage brands, including: Tata Tea, Tetley, Himalayan natural mineral water, Tata Water+, Tata Gluco+, Good Earth tea, Grand Coffee and Eight O'clock coffee.

Your Company, being in the natural beverage category, follows an overall strategy to build on its strengths –differentiated offering, understanding consumer requirements, scale, internal competencies and strong brands. Whilst tea accounts for around 74 % of our revenue, coffee accounts for 25% and water and other products contribute to the rest. Your Company is also a global player with 62% of the consolidated revenues coming from markets outside India such as United Kingdom, United States of America, Canada, Russia, France, Australia and Europe.

## Industry Structure - Global Economic, Consumer and Competitor Trends

The year under review continued to present a mixed picture in so far as the global economic trends were concerned. Whilst there are positive trends in GDP outlook in countries like India, UK and US, in Europe, the outlook appears to be muted with several countries passing through difficult conditions. Russia witnessed significant macro-economic volatility during the year.

Based on the economic scenario a few customer behavioral trends are emerging. Customers, especially in the international markets, are continuing to seek better value thereby increasing competitive intensity. The consumer product choices are increasingly shifting towards health, wellness and lifestyle. There is also a growing trend for more premiumised products of higher quality in many markets.

The global challenges have led to a category decline in black tea in certain developed markets, change in retail promotional strategy and high competitive intensity. In addition to this, since customers have become value conscious, there are instances of private label and regional players gaining in market share.

Your Company continues to constantly strive to meet these challenges with a continuous support to brands, category expansion, innovation, investment in new ventures and cost rationalisation. Our focus on natural beverages translates to

focus on health and wellness. Your Company has kept pace with today's lifestyle, understood the palate unique to each region and offers a range of interesting and innovative products across our beverage portfolio.

## Industry Structure – Commodity Trends

### Tea

The Indian tea industry experienced extreme weather patterns, high temperatures and a very uneven scattered rainfall coupled with crop loss, increased pest activity due to change in the bio-diversity and long spell of droughts. Assam's tea industry in particular has, during last two decades, faced the challenge of rising input costs, challenges on productivity and unremunerative prices. It is therefore imperative that measures be adopted to increase production by stepping up yields. In recent years, the shortage of labour in tea estates had also thrown up a challenge to meet targets. On the plantation side, all these factors can have an adverse impact on return on investment while on the branded side these factors can create inflationary pressures.

India's tea output stood at 1,184.8 million kgs in 2014 behind by 15.6 million kgs or 1.3% over previous year. India clocked an export volume of 201.2 million kgs in 2014, down by 17.8 million kgs over previous year. 2014 witnessed a hard commodity environment across all categories in North India, primarily due to lower crops in Assam and a steady growth in domestic tea consumption. The Tea Board of India had issued Plant Protection Code guidelines which came into effect from 1<sup>st</sup> January 2015.

In the global arena, Kenya saw a record crop for the second year in succession with output reaching 435 million kgs, up from 431 million kgs in the previous year and up 15% versus the previous 5 year average. With inflated supply lines and production far in excess of weekly uptakes, prices fell from a high of \$2.56 at the beginning of the year down to an auction average of \$1.89 in December 2014. It is unlikely that we will see a repeat of record production of the past two record years and therefore prices will be above the average levels we have experienced in the last 24 months.

Globally, black tea production in 2014 decreased by 11.9% with lower than previous year production in most producing countries.

According to the World Commodity Forecast from The Economist Intelligence Unit, much of the growth in global tea production will come from a rise in green tea output which has outpaced black tea in recent years. Green tea has risen from a quarter to

one-third of global production in a decade. In China green tea accounts for 84% of production and Vietnam over one half. Green tea consumption has risen in both producing countries and in key markets such as the US and Western Europe.

### Coffee

The global coffee production of the 14-15' season is estimated at 142 million bags and consumption was 149 million bags. As per ICO estimates, the total consumption grew at the rate of 1.5% in 2014-15. Brazil, the world's largest coffee producer country faced a severe drought and effects were reflected in their coffee output. Similar concerns faced in other parts of the world resulted in sharp increase of Arabica Coffee price in the second quarter of 2014-15. However, Vietnam who are one of the biggest producers of coffee recorded a bumper coffee production. The escalation of the Robusta price was comparatively less. The consumption in the exporting countries continues to increase significantly and the total consumption grew at the rate of 2.7% in the year 2014-15.

In the domestic scenario, there has been an increase in the production of Robusta Coffee and pepper for the financial year 2014-15 whilst Arabica has witnessed lower production being a biennial off year. The domestic coffee consumption has also been growing steadily over the years.

### Consolidated Financial and Operating Performance

The consolidated financial highlights for 2014-15 are as follows:

	Rs. in crores		
	2014-15	2013-14	Variance
Operating Income	7,933	7,738	195
Operating Profit	642	623	19
Profit before exceptional items and taxes	630	618	12
Exceptional items (net)	(130)	89	(219)
Profit before tax	500	707	(207)
Profit after tax	284	522	(238)
Group Consolidated net profit	248	481	(233)

Despite the recessionary trend which was prevalent in many parts of the international markets, Tata Global Beverages achieved a steady growth in revenue. For the year ended 31<sup>st</sup> March 2015, Income from operations at Rs 7,933 crores was 3% higher than previous year. At prior year exchange rates, the increase translates to 5%.

For the year under review, operating profits at Rs 642 crores is higher than the previous year mainly due to improved profitability in the branded business despite higher spends in new ventures/initiatives.

### Standalone Financial and Operating Performance

	2014-15	2013-14	Variance	Rs. in crores
Operating Income	2,885	2,683	202	
Operating Profit	297	268	29	
Profit before exceptional items and taxes ( inclusive of intra-group dividends eliminated in the Consolidated Financial Statements)	418	413	5	
Exceptional items (net)	(69)	172	(241)	
Profit before tax	349	585	(236)	
Provision for tax	(60)	(138)	78	
Profit after tax	289	447	(158)	

Income from Operations grew by 8% over the prior year attributable to improvement in branded operations driven by higher volume sales and price increases. Profit from operations was higher than previous year mainly on account increase in sales volume.

The current year results detailed above are inclusive of the results of Mount Everest Mineral Water Limited which amalgamated with the Company from the appointed date of 1<sup>st</sup> April 2013.

### Product / Brand Performance - Tea & Coffee

Overall, despite the challenging environment in the international markets, the branded business reported a steady growth led by Canada, Australia and India. Sales in Australia got a boost through the acquisition of MAP brand, which gave your Company entry into the coffee segment in Australia in roast & ground coffee category, as well as in the fast growing single serve segment. Though in some major markets, such as UK and US, we grappled with challenges to improve top-line, profitability has been better aided by conscious spending and effective cost control. The international tea commodity markets remained subdued which also helped improve margins. Your Company is pleased to report that the premium segments have performed well. To leverage the change in consumer trends, wherein there is more demand for premium products, your Company is expanding the Teapigs brand, which is in the premium segment, across various markets. To further our health and wellness strategy, we have launched

various green tea products which have health benefits, in some major markets and sales have been robust. The Global marketing structure has been revamped with a focus in developing a strong global brand portfolio coupled with enhanced global innovation agenda and providing global consumer insights. Towards this, TGB will focus on 4 power brands, namely, Tetley, Tata Tea, EOC Coffee and Himalayan. These power brands will be managed in a globally consistent manner including creating the global brand identity. All other brands in our portfolio will be treated as local / regional brands. A new brand identity and packaging has been developed for the Tetley brand and is being progressively rolled out across major markets.

Plantation business was impacted due to seasonality and pest infestation which had resulted in lower crops available for sale.

## Performance of Key Geographies/ Segments

### India

Your Company's operation in India reflects top-line improvement and improved profitability despite adverse tea costs. Overall volumes and value growth over FY 2013-14 helped in growing top line by around 8%. Your company maintained volume and value market leadership. The branded tea segment in India is one of the most highly penetrated segments. While tea as a category in India is growing at around 4-5 per cent, green tea is growing around 30 per cent .With increasing disposable income and awareness on product differentiation (aroma, origin, taste etc), the loose/ standard tea is making way for more premium variants and flavours.

In the Indian market, your Company is building its green tea portfolio under the Tetley brand. The green tea range in India taps into the growing number of people who want to make healthy lifestyle choices and in-builds them in their daily routine. Tetley green tea in India launched a refreshing campaign, which urges wellness seeking consumers to cleanse from within. Our study revealed that green tea consumption occasions cover multiple points- be it at home, the workplace or during travel. So Tetley has kept pace with today's lifestyle, understood the Indian palate and now offers six delicious flavours of green tea, customised to the Indian palate. The Tetley green tea portfolio has grown double digits as compared to the prior year. In addition, Acti Green, a new product launched under the Tata Tea brand, aims at popularising green tea and making it accessible to a wide range of consumers, keeping tea drinkers revitalised and active through the day. It is available at convenient price points and milder blends, in exciting Indian flavours of 'Elaiachi' (Cardamom), 'Tulsi-Nimbu' (Basil-Lemon) and regular 'Green Tea'.

### Key performance highlights of India branded operations:

- Your Company is proud to consistently maintain value and volume leadership in the market.
- Good value and volume growth in the branded segment mainly attributable to improvements in the flagship Tata Tea brands and to a lesser extent regional brands. The growth in Tata Tea brands are mainly attributable to improvements in Tata Tea Premium, Tata Tea Agni, Tata Tea Gold, Tata Tea Lyfe whilst the growth in regional brands is mainly attributable to Chakra Gold and Gemini. These brands were supported by various campaigns and on-ground activities during the year.
- Double digit growth by the Tetley brand led by the Green tea category in which your Company is the market leader.
- The tea business in India achieved record sales volumes which translates to 5,000 crores cups of tea served to consumers across the country!.
- We are pleased to announce that Tata Tea's Jaago Re and Power of 49 brands have won awards in three categories at the Effie India 2014 Awards organised by The Advertising Club. The Effie Awards is an international advertising award that was launched in India more than a decade ago in partnership with the Advertising Club. It recognises advertising that has succeeded in building brands and increasing sales.

### United Kingdom

In the UK, black teas as a category continue to dominate the market with around 80% of volume sales and 63% by value. This sector however experienced a decline during last year. Green tea continues to be the 'star sector' with significant growth on a year on year basis.

This market witnessed challenging market conditions wherein we are faced with retailer consolidation, retailers price promotion strategies, customers seeking better value and increased competitor intensity. Despite battling through these adversities, your Company could achieve sales close to the prior year levels. However, operating profit improved over prior year driven by lower tea costs, operational efficiencies and conscious spending.

### Key performance highlights of UK operations:

- Despite decline in the black tea category, few premium segments registered significant improvement in performance.

- Teapigs, our super premium brand reflected robust growth. This brand is now being expanded to various other international markets.
- Tetley Decaff regained MAT volume leadership.
- Increased investment behind brands with good store visibility. Tetley was chosen by one of the large retailers to be a select group of brands to partner the retailer which resulted in strong in-store visibility.
- Tetley ran an impactful communication campaign showcasing its 175 year heritage of tea blending expertise, reinforcing its credentials in delivering quality products.
- Your Company recorded good growth in Tetley Greens and launched a range of 'super green teas' that are the first functional green teas in the UK with proven health benefits. The new Super Green Tea variants are supported by European Food Standards Agency (EFSA) approved health claims, relating to supporting immune system and helping reduce tiredness and fatigue.
- Variants like Tetley Decaf, Tetley Estate Selection and Tetley Green Mango and Passion Fruit have been confirmed as 1 star quality winners in the 2014 Great Taste Awards, organised by the Guild of Fine Foods.

### **United States of America**

In the US market, we predominantly operate in the coffee segment under the Eight O'clock Coffee brand (EOC). This market is also facing various challenges, shift in consumer preference to growing alternative formats, namely, pods, and stiff competitor intensity. In the Pods segment, your company has a brand licensing arrangement with Keurig Green Mountain who is a significant player in that category. In 2014-15, there has been a significant increase in royalty from sale of pods. K-cup volumes increased significantly year on year due to growth in the single serve business and addition of four new EOC SKU's. Overall, the traditional business witnessed volume pressures resulting in lower sales in the first half. However, in the second half, EOC volumes increased driven by its popular consumer programs and effective promotional listings. Profitability of EOC improved over the previous year.

#### **Key performance highlights of USA operations:**

- Successful marketing initiatives and timely promotions improved topline in the second half of the year reflecting signs of improvement.

- The brand launched an impactful promotion campaign together with Warner Bros. centered around the 20<sup>th</sup> anniversary of the Emmy award winning TV series 'Friends'. The campaign met with enthusiastic response from coffee lovers.
- Good cost control and prudent spending.
- The Company's manufacturing plant underwent a re-certification audit by the British Retail Consortium (BRC) and achieved the top rating. This certification is given for food safety and quality.

### **Canada**

Canada business fronts our innovative product agenda. The business saw the launch of a premium line of specialty teas called the Tetley Signature Collection. This contemporary line of teas was created to reinforce Tetley's leadership position in Specialty teas in Canada and to provide consumers with a string & tag/ drawstring tea bag.

#### **Key performance highlights of Canadian operations:**

- Canada tea sales recorded significant increase compared to the prior year benefiting from the change in distribution model and increase in promotions.
- Our premium brand, Tea pigs has started to make inroads in the market and started to gain distribution
- The Tata Tea brands have found niche among the Indian diaspora after being in the market for the last 2/3 years. The brand is gradually improving its market share.
- Canada maintains and remains market leaders in both value and volume terms.
- A new campaign launched invites the customers to explore Tetleys diverse portfolio of teas. From green to herbal, premium blends to fruity flavours, Tetley has 45 vibrant blends to suit the various consumers persona.
- Tetley in Canada was voted the most trusted brand in the tea category as a part of the 2015 BrandSpark Most Trusted Awards programme. Over 65,000 Canadian consumers participated in the survey conducted by BrandSpark International, a leading brand, marketing and product innovation research company. Consumers' reasons for citing a brand as their "most trusted" for the food and beverage brands are driven by quality perceptions and taste.

## Australia

The Australian market reported steady growth in sales on a year to year basis. In addition, the acquisition of Earth Rules Pty, owners of the MAP brand has given your company entry into the coffee segment in Australia in roast & ground coffee as well as in the fast growing single serve segment.

### Key performance highlights of Australian operations:

- Sales were higher than previous year driven by improvements in fruit and herbal teas, green and mainstream black coupled with increase in stores in a retailer where we are the only tea brand.
- Significant improvement in green tea sales which is now the number three player in the Australian market.
- On a year on year basis, tea profitability reports an improvement.

## Europe and Middle East

European markets are trying to break out from the shackles of recession. Currency markets are volatile. In addition, trading condition is tough with competitive intensity and consumers being cautious in spending. Additionally there is black tea market decline in many markets in which we are operating.

### Key performance highlights of European operations:

- Russia – Significant macro economic challenges persist. Political sanctions and drop in crude oil prices resulted in a significant depreciation in currency and rise in interest rates. This led to slowing down of growth, liquidity issues in the banking sector, increasing credit risk from small distributors and very high inflation. The market was further impacted by a faster decline in traditional channels and de-growth in spray and agglomerated coffees. Despite these adverse market conditions, in underlying terms, Russia reflects a pricing led improvement in performance.
- Middle East – Significant increase in sales aided through distribution improvement, expansion of the Tetley range and new product launches in a few countries within Middle East.
- In other markets such as France, Poland and Czech Republic, decline in the black tea market impacted topline. However, France reflects good green tea performance.

## Water Vertical

The water vertical, operating primarily out of India, reflected significant growth on a year on year basis. The Company has extended the reach of its fortified water brand Tata Water Plus to Gujarat and Uttar Pradesh. Initially, the Company had introduced Tata Water Plus and Tata Gluco Plus in Tamil Nadu and Andhra Pradesh. We are now present in 7 states in India - Maharashtra, Gujarat, UP, MP, Karnataka, Tamil Nadu and Andhra Pradesh.

Tata Gluco Plus underwent a brand refresh including a packaging change and a catchy TVC highlighting its glucose energy benefit. Himalayan natural mineral water launched its sparkling variant-a natural, mineral enriched water with added mild carbonation. A new ad campaign was launched for the Himalayan brand narrating the story of its unique source and how the brand can play a role in our busy urban lives by helping us to 'Live Natural.' In the international arena, we are expanding our footprint in Singapore by entering in retail stores and evaluating options to scale up in other international markets. With an increased focus on its research & development projects, your Company has built a pipeline of new products to drive the Company's future growth.

## Non Branded Business

Our non branded business is split between plantation and extraction operations. In plantations, we primarily manufacture and sell tea, coffee and other plantation produce like pepper whilst the extraction business is split between instant tea and instant coffee. In the current year, though there have been improvements in the Coffee extraction business, the plantation business was impacted due to seasonality and pest infestation resulting in lower crop. In the instant coffee business, to avoid over dependence on selected markets such as Russia, your management has continually focussed on newer geographies and witnessed improvements in sales by identifying new customers in various new countries. In line with the group focus on innovation, the Company launched new instant coffee products and new packaging as a hedge against commoditisation.

## Outlook – Consumer, Commodity and Competition

As detailed earlier in the document, the market environment continues to be different across continents and these operating challenges are likely to continue. In addition, there are category declines in black tea markets in some developed markets reflecting a shift in consumer consumption patterns.

However, there are some trends which are emerging in the various markets. First, there is a continual shift of consumers

towards health, wellness and convenience segments. Secondly, especially in the developed markets, due to the continuing recessionary trends, the consumer spending is cautious with higher value demands which are giving rise to high competitive intensity in those markets. Finally, contrary to the above, there is also a growing trend for more premiumised products in some markets.

We expect these challenges and trends to remain for some time to come. In our developed markets, we expect the retail environment to be very competitive with aggressive promotions to sustain growth. We also expect the significance of modern trade to increase over traditional trade in the developing markets exacerbating the competitive environment. In addition to this, we also foresee private own-label brands and local brands to continue to be major competitors.

On the commodity front, forecasts are predicting a higher than average probability of an El Niño effect. This can typically result in inclement weather conditions with unseasonal patterns with potential impact on crop bearing regions.

The outlook for tea is mixed with increased production in most producing countries accompanied by strong consumption growth in developing countries. In coffee, the prices continue to be low and stable as the market heads towards the next large on-cycle Brazil crop in 2016.

The Group continues to constantly strive to meet these challenges with a continuous support to brands, category expansion, innovation and cost rationalisation.

### **Outlook - Interest Rates and Exchange Rates**

Given the global operations of your Company, both interest rates and exchange rates in various currencies / geographies are of significant importance to our business.

The interest rates remained flat in most of the geographies that we operate in, mainly as inflation and inflationary expectation remained subdued. Interest rates eased in India towards the last quarter of the fiscal and are further expected to drift downwards. In UK interest rates remain unchanged, as inflation fell well below the target on the back of sharp drop in crude oil prices in international market. In US, interest rates remain unchanged as the central bank was waiting for evidence of sustained economic recovery. Inflation and inflationary expectations fell sharply due to unexpected decline in crude oil prices.

The rupee witnessed some appreciation on the back of election results, strong sentiments in local equities and fiscal consolidation measures announced by the government in the budget. But it gave up its gains on account of global risk aversion due to Russia – Ukraine and Middle East crisis and overall dollar strengthening. The rupee is expected to trade with some

negative bias on uncertainty over the monsoons, but is expected to remain range bound in the long term.

Sterling weakened against USD, from the second half of the fiscal given the fear over interest rate hike by US, massive quantitative easing programme by ECB and global risk aversion due to Russia – Ukraine conflict. It showed some recovery post the outcome of the general election and is expected to remain range bound.

Russia macro- economic conditions remain volatile. The market saw a significant surge in interest rates and significant depreciation of currency. However, there were some signs of recovery and the currency/interest rates saw some reversals post year end. There are also related macro economic uncertainties over Greece's exit from the Euro Zone .

The Company hedges its exposures arising out of interest rate risks and foreign exchange risks, based on Board approved treasury policies through various instruments and are reasonably covered in respect of its immediate trade flows.

### **Opportunities**

Your Company's products and vision focuses on natural beverages which presents a good opportunity in the health and wellness segments – a segment which is in a growth trajectory. Our innovative products in green tea, super green teas, decaff coffees, fortified mineral water and natural mineral water sourced from the Himalayas specifically addresses this consumer trend and we see significant growth potential in these areas. There is also a growing demand for premiumised products and, amongst other things, our Tea-Pigs brand and our alliance with Starbucks in India is fronting growth in this segment. This, added with the wellness of the Himalayan brand is going to drive growth in the premium segment. We also see significant growth opportunities in alternate channels such as coffee pods in the developed markets and to participate in the growing channels, we have operations in US and Canada. The acquisition of MAP brand has given your Company entry into the fast growing single serve segment in Australia. We feel that these products/segments will give your Company significant opportunity to grow in the near future.

### **Threats, Risks and Concerns**

Your Company is faced with decline in black tea category in developed markets as significant part of your company's operations is dependent on the black tea category. There is risk of significant change in commodity and currency markets and the Company's management is conscious of the consequences and are actively monitoring these parameters. Significant increase in commodity input costs may lead to a dilution of margins which can limit the scope to innovate and expand. In addition, increased competitive intensity and consumers seeking more value may reduce earnings. There are economic uncertainties in some markets like Russia which may pose challenges in the short term. Your Company continues to be committed to its

brands and focuses constantly on innovative products to satisfy consumer needs and perceptions. In addition it also focuses on increased distribution and geographical expansion to manage the declining black tea market trends.

Your Company is a small player in the coffee segment and is looking at ways to expand to a bigger business. The focus of your Company is to grow through product innovation and improve distribution. In addition, acquisition opportunities, such as the MAP acquisition in Australia, also aid your Company to expand into new geographies and categories.

We are in a nascent stage in the water business. There is a stable set of products in the water business and your company now needs to scale up profitability with growth in volumes. Though this business has significant growth opportunities, competition is intense and existing brands are well established global players. Additionally we will also need a good distribution network to grow our fortified water business in the mass segment. We need to find co-packers within a radius of distribution to keep pricing competitive. For all this we need to continue investing behind the business in the shorter term for a long term opportunity.

### **Risk Management**

The Company has a system of documenting and reviewing key risks. Apart from management reviews, the risks are also periodically reviewed by the Risk Management committee of the Board and other directors as part of the Company's planning process.

### **Human Resources and Industrial Relations**

The HR team identified 20 Key initiatives as the key focus areas to support the key business imperatives and priorities. For driving execution, each initiative has a project leader assisted by members across all regions. Certain key initiatives pursued as part of our HR strategy are as follows:

#### **a. Culture change and employee engagement**

The Global Reward and Recognition Program – Brewing Brilliance was globally launched as an online platform. The offline platform was launched for factories to ensure a consistent program across your Company. The communication plan and activation was customised to local languages to maximise reach and awareness.

#### **b. 360 Degree Feedback**

The 360 Degree Feedback in partnership with Aon Hewitt has been completed for senior leaders across your Company and its subsidiaries / associates. The coaching session for all the leaders have been concluded and action plans are being drawn by leaders for self-development. We are also identifying themes at global, regional and functional level to drive focused interventions at the organisation level.

#### **c. Critical talent identification**

To support the growth agenda, a global list of critical talent across functions and regions has been identified.

#### **d. Performance Coaching Workshop – 'Unleashing Performance Potential'**

Aligned to our strategic pillar – Building Capability, your Company has designed Performance Coaching workshop in partnership with Aon Hewitt with an objective of equipping our people managers with various tools to set SMART goals and provide on-going coaching and feedback to the team members.

The total number of employees on the rolls of Tata Global Beverages Limited as of 31<sup>st</sup> March 2015 was 2549.

### **Internal Controls and Governance**

Your Company has adequate internal controls and robust systems in place to ensure that all its assets are well protected. The Audit Committee of your Company review such controls periodically. The Internal audit function carries out a focused internal audit programme in consultation with the Audit Committee. The internal audit primarily focuses on the adequacy of appropriate systems and controls. The Tata Code of Conduct has prescribed guidelines outlining the key disclosure and governance requirements besides mandating the observance of applicable statutory requirements by the Company. Your Company and its senior management have affirmed adherence to the Code.

### **Cautionary statement**

Certain statements made in this report relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamity, currency rate changes, among others over which the Company does not have any direct control.

### **Conclusion**

Your Company's primary focus will be to regain and grow volumes across markets. The Group will address each market depending on local conditions. We recognise that the global environment is extremely challenging and the Group's key focus areas would be to work towards achieving the business targets for the year through a mix of brand led growth, efficient cost management and successfully scaling up of the new businesses.

# REPORT ON CORPORATE GOVERNANCE FOR FINANCIAL YEAR 2014-15

## 1. Company's Philosophy on Code of Governance

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

As a global organisation the corporate governance practices followed by your Company are compatible with international standards and best practices. As a responsible corporate citizen, your Company had established systems to encourage and recognise employee participation and volunteering in environmental and social initiatives that contribute to organisational sustainability, systematic training, learning and personal growth, conservation of energy and other scarce resources, promoting safety and health of its employees and of the neighbouring community etc. These actions have become an integral part of your Company's operating plans and are not meant for building of image or publicity.

## 2. Board of Directors

### a. Composition & Category of Directors, and Attendance of each Director at the Board Meetings and at the last AGM, number of other Boards or Board Committees in which he/she is a Member or Chairperson, number of Board Meetings held, dates on which held

The Company has an optimum combination of Executive and Non-Executive Directors including Woman Directors. As on 31<sup>st</sup> March 2015, the Company had 11 directors and the composition of the Board of Directors is given in the table below. The Chairman of the Board is a non-executive director and 81.82% of the Board comprises of non-executive directors. In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, at least 50% of the Board should comprise of non-executive independent directors. The non-executive independent directors constituted 54.55% of the Board as at 31<sup>st</sup> March 2015.

Category	Number of Directors	%
Non-Independent Directors	3	27.27
Managing & Executive directors	2	18.18
Independent Directors	6	54.55
<b>Total</b>	<b>11</b>	<b>100.00</b>

Mr. Harish Bhat stepped down as Managing Director of the Company on being inducted as a member of the Group Executive Council (GEC) effective close of business hours on 31<sup>st</sup> March 2014. He was appointed as Non-Executive Non-Independent Director with effect from 1<sup>st</sup> April 2014.

- b. Details of attendance of Directors at Board Meetings and at the last year's Annual General Meeting with particulars of their other Directorships and Chairman/Membership of Board Committees (excluding Tata Global Beverages Limited) showing the position as at 31<sup>st</sup> March 2015 are given in the following table:

Name of Director	Position	Attendance at			Directorships and Chairman/ Membership of Board Committees in other Indian public companies		
		Board Meetings Held	Last AGM Attended	Director	Committee Member	Committee Chairman	
Mr. Cyrus P. Mistry	C, NED & NI	6	6	Yes	9	-	-
Mrs. M Srinivasan	NED & I	6	3	No	6	1	-
Mr. Analjit Singh	NED & I	6	3	No	7	-	-
Mr. V Leeladhar	NED & I	6	6	Yes	6	3	-
Mrs. Ranjana Kumar	NED & I	6	5	No	6	1	2
Mr. Darius Pandole	NED & I	6	5	Yes	3	3	-
Mr. S Santhanakrishnan	NED & NI	6	5	Yes	7	-	4
Mrs. Ireneeta Vittal	NED & I	6	4	Yes	7	5	-
Mr. Harish Bhat^	NED & NI	6	6	Yes	5	2	-
Mr. Ajoy Misra*	MD	6	6	Yes	4	2	-
Mr. L Krishnakumar	ED	6	6	Yes	1	1	-

^ Stepped down as Managing Director with effect from the close of business hours on 31<sup>st</sup> March 2014 and appointed as Non-Executive Director with effect from 1<sup>st</sup> April 2014

\* Appointed as Managing Director with effect from 1<sup>st</sup> April 2014

C: Chairman; NI: Non- Independent; NED: Non-Executive Director; I: Independent Director; MD: Managing Director; ED: Executive Director; NA: Not Applicable

Note: Other Directorships do not include Directorships of private limited companies, foreign companies, Section 8 companies and Alternate Directorships.

Particulars about Directors who are retiring by rotation and eligible for re-appointment have been given in the attachment to the Notice and Explanatory Statement.

The Company has received declarations on criteria of independence as prescribed in Clause 49.B.1 of the Listing Agreement from the Directors of the Company who have been classified as Independent Directors.

No Director of the Company is related to any other Director of the Company.

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

#### c. Other provisions as to Board and Committees

During 2014-15, the Board met six times on 28<sup>th</sup> May 2014, 28<sup>th</sup> July 2014, 26<sup>th</sup> August 2014, 5<sup>th</sup> November 2014, 30<sup>th</sup> January 2015 and 24<sup>th</sup> March 2015. The maximum time gap between two board meetings was less than 120 days. As will be noted from the table given above no director is member of more than 10 Board Committees or Chairman of more than 5 Board Committees across all companies where he/she is a Director. Further no Independent Director serves as Independent Director in more than 7 listed companies.

Chairmanship/Membership of Board Committees includes membership of Audit and Stakeholder Relationship Committees of Indian public limited companies only.

**d. Code of Conduct**

Tata Code of Conduct is a comprehensive written code which is applicable to all employees including the Managing and Executive Directors. A separate code of conduct applicable to the Non-Executive Directors was laid down by the Board. Both Tata Code of Conduct and the Code of Conduct for Non-Executive Directors have been posted on the website of the Company and can be accessed at <http://www.tataglobalbeverages.com/our-investors/governance>

In respect of financial year 2014-15, all Board members and Senior Management personnel of the Company have affirmed compliance with the code as applicable to them and declaration to this effect signed by Managing Director is published in this Annual Report.

**e. Formal Letter of Appointment to the Independent Directors**

The Company has issued formal letter of appointment to all the Independent Directors on their appointment *inter-alia* explaining their roles, responsibilities, code of conduct, their functions and duties as directors of the Company. The terms and conditions of appointment of Independent Directors have been published on the website of the Company and can be accessed at <http://www.tataglobalbeverages.com/docs/document-manager/terms-and-conditions-of-appointment-of-independent-directors.pdf?sfvrsn=2>.

**f. Familiarisation programme for Independent Directors**

The Independent Directors have been familiarised with the Company, their roles and responsibilities in the Company, nature of the Industry in which the company operates, business model of the Company. The details of such familiarisation programme for Independent Directors are posted on the website of the Company and can be accessed at <http://www.tataglobalbeverages.com/docs/documents/tgb1-familiarisaiton-programme-for-ids.pdf?sfvrsn=2>.

**g. Separate Meeting of Independent Directors:**

During the financial year 2014-15, the independent directors met separately on 24<sup>th</sup> March 2015.

The independent directors at their meeting held *inter-alia* discussed the following:

- i. reviewed the performance of non-independent directors and the Board as a whole;
- ii. reviewed the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**3. Audit Committee**

**i. Brief description of the terms of reference**

A qualified and independent Audit Committee has been set up by the Board in compliance with the requirements of Clause 49 of the Listing Agreement with Stock Exchanges read with Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee has been expanded to include the requirements of the Companies Act, 2013 and are *inter-alia* as under:

- a. Review of the quarterly and half yearly financial results with the management and the statutory auditors;
- b. Review with the management and statutory auditors of the annual financial statements before submission to the Board;
- c. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;
- d. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;
- e. Review of the financial reporting process and disclosure of financial information;
- f. Review of the adequacy of the internal audit function;
- g. Look into the reasons for any substantial defaults in payment to the depositors,

- debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- h. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;
  - i. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013;
  - j. Reviewing the Company's financial and risk management policies.

The composition of the Audit Committee as on 31<sup>st</sup> March 2015 and particulars of attendance by the members are given in the table below:

<b>Name</b>	<b>Category</b>	<b>No. of meetings during 2014-15</b>	
		<b>Held</b>	<b>Attended</b>
Mr. V Leeladhar	Independent, Non-Executive	8	8
Mrs. Ranjana Kumar	Independent, Non-Executive	8	8
Mr. Darius Pandole	Independent, Non-Executive	8	6
Mr. S. Santhanakrishnan	Non-Independent, Non-Executive	8	6
Mrs. Ireena Vittal	Independent, Non-Executive	8	7
Mr. Harish Bhat	Non-Independent, Non-Executive	8	8

### **iii. Meetings and attendance during the year**

During 2014-15, eight Audit Committee meetings were held on 24<sup>th</sup> April 2014, 27<sup>th</sup> May 2014, 28<sup>th</sup> July 2014, 5<sup>th</sup> August 2014, 31<sup>st</sup> October 2014, 5<sup>th</sup> November 2014, 29<sup>th</sup> January 2015 and 26<sup>th</sup> March 2015. The Audit Committee Meetings are attended by invitation by the Managing Director, Executive Director, Chief Financial Officer, Chief Internal Auditor and the Statutory Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

## **4. Nomination and Remuneration Committee**

### **i. Brief description of terms of reference**

The Board has set up a Nomination and Remuneration Committee. This Committee is *inter-alia* responsible for:

### **ii. Composition, names of members and Chairman**

As on 31<sup>st</sup> March 2015, all the members of the Audit Committee are Non-Executive Directors and four of them, including the Chairman are Independent Directors. All the members of the Audit Committee are financially literate as defined in Clause 49.III.(A).(2) of the listing agreement.

Mr. V Leeladhar is the Chairman of the Audit Committee. He has expert knowledge in banking and financial matters. He was present at the last Annual General Meeting of the Company held on 26<sup>th</sup> August 2014.

- Support the Board in matters related to set up and composition of the Board, its committees and the leadership team
- Carry out evaluation of every director's performance and support the Board and independent directors , as may be required, in evaluation of the performance of the Board, its committees and individual directors
- Support the Board in matters related to remuneration of directors, KMP, executive team and other employees
- Extend oversight on the familiarisation programme of directors
- Extend oversight on the HR philosophy , HR and People Strategy and key HR practices

- Recommending to the Board, the remuneration package of Managing and Whole-time Directors, including their annual increment and incentive remuneration/commission after reviewing their performance.

**ii. Composition, name of members and Chairperson**

As on 31<sup>st</sup> March 2015, the Nomination and Remuneration Committee consisted of five directors, all of whom are non-executive directors. Mrs. Ranjana Kumar, Independent Director is the Chairperson of the Committee.

The composition of the Committee as at 31<sup>st</sup> March 2015 and particulars of attendance by the members are given in the table below:

<b>Name</b>	<b>Category</b>	<b>No. of meetings during 2014-15</b>	
		<b>Held</b>	<b>Attended</b>
Mrs. Ranjana Kumar, Chairperson	Independent, Non-Executive	2	2
Mr. Cyrus P. Mistry	Non-independent, Non-Executive	2	2
Mr. V Leeladhar	Independent, Non-Executive	2	2
Mr. Darius Pandole	Independent, Non-Executive	2	2
Mr. Harish Bhat	Non-independent, Non-Executive	2	2

**iii. Meetings and attendance during the year**

The Nomination and Remuneration Committee met twice during 2014-15 on 21<sup>st</sup> May 2014 and 24<sup>th</sup> March 2015 and the particulars of attendance are mentioned in Note No. 4(ii) above.

**iv. Remuneration policy**

The Nomination and Remuneration Committee (NRC) has formulated a policy relating to the remuneration for the directors, key managerial personnel and other employees. The philosophy for remuneration is based on the commitment of fostering a culture of leadership with trust. The remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013, and Clause 49 of the Listing Agreement. While formulating this policy, the NRC has considered the factors laid down in Section 178(4) of the Companies Act, 2013, which are as under:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The remuneration policy followed by the Company takes into consideration performance of the Company during the year and of the Managing and Whole-time Directors on certain parameters, such as condition of the industry, achievement of budgeted targets, growth & diversification, remuneration in other companies of comparable size and complexity, performance of the directors at meetings of the Board and of the Board Committees etc.

**v. Remuneration of Directors**

- a) During the year, there was no pecuniary relationship or transaction between the Company and any of its Non-executive Directors apart from sitting fees and commission.

**b) The Remuneration details of Managing / Executive Directors are mentioned below:**

	<b>Mr. Ajoy Misra</b> <b>Rs. in Lakhs</b>	<b>Mr. L Krishnakumar</b> <b>Rs. in Lakhs</b>
Salary	94.50	85.14
Allowances & Perquisites	54.27	51.32
Contribution to Retiral Funds	22.26	20.05
Incentive	103.56	79.51
Stock option	-	-
No. of Shares held	-	-
Service Contract	5 years from 1 <sup>st</sup> April 2014	5 years from 1 <sup>st</sup> April 2013
Notice period	6 Months	6 Months

In addition, both Mr. Ajoy Misra and Mr. L. Krishnakumar drew the following remuneration during 2014-15 from an overseas subsidiary of the Company:

	<b>Mr. Ajoy Misra</b> <b>Rs. in Lakhs</b>	<b>Mr. L Krishnakumar</b> <b>Rs. in Lakhs</b>
Salary and Benefits	36.44	37.13

Note: The remuneration drawn in GBP has been converted into INR at average exchange rate.

Mr. Harish Bhat, who was the Managing Director upto 31<sup>st</sup> March 2014, was paid an incentive relating to the financial year 2013-14 of Rs. 112.26 Lakhs during 2014-15.

**c) Non-Executive Directors' compensation and disclosures**

The non-executive Directors, including Independent Directors, are paid Sitting fees for attending the meetings of the Board and Committees of the Board. The Company paid a fee of Rs. 20,000 per meeting per director for attending meetings of the Board, Audit and Executive Committees. For meetings of all other Committees of the Board, a Sitting fee of Rs. 10,000 per meeting per director was paid. Within the ceiling of 1% of net profits of the Company computed under the applicable provisions of the Companies Act, 2013, the Non-Executive Directors including Independent Directors are also paid a commission, the amount whereof is determined by the Board. The basis of determining the specific amount of commission payable to a Non-Executive Director is related to his attendance at meetings, role and responsibility as Chairman/Member of the Board/Committees and overall contribution as well as time spent on operational matters other than at the meetings. The shareholders of the Company had approved payment of commission to the non-executive directors at the Annual General Meeting held on 26<sup>th</sup> August 2014, which is valid up to the financial year ended 31<sup>st</sup> March 2019. No Stock option has been granted to the Non-Executive Directors.

**d) Non-Executive Directors' Remuneration paid in 2014-15 and payable for 2014-15**

	<b>Commission*</b> <b>Rs. in Lakhs</b> <b>(Relating to 2013-14)</b>	<b>Commission# Rs. in Lakhs (Relating to 2014-15)</b>	<b>Sitting Fees Rs. in Lakhs</b>	<b>No. of shares held as on 31.3.2015</b>
Mr. Cyrus P Mistry	-	-	1.50	33,000
Mrs. Mallika Srinivasan	8.50	12.00	0.60	-
Mr. Analjit Singh	5.00	8.00	0.60	-
Mr. V Leeladhar	47.00	60.00	3.90	-
Mrs. Ranjana Kumar	27.00	42.00	3.40	-
Mr. Darius Pandole	21.00	35.00	2.60	-
Mr. S. Santhanakrishnan	25.50	30.00	2.80	-
Mrs. Ireneeta Vittal	6.50	25.00	2.30	-
Mr. Harish Bhat	-	-	3.10	-

\*Paid in 2014-15

# Payable in 2015-16

Note: The resolutions appointing these directors do not provide for payment of severance fees.

**e) Performance Evaluation**

Pursuant to the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the Annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholder Relationship and CSR Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

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

The composition of the Committee and details of attendance by its members is given below:

Name	Category	No. of meetings during 2014-15	
		Held	Attended
Mr. V Leeladhar	Independent, Non-Executive	4	4
Mr. S Santhanakrishnan	Non-Independent, Non-Executive	4	3
Mr. L Krishnakumar	Non-Independent, Executive	4	4

**ii. Name and designation of Compliance Officer**

Mr. V Madan, Vice-President & Company Secretary, is the Compliance Officer for complying with requirements of Securities laws and Listing Agreement with Stock Exchanges.

**f) Stock options**

The Company has not granted Stock Option to any of its Directors.

**5. Stakeholders' Relationship Committee****i. Name of the Non-Executive Director heading the Committee**

As on 31<sup>st</sup> March 2015, the Stakeholder Relationship Committee comprised of 3 members, with Mr. V. Leeladhar as the Chairman and Mr. S. Santhanakrishnan and Mr. L. Krishnakumar as the other members.

The Committee held four meetings during 2014-15 on 5<sup>th</sup> August 2014, 6<sup>th</sup> November, 2014, 29<sup>th</sup> January 2015 and 25<sup>th</sup> March 2015. The representatives of the Registrars are generally present at these meetings. The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services as and when need arises.

To expedite the process of share transfers, the Board has delegated the power of share transfer to the Registrars and share transfer agent and share transfer formalities are approved by them on a fortnightly basis.

**iii. Number of shareholders' complaints received, number not solved to the satisfaction of shareholders and number of pending complaints**

Given below are the position of queries/complaints and other correspondences received and attended to during 2014-15 in respect of equity shares:

<b>Equity Shares</b>	
For non-receipt of dividend, shares lodged for transfer, repayment cheques	1,696
Other letters received from shareholders	1,453
Queries/complaints redressed	3,112
Pending queries/complaints as on 31 <sup>st</sup> March 2015*	37

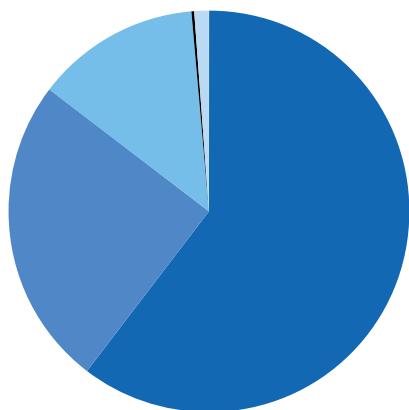
\*Replied in April 2015

Every letter received from the investors is replied and the response time for shareholders' correspondences during 2014-15 is shown in the following table:

	<b>Number</b>	<b>%</b>
Total number of correspondences received during 2014-15	3,149	100.00
Replied within 1 to 4 days of receipt	1,902	60.40
Replied within 5 to 7 days of receipt	786	24.97
Replied within 8 to 15 days of receipt	417	13.24
Replied after 15 days of receipt*	7	0.22
Received in last week of March 2015 and replied in April 2015	37	1.17

\* These correspondences pertain to SEBI Complaints and involved additional time.

Promptness in attending to correspondences of shareholders is shown in the following chart:



■ Replied within 1 to 4 days of receipt	1,902
■ Replied within 5 to 7 days of receipt	786
■ Replied within 8 to 15 days of receipt	417
■ Replied after 15 days of receipt	7
■ Received in last week of March 2015 & replied in April 2015	37

The shares of the Company are traded in dematerialised form. A table showing the requests received for dematerialisation/transfers during 2014-15 is given below:

	<b>Transfers No. of requests</b>	<b>Transfers No. of Shares</b>	<b>Demats No. of requests</b>	<b>Demats No. of Shares</b>
Lodged	393	6,23,420	811	25,48,755
Processed	205	4,01,651	542	17,85,169
Objections	175	2,05,935	253	4,13,656
Pending as on 31/03/2015	13	15,834	16	34,99,30

Note: 97.43% of the issued share capital of the Company is held in dematerialised form as on 31.03.2015.

## 6. Other Board Committees

The Board has constituted following other Board committees besides the committees mentioned above:

<b>Name of Committee (as at 31<sup>st</sup> March 2015)</b>	<b>Members (as at 31<sup>st</sup> March 2015)</b>	<b>Terms of reference</b>
Executive Committee	Mr. Cyrus P. Mistry, Chairman Mrs. Ireneeta Vittal Mr. Harish Bhat Mr. Ajoy Misra Mr. L Krishnakumar	Business and strategy review, long term financial projections and cash flows, capital/revenue budgets and capital expenditure programmes, acquisition/divestment and business restructuring proposals, senior management succession, planning and any other item that the Board may decide to delegate
Ethics and Compliance Committee	Mr. V Leeladhar, Chairman Mrs. Ranjana Kumar Mr. Ajoy Misra	To look into the requirements under Insider Trading Regulations including the Group guidelines on Insider Trading and Tata Code of Conduct
Corporate Social Responsibility Committee	Mrs. Ranjana Kumar, Chairperson Mr. V Leeladhar Mr. S Santhanakrishnan Mr. Harish Bhat Mr. Ajoy Misra Dr. S Parasuraman, Expert member (Not a Board member)	To monitor and provide guidance on Company's policies on environment management, social responsibilities, health & safety, product stewardship, community development, principles of managing branded operations, etc. The Committee will also provide guidance on welfare activities in and around Munnar.  Matters specified in Section 135 of the Companies Act 2013 which <i>inter-alia</i> includes: (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII; (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); (c) monitor the Corporate Social Responsibility Policy of the Company from time to time.

During 2014-15 two meetings each of the Ethics & Compliance Committee and Corporate Social Responsibility Committee were held. No meeting of the Executive Committee was held during 2014-15.

## 7. Risk Management

The Risk Management Committee of the Board of Directors has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's risk management framework. The Company has a comprehensive Risk policy and a Risk Register detailing the risks that the Company faces under various categories like strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks and these have been identified and suitable mitigation measures have also been formulated. The Risk Management Committee reviews the key risks and the Risk register and the mitigation measures periodically.

The Composition of Risk Management Committee is given in the table below:

Name	Category
Mr. V Leeladhar(Chairman)	Independent, Non-Executive
Mrs. Ranjana Kumar	Independent, Non-Executive
Mr. Darius Pandole	Independent, Non-Executive
Mr. S. Santhanakrishnan	Non-Independent, Non-Executive
Mrs. Ireneeta Vital	Independent, Non-Executive
Mr. Harish Bhat	Non-Independent, Non-Executive

## 8. General Body Meetings

### i. Location and time where last three AGMs were held, Whether any special resolutions passed in the previous 3 AGMs

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

Year	Location	Date	Time	No. of Special Resolutions approved at the AGM
2011- 2012	The Oberoi Grand, 15,Jawaharlal Nehru Road, Kolkata - 700 013	31 <sup>st</sup> August 2012	10.30 a.m.	1
2012- 2013	Same as above	15 <sup>th</sup> July 2013	10.30 a.m.	Nil
2013-2014	Same as above	26 <sup>th</sup> August 2014	10.30 a.m.	2

### ii. Whether any special resolution passed last year through postal ballot – details of voting pattern

During May 2014, the majority of the public shareholders of the Company had through a postal ballot/ e-voting approved the Scheme of Amalgamation of Mount Everest Mineral Water Limited ("MEMW") with the Company in terms of Clause 5.16 of Securities and Exchange Board of India (SEBI) Circular No. CIT/CFD/DIL/5/2013 dated 4<sup>th</sup> February 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May 2013 ("SEBI Circular"). Mr. P N Parikh, Practicing Company Secretary acted as the Scrutiniser for the conduct of the said postal ballot / e- voting. (The said approval by means of postal ballot/e-voting was in addition to the shareholders approval obtained at the Court convened meeting of the shareholders of the Company held on 4<sup>th</sup> June 2014). It may be noted that the amalgamation of MEMW with the Company has since been completed effective 18<sup>th</sup> May 2015.

### iii. Person who conducted the postal ballot exercise

Postal Ballot/ e-voting: Mr. P N Parikh, Practicing Company Secretary

### iv. Whether any special resolution is proposed to be conducted through postal ballot

No

### v. Procedure for postal ballot

Postal Ballot for the purpose of the approval for amalgamation of Mount Everest Mineral Water Limited with the Company by the majority of the public shareholders was carried out in accordance with the procedures set out in Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) stating that the resolutions appended were proposed to be passed by way of E-voting/Postal Ballot.

## 9. Disclosures

### i) Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year 2014-15 were in the ordinary course of business and on arm's length pricing basis and do not attract provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Suitable disclosures as required by Accounting standard (AS 18) have been made in the Financial Statements. The Board has approved a policy for related party transactions which can be accessed at the Company website link <http://www.tataglobalbeverages.com/our-investors/governance>

### ii) Compliance with Accounting Standard

In the preparation of the financial statements , the Company has followed the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The significant accounting policies which are consistently applied have been set out in the notes to the financial statements.

### iii) Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large

Details of transactions with the related parties as specified in Accounting Standard 18 have been reported in the Financial Statements. There was no transaction of a material nature with any of the related parties which was in conflict with the interest of the Company.

### iv). Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years

There was no such instance in the last three years.

### v) Whistle-Blower Policy and affirmation that no personnel has been denied access to the Audit Committee

The Board has approved a whistle-blower policy/vigil mechanism which has been communicated to the employees. The policy provides a mechanism for employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of Company's code of conduct and provides safeguards against victimisation of employees who avail the mechanism.

The policy permits reporting any concern relating to financial/accounting matters and employees at the levels of Vice-Presidents and above as also the Ethics counsellors directly to the Chairman of the Audit Committee.

For all other matters the concern can be reported to the Ethics counsellor of the Company.

The policy with the name and address of Chairman of the Audit Committee has been circulated to the employees.

No employee has been denied access to the Chairman of the Audit Committee.

The Whistle Blower policy can be accessed at <http://www.tataglobalbeverages.com/our-investors/governance>

### vi) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this Clause

The Company is compliant with all the mandatory requirements of Clause 49 of the Listing Agreement for 2014-15.

The following non-mandatory requirements under Clause 49 of Listing Agreement to the extent they have been adopted are as mentioned below:

- a) The Statutory financial statements of the Company are unqualified.
- b) The Company has separate posts of Chairman and CEO.
- c) The Internal Auditors of the Company , make presentation to the Audit Committee on their reports.

## 10. Subsidiary Companies

The Company does not have any material non-listed Indian subsidiary whose networth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. However, in line with the requirements of the listing agreement a policy to determine a material subsidiary has been framed and the same may be accessed on the Company's website at the link <http://www.tataglobalbeverages.com/our-investors/governance>

The minutes of the Board meeting of unlisted subsidiary companies are placed in the Board meeting of the Company.

## 11. Means of Communication

### i. Quarterly results

The quarterly results are published in the newspapers and displayed on the Company's website. The half-yearly results for the six months ended 30<sup>th</sup> September, 2014 was sent by email/ post to the shareholders in November 2014.

### ii. Newspapers wherein results normally published

The quarterly results are generally published in Business Standard and Pratidin (Bengali).

### iii. Any website, where displayed

The quarterly results of the Company are put on the website of the Company after these are submitted to the Stock Exchanges. Our website address is [www.tataglobalbeverages.com](http://www.tataglobalbeverages.com)

### iv. Whether it also displays official news releases

Yes

### v. The presentations made to institutional investors or to analysts

The Company made a presentation to financial analysts on 28<sup>th</sup> May 2014 after the results for the financial year 2013-14 were approved by the Board. Similar presentations were made to the analysts on 5<sup>th</sup> August 2014, 3<sup>rd</sup> February 2015 and 5<sup>th</sup> November 2014 after the financial results for the quarters ended 30<sup>th</sup> June 2014, 31<sup>st</sup> December 2014 and six months ended 30<sup>th</sup> September 2014 respectively were approved by the Board. These presentations have been put up on the Company's website.

## 12. General Shareholder information

### i. Annual General Meeting:

Day : Friday

Date : 14<sup>th</sup> August 2015

Time : 10.30 a.m.

Venue : The Oberoi Grand  
15 Jawaharlal Nehru Road  
Kolkata – 700 013

### ii. Book Closure Period : 1<sup>st</sup> August 2015 to 14<sup>th</sup> August 2015

(both days inclusive)

### iii. Dividend payment date : 19<sup>th</sup> August 2015

### iv. Financial Year : April 1 to March 31

**v. Financial calendar**

Board Meetings for approval of	Tentative dates
Annual Accounts 2014-15	28 <sup>th</sup> May 2015
Financial results for 1 <sup>st</sup> Quarter 2015-16	6 <sup>th</sup> August 2015
Financial results for 2 <sup>nd</sup> Quarter 2015-16	Last week of October, 2015
Financial results for 3 <sup>rd</sup> Quarter 2015-16	Last week of January, 2016
Annual Accounts 2015-16	Last week of May, 2016

**vi. Listing on Stock Exchanges & Stock code**

Listing on Stock Exchanges	Name	Address	Stock Code
<b>Equity Shares</b>	The Calcutta Stock Exchange Limited	7, Lyons Range, Kolkata – 700 001	27 (For Physical); 10000027 (For Demat)
	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	500800
	National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block Bandra Kurla Complex, Bandra(E) Mumbai – 400 051	'TATAGLOBAL'
<b>Global Depository Shares</b>	Luxembourg Stock Exchange London Stock Exchange		

**Dematerialisation**

Name	Address	ISIN
National Securities Depository Limited	Trade World, 5 <sup>th</sup> Floor, Kamla Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai 400 013	INE 192A01025
Central Depository Services Limited	17 <sup>th</sup> floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 023	INE 192A01025

**Listing Fees**

Annual listing fees for 2014-15 has been paid to all the Stock Exchanges where the securities of the Company are listed.

**vii. Market price data – high, low during each month in the last financial year**

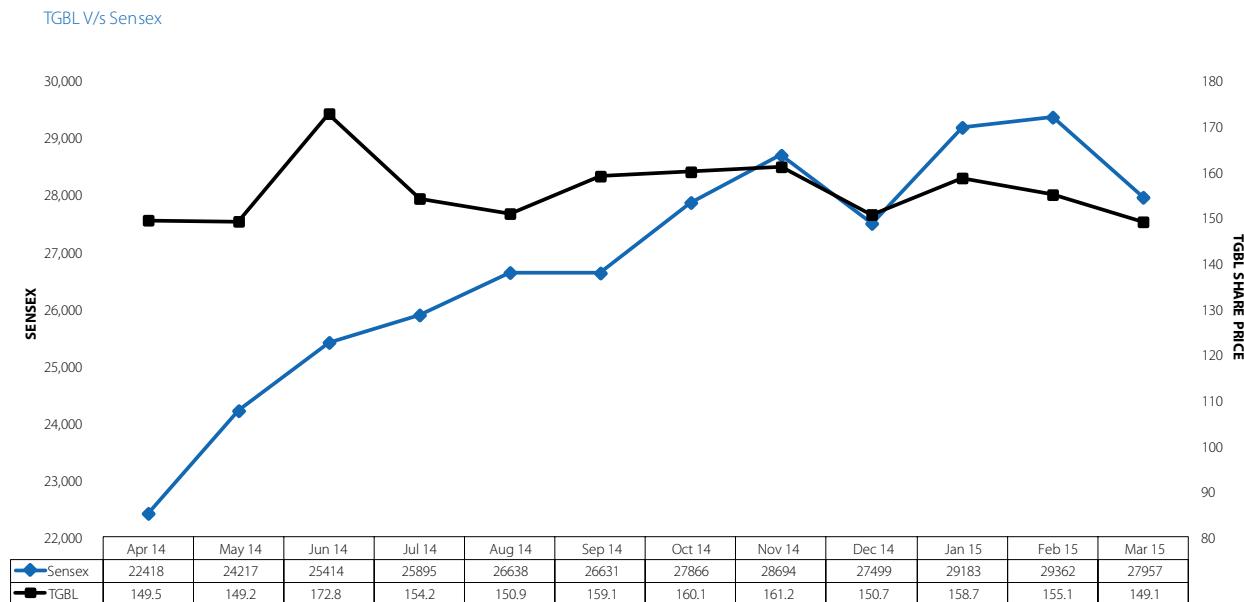
(in Rs)

Month	NSE		BSE	
	High	Low	High	Low
April 2014	160.00	146.50	159.95	146.80
May 2014	163.00	142.10	162.90	142.20
June 2014	177.15	146.60	177.15	146.60
July 2014	176.80	148.50	176.90	148.45
August 2014	160.40	149.55	160.70	149.50
September 2014	172.90	151.10	172.85	151.00
October 2014	163.90	150.80	163.70	150.80
November 2014	165.00	152.50	166.00	152.55
December 2014	165.90	137.05	165.85	137.40
January 2015	162.40	146.00	162.10	146.00
February 2015	167.75	148.00	167.70	148.10
March 2015	164.90	142.70	164.70	142.70

NSE: National Stock Exchange of India Limited; BSE: BSE Limited.

There was no trading of the Company's shares on the Calcutta Stock Exchange during the year 2014-15.

The market share price data is graphically represented below.



### viii Performance in comparison to broad-based indices

<b>One year performance</b>			<b>NSE</b>	<b>BSE</b>
Company's share price				
- As at 1 <sup>st</sup> April 2014			154.25	154.25
- As at 31 <sup>st</sup> March 2015			148.80	149.10
- Change			-3.53%	-3.34%
			<b>S &amp; P CNX NIFTY</b>	<b>Sensex</b>
Indices				
- As at 1 <sup>st</sup> April 2014			6721.05	22446.44
- As at 31 <sup>st</sup> March 2015			8491.20	27957.49
- Change			26.34%	24.55%
<b>Five year performance</b>			<b>NSE</b>	<b>BSE</b>
Company's share price				
- As at 1 <sup>st</sup> April 2010			97.50	97.03
- As at 31 <sup>st</sup> March 2015			148.80	149.10
- Change			52.62%	53.66%
			<b>S &amp; P CNX NIFTY</b>	<b>Sensex</b>
Indices				
- As at 1 <sup>st</sup> April 2010			5290.50	17692.62
- As at 31 <sup>st</sup> March 2015			8491.20	27957.49
- Change			60.50%	58.02%

**ix. Registrar & Transfer Agents:**

	<b>Address</b>	<b>Contact details</b>
Registered office:	TSR Darashaw Limited 6-10 Haji Moosa Patrawala Ind. Estate 20 Dr. E Moses Road, Mahalaxmi Mumbai – 400 011	Telephone:022-66568484 Fax : 022-66568494 Website : <a href="http://www.tsrdarashaw.com">www.tsrdarashaw.com</a> E-mail : <a href="mailto:csg-unit@tsrdarashaw.com">csg-unit@tsrdarashaw.com</a>
Branch Offices at :		
South	TSR Darashaw Limited. 503, Barton Centre, 5 <sup>th</sup> Floor 84, Mahatma Gandhi Road, Bangalore – 560 001	Tel : 080-25320321 Fax: 080-25580019 E-mail: <a href="mailto:tsrdlbang@tsrdarashaw.com">tsrdlbang@tsrdarashaw.com</a>
East	TSR Darashaw Limited. Tata Center, 43, J L Nehru Road, Kolkata – 700 071	Tel: 033-22883087 Fax: 033-22883062 E-mail: <a href="mailto:tsrdlcal@tsrdarashaw.com">tsrdlcal@tsrdarashaw.com</a>
North	TSR Darashaw Limited. Bungalow No. 1 'E'Road, Northern Town, Bistupur Jamshedpur – 831 001	Tel: 0657-2426616 Fax: 0657-2426937 E-mail: <a href="mailto:tsrdljsr@tsrdarashaw.com">tsrdljsr@tsrdarashaw.com</a>
Agent of the Registrar		
Shah Consultancy Services Limited	3, Sumathinath Complex, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad – 380 006	Telefax : 079-26576038 E-mail: <a href="mailto:shahconsultancy8154@gmail.com">shahconsultancy8154@gmail.com</a>

The Registrars can be contacted between 10 a.m. and 3.30 p.m. on any working day (Monday to Friday, excluding bank holidays)

**Shareholders' Relation Cell:**

<b>Contact Person</b>	<b>Address</b>	<b>Contact details</b>
Mr. V Madan, Vice-President & Company Secretary	Tata Global Beverages Limited "Kirloskar Business Park"4 <sup>th</sup> Floor, Block "C", New Air Port Road, Hebbal, Bangalore - 560 024	Tel: 080-67171200 Fax: 080-67171201 Website: <a href="http://www.tataglobalbeverages.com">www.tataglobalbeverages.com</a> E-mail: <a href="mailto:investor.relations@tataglobalbeverages.com">investor.relations@tataglobalbeverages.com</a>
Ms. Deepika Srivastava Deputy Manager-Legal and Secretarial	Tata Global Beverages Limited "Kirloskar Business Park"4 <sup>th</sup> Floor, Block "C", New Air Port Road, Hebbal, Bangalore - 560 024	Tel: 080-67171200 Fax: 080-67171201 Website: <a href="http://www.tataglobalbeverages.com">www.tataglobalbeverages.com</a> E-mail: <a href="mailto:investor.relations@tataglobalbeverages.com">investor.relations@tataglobalbeverages.com</a>
Mr. Gautam Mukherjee	Tata Global Beverages Limited 1, Bishop Lefroy Road, Kolkata – 700 020	Tel: 033-22836917 Fax: 033-22833032

**x. Share Transfer System**

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

## xi. Distribution of Shareholding

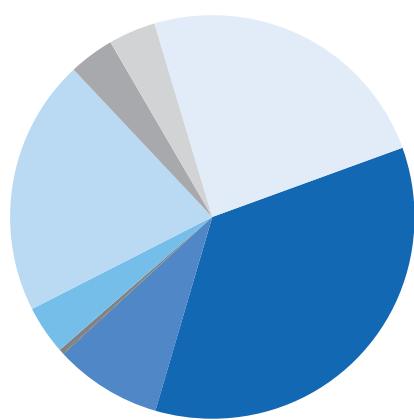
### Distribution of Shareholding as at 31<sup>st</sup> March 2015

No. of Shares	Holding	Amount (Rs.)	% to Capital	No. of Holders	% to Total Holders
1 to 500	1,96,04,342	1,96,04,342	3.17	1,34,742	77.12
501 to 1000	1,29,53,773	1,29,53,773	2.09	15,669	8.97
1001 to 2000	1,50,31,905	1,50,31,905	2.43	9,837	5.63
2001 to 3000	1,09,32,992	1,09,32,992	1.77	4,301	2.46
3001 to 4000	83,67,542	83,67,542	1.35	2,362	1.35
4001 to 5000	84,75,169	84,75,169	1.37	1,816	1.04
5001 to 10000	2,37,33,516	2,37,33,516	3.84	3,309	1.89
Greater than 10000	5,19,299,331	5,19,299,331	83.98	2,682	1.54
<b>Total</b>	<b>61,83,98,570</b>	<b>61,83,98,570</b>	<b>100.00</b>	<b>1,74,718</b>	<b>100.00</b>

### Categories of Shareholders as at 31<sup>st</sup> March 2015

Sl. No.	Particulars	No. of Accounts	Holdings/Shares held	% to Capital
1	Tata Group Companies	9	21,70,83,190	35.10
2	Indian Financial Institutions	27	5,32,68,134	8.61
3	State Government	1	5,850	0.00
4	Central Government	2	3,53,281	0.06
5	Nationalised Banks	26	23,97,362	0.39
6	Mutual Funds	65	2,40,34,254	3.89
7	Foreign Institutional Investors / Foreign Companies	177	12,66,37,777	20.48
8	GDS Depositories	1	2,23,69,966	3.62
9	Other Companies	2,387	2,34,34,641	3.79
10	Individuals & Others	1,72,023	14,88,14,115	24.06
	<b>Total</b>	<b>1,74,718</b>	<b>61,83,98,570</b>	<b>100.00</b>

The category-wise shareholding is also shown in the chart below:



Tata Group Companies	21,70,83,190
Indian Financial Institutions	5,32,68,134
State Government	5,850
Central Government	3,53,281
Nationalised Banks	23,97,362
Mutual Funds	2,40,34,254
Foreign Institutional Investors / Foreign Companies	12,66,37,777
GDS Depositories	2,23,69,966
Other Companies	2,34,34,641
Individuals & Others	14,88,14,115

### **xii. Dematerialisation of Shares and liquidity**

The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerialising the shares the shareholders should open a demat account with a Depository Participant (DP). The shareholder is required to fill in a Demat Request Form and submit the same along with the original share certificates to his DP. The DP will allocate a demat request number and shall forward the request physically and electronically through NSDL/CDSL to Registrar & Transfer Agent. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialised and an electronic credit of the shares is given in the account of the shareholder.

### **xiii. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**

As on 31<sup>st</sup> March 2015, the outstanding Global Depository Shares were 2,23,69,966. The GDSs are convertible into fully paid equity shares on 1:1 basis. The underlying shares against the outstanding GDSs have been allotted in the name of the Depository. There is no ADR or convertible instrument outstanding as on 31<sup>st</sup> March 2015.

### **xiv. Plant locations**

1. Bangalore Packeting centre	Survey No. 14/4, A2 & 14/5, NH 4, Bangalore Tumkur Road, Malonagathi Hally, T. Begur Post, Nelamangla Taluk, Bangalore Rural District, Karnataka - 562123
2 Periakanal Estate	PO Munnar, Dist. Idukki, Kerala - 685612
3 Pullivasal Estate & Packeting centre	PO Munnar, Dist. Idukki, Kerala - 685612;
4 Instant Tea Operations (including Nullatani factory)	Post Box no. 3, Idukki district, Munnar, Kerala - 685612
5 Tetley (Tea Bag) Division	73/74 KPK Menon Road; Willingdon Island, Kochi, Kerala -682003
6 Tetley (Tea Bag) Division- Extension Unit	40, Milne Road, Willingdon Island, Kochi, Kerala - 682003
7 Mineral Water Plant	Village Dhaura Kuan, District Sirmour, Himachal Pradesh -173031

### **xv. Address for correspondence**

Given against 12(ix) above

### **13. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund (IEPF)**

Pursuant to Sections 205A and 205C of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 2013, all unclaimed / unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of 7 years from the date they became due for payment, have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to 31<sup>st</sup> March 2015, nor shall any payment be made in respect of such claims. Shareholders who have not yet encashed their dividend warrants pertaining to the dividend declared in the financial year 2007-08 and/or any subsequent years are requested to make their claims without any delay to the Registrars.

The following table gives information relating to outstanding dividend accounts and the dates when due for transfer to IEPF:

<b>Financial year ended</b>	<b>Date of payment of dividend</b>	<b>Unpaid dividend to be claimed by</b>	<b>Transfer to IEPF Fund in</b>
31 <sup>st</sup> March 2008	25.08.2008	August 2015	September 2015
31 <sup>st</sup> March 2009	04.09.2009	September 2016	October 2016
31 <sup>st</sup> March 2010	27.08.2010	August 2017	September 2017
31 <sup>st</sup> March 2011	02.09.2011	September 2018	October 2018
31 <sup>st</sup> March 2012	03.09.2012	September 2019	October 2019
31 <sup>st</sup> March 2013	18.07.2013	July 2020	August 2020
31 <sup>st</sup> March 2014	28.08.2014	August 2021	September 2021

Following are the details of unpaid dividend which will be due for transfer to IEPF upto 31<sup>st</sup> March 2016:

Nature of payment	Date of payment	Unpaid dividend to be claimed by	Transfer to IEP Fund in
Dividend	25.08.2008	August 2015	September 2015

While the Registrar of the Company has already written to the shareholders informing them about the due dates of transfer to IEPF for these payments, attention of the shareholders is again drawn to this matter through the Annual Report.

#### 14. Certificate on Corporate Governance

As required under Clause 49 of the Listing Agreement, a certificate from Dr. Asim Kumar Chattopadhyay, Practising Company Secretary on compliance with the Governance norms is attached.

#### 15. Insider Trading Regulations

After the Securities and Exchange Board of India had amended the Insider Trading Regulations in January 2015, which came into effect from 14<sup>th</sup> May 2015, the Company has suitably revised the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure practices which your Company has adopted. This code of conduct is applicable to all Directors, such identified employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company and other connected persons. Mr. John Jacob, Chief Financial Officer of the Company, is the compliance officer for the purpose of these regulations.

#### 16. Top Ten Shareholders

As at 31<sup>st</sup> March 2015, the top ten shareholders of the Company were as follows:-

Sl. No	Name of the Shareholder	No. of shares	%
1	Tata Sons Limited	14,28,54,570	23.10
2	Tata Chemicals Limited	4,31,75,140	6.98
3	Life Insurance Corporation of India	3,12,13,954	5.05
4	Tata Investment Corporation Limited	2,69,00,000	4.35
5	Deutsche Bank Trust Company Americas	2,23,69,966	3.62
6	ICICI Prudential Mutual Fund	1,58,03,894	2.56
7	Government Pension Fund Global	76,92,045	1.24
8	National Insurance Company Limited	70,05,780	1.13
9	Platinum International Brands Fund	63,80,060	1.03
10	Citigroup Global Markets Mauritius Private Limited	62,66,811	1.01

#### 17. Declaration by the CEO on Code of Conduct as required by Clause 49.II.E.2

I, Ajoy Misra, Managing Director of the Company hereby declare that all the members of Board of Directors and senior management personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2014-15.

For **Tata Global Beverages Limited**



**Ajoy Misra**

Managing Director

28<sup>th</sup> May 2015

**PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)****To the Members of Tata Global Beverages Limited**

I have examined the compliance of the conditions of Corporate Governance by Tata Global Beverages Limited ('the Company') for the year ended on 31<sup>st</sup> March 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**Dr. Asim Kumar Chattopadhyay**

FCS No. 2303

CP No. 880

28<sup>th</sup> May 2015

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF TATA GLOBAL BEVERAGES LIMITED

### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Tata Global Beverages Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2015 and its profit and its cash flows for the year ended on that date.

### Other Matter

9. We did not audit the total assets of Rs. 5,371.61 Lakhs and net assets of Rs. 4,734.37 Lakhs as at 31<sup>st</sup> March 2015, total revenue of Rs. 2,247.13 Lakhs, net profit of Rs. 276.05 Lakhs and net cash inflow of Rs. 36.15 Lakhs for the year then ended in respect of erstwhile Mount Everest Mineral

Water Limited which got amalgamated with the Company pursuant to the order of the High Court of Calcutta and the High Court of Himachal Pradesh vide orders dated 16<sup>th</sup> February 2015 and 23<sup>rd</sup> March 2015, respectively. The financial statements and other financial information of erstwhile Mount Everest Mineral Water Limited have been audited by other auditor whose report has been furnished to us by the management, and our opinion on the standalone financial statements insofar as it relates to the amounts and disclosures included in respect of erstwhile Mount Everest Mineral Water Limited and our report in terms of sub-sections (3) and (11) of Section 143 of the Act insofar as it relates to erstwhile Mount Everest Mineral Water Limited, is based solely on the report of such other auditor.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

#### **Report on Other Legal and Regulatory Requirements**

10. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial

statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The Company has disclosed the impact, if any, of pending litigations as at 31<sup>st</sup> March 2015 on its financial position in its standalone financial statements – Refer Note 31;
  - ii. The Company has made provision as at 31<sup>st</sup> March 2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2015.

For **Lovelock & Lewes**  
Firm Registration Number: 301056E  
Chartered Accountants

**Dibyendu Majumder**

Place: Mumbai  
Date: 28<sup>th</sup> May 2015  
Partner  
Membership Number 057687

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata Global Beverages Limited on the Standalone financial statements as of and for the year ended 31<sup>st</sup> March 2015

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory excluding stocks with third parties has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of 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.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of

the said Order are not applicable to the Company.

- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub- section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax, duty of excise and cess which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, value added tax as at 31<sup>st</sup> March 2015 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of the dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	217.79	2004-05, 2007-08 and 2008-09	Commissioner of Income Tax (Appeals), Kochi
	Income Tax	5.97	2007-08	Income Tax Appellate Tribunal, New Delhi
Kerala General Sales Tax Act, 1963	Sales Tax	12.00	1998-99	Sales Tax Appellate Tribunal, Ernakulam
	Sales Tax	43.74	1996-97 to 2000-01 and 2002-03	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax	2.76	1994-95 to 1996-97	The Assistant Commissioner (Assessment), Special Circle, Produce, Sales Tax Office, Mattancherry
West Bengal Sales Tax Act, 1994	Sales Tax	1.76	1998-99 and 2000-01	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
West Bengal Value Added Tax Act, 2003	Value Added Tax	135.80	2007-08 and 2008-09	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Central Sales Tax Act, 1956	Sales Tax	12.14	1998-99	Sales Tax Appellate Tribunal, Ernakulam
	Sales Tax	14.99	1999-00, 2000-01 and 2002-03	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
	Sales Tax	267.60	2006-07 and 2010-11	Joint Commissioner of Sales Tax, Maharashtra
Karnataka Sales Tax Act, 1957	Sales Tax	128.00	1997-98	The Supreme Court of India
Karnataka Value Added Tax Act, 2003	Value Added Tax	9.00	2006-07	The Joint Commissioner (Appeals), Commercial Taxes, Karnataka
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	52.66	2001-02 to 2006-07	Deputy Commissioner of Commercial Taxes, Tamil Nadu
Maharashtra Value Added Tax Act, 2002	Value Added Tax	17.24	2006-07 and 2008-09	Joint Commissioner of Sales Tax, Maharashtra
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	478.83	2003-04, 2005-06 to 2011-12	The Supreme Court of India
Goa Value Added Tax Act, 2005	Value Added Tax	1.01	2006-07	Commissioner of Commercial Taxes, Goa
Tamil Nadu Panchayat Act, 1994	Cess on Land Revenue	6.01	2000-2001 to 2002-2003	The High Court of Madras
Finance Act, 1994	Service Tax	145.51	2005-06	Custom Excise & Service Tax Appellate Tribunal, Kolkata

- c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **Lovelock & Lewes**

Firm Registration Number: 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner

Membership Number 057687

# BALANCE SHEET

As at 31<sup>st</sup> March 2015

	Note	2015	2014	Rs. in Lakhs
<b>Equity and Liabilities</b>				
<b>Shareholders' Funds</b>				
Share Capital	3	6183.99	6183.99	
Reserves and Surplus	4	243853.61	251141.24	257325.23
Share Suspense Account (Refer Note 35b)		127.31	-	
<b>Non-Current Liabilities</b>				
Long-Term Borrowings	5	32500.00	32500.00	
Other Long Term Liabilities	6	7254.16	7254.16	
Long-Term Provisions	7	11401.51	8881.61	48635.77
<b>Current Liabilities</b>				
Short-Term Borrowings	8	15249.66	13150.85	
Trade Payables	9	14388.14	14928.68	
Other Current Liabilities	10	15348.29	15451.98	
Short Term Provisions	11	19261.35	19912.04	63443.55
<b>Total</b>		<b>365568.02</b>		<b>369404.55</b>
<b>Assets</b>				
<b>Non-Current Assets</b>				
Fixed assets	12			
Tangible Assets		16890.84	13089.10	
Intangible Assets		2442.89	2200.48	
Capital work in progress		1109.41	905.56	
Intangible Assets under development		18.14	-	
		20461.28		<b>16195.14</b>
Non-Current Investments	13	223185.95	240566.42	
Deferred Tax Assets (net)	14	4574.96	4955.09	
Long-Term Loans and Advances	15	7178.52	4680.64	
Other Non-Current Assets	16	7050.00	262450.71	7050.00 <b>273447.29</b>
<b>Current Assets</b>				
Inventories	17	81927.18	63591.63	
Trade Receivables	18	9361.92	11487.19	
Cash and Bank Balances	19	2101.29	788.34	
Short-term Loans and Advances	20	9336.15	18992.07	
Other Current Assets	21	390.77	1098.03	95957.26
<b>Total</b>		<b>365568.02</b>		<b>369404.55</b>
<b>Summary of Significant Accounting Policies</b>	2	-		
The Notes are an integral part of the Financial Statements.				

This is the Balance Sheet referred to in our Report of even date.

For **Lovelock & Lewes**

Firm Registration No. 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner  
Membership No. 057687  
Mumbai, 28<sup>th</sup> May 2015

**Cyrus P Mistry**

Chairman

**Ajoy Misra**

Managing Director

**L Krishnakumar**

Executive Director

**V Leeladhar**

Harish Bhat

Directors

**John Jacob**

Chief Financial Officer

**V Madan**

Vice President and Company Secretary

# STATEMENT OF PROFIT AND LOSS

For the year ended 31<sup>st</sup> March 2015

	Note	2015	Rs. in Lakhs 2014
<b>Income</b>			
Revenue from Operations (Gross)	22	288476.69	268336.24
Less: Excise duty		(24.35)	(40.73)
Revenue from Operations (Net)		288452.34	268295.51
Other Income	23	15516.13	18488.49
<b>Total Revenue</b>		<b>303968.47</b>	<b>286784.00</b>
<b>Expenses</b>			
Cost of Materials Consumed	24	187286.61	173011.17
Purchases of Stock in Trade		153.44	343.84
Change in Inventories of Finished Goods and Stock - in trade	25	(2798.73)	(510.25)
Employee Benefits Expense	26	16191.87	13611.23
Finance Costs	27	3419.38	3919.69
Depreciation and Amortization Expense		1993.93	1635.28
Other Expenses	28	55924.82	53444.72
<b>Total Expenses</b>		<b>262171.32</b>	<b>245455.68</b>
<b>Profit before Exceptional Items and Taxes</b>		<b>41797.15</b>	<b>41328.32</b>
<b>Exceptional Items (Net)</b>	29	<b>(6891.69)</b>	<b>17220.68</b>
<b>Profit before Tax</b>		<b>34905.46</b>	<b>58549.00</b>
<b>Tax Expenses</b>			
Current Tax (Refer Note 38)		5591.00	14005.00
Deferred Tax		414.00	(153.00)
		<b>6005.00</b>	<b>13852.00</b>
<b>Profit for the year</b>		<b>28900.46</b>	<b>44697.00</b>
Earning per Equity Share (Nominal Value per share Re 1 each)			
Basic and Diluted ( Refer Note 41 )		<b>4.58</b>	<b>7.23</b>
<b>Summary of Significant Accounting Policies</b>	2		
The Notes are an integral part of the Financial Statements.			

This is the Statement of Profit and Loss referred to in our Report of even date.

For **Lovelock & Lewes**

Firm Registration No. 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner  
Membership No. 057687  
Mumbai, 28<sup>th</sup> May 2015

**Cyrus P Mistry**

Chairman

**L Krishnakumar**

Executive Director

**John Jacob**

Chief Financial Officer

**Ajoy Misra**

Managing Director

**V Leeladhar**

Harish Bhat

Directors

**V Madan**

Vice President and Company Secretary

# CASH FLOW STATEMENT

For the year ended 31<sup>st</sup> March 2015

	2015	2014	Rs. in Lakhs
<b>A. Cash Flow from Operating Activities</b>			
Net Profit before Tax	<b>34905.46</b>	<b>58549.00</b>	
Adjusted for :			
Depreciation and Amortisation	1993.93	1635.28	
Dividend Income	(13706.96)	(16341.68)	
Unrealised Exchange Loss / (Gain)	48.00	281.00	
Finance Cost	3419.38	3919.69	
Interest Income	(1749.78)	(2105.95)	
Profit on sale of Current Investments (net)	(11.07)	-	
Liabilities no longer required written back	(2474.38)	(1002.06)	
Debts and Advances written off	-	54.51	
Provision for Doubtful Debts/Advances writtenback	-	(64.71)	
(Profit)/Loss on sale / discard of Fixed Assets (net)	13.53	(19265.10)	
Exceptional Expenses	698.56	1671.39	
Provision on Investment	3824.13	2000.00	
Obligations relating to an Overseas Subsidiary Company	2369.00	-	
Profit on Sale of Long Term Trade Investments	-	(3552.90)	
	<b>(5575.66)</b>	<b>(32770.53)</b>	
Operating Profit before working capital changes	<b>29329.80</b>	<b>25778.47</b>	
Adjustments for :			
Trade Receivables	2433.42	(617.81)	
Other Receivables	(10.82)	(2189.05)	
Inventories	(18158.11)	1564.31	
Trade Payables	2102.55	3656.86	
	<b>(13632.96)</b>	<b>2414.31</b>	
Cash generated from Operations	<b>15696.84</b>	<b>28192.78</b>	
Direct Taxes paid (net)	(10674.53)	(13425.68)	
	<b>(10674.53)</b>	<b>(13425.68)</b>	
<b>Net Cash from / (used in) Operating Activities</b>	<b>5022.31</b>	<b>14767.10</b>	
<b>B. Cash Flow from Investing Activities</b>			
Purchase of Fixed Assets	(4723.41)	(3082.49)	
Sale of Fixed Assets	82.92	4466.97	
Purchase of Long Term Investments	(208.86)	-	
Sale/Redemption of Long Term Investments	-	3914.11	
Investment in Associates	-	(4313.34)	
Investment in Joint Ventures	(7500.00)	(8250.00)	
Placement / Redemption Current Investments (net)	11.07	-	
Dividend Income	13706.96	16341.68	
Interest Income received	2097.04	1887.20	
Redemption of fixed deposit placed with banks having maturity over 1 year	-	3000.00	
Inter Corporate loan to Subsidiary	-	(3733.20)	
Inter Corporate Deposits & Loans Placed	-	(11000.00)	
Inter Corporate Deposits & Loans Redeemed	9150.00	15500.00	
<b>Net Cash from / (used in) Investing Activities</b>	<b>12615.72</b>	<b>14730.93</b>	

	2015	2014	Rs. in Lakhs
<b>C. Cash Flow from Financing Activities</b>			
Issuance of 3% Non-Convertible, privately placed, Debentures	-	32500.00	
Redemption of 3% Non-Convertible, privately placed, Debentures	-	(32500.00)	
Redemption Premium on 3% Non-Convertible, privately placed, Debentures	-	(6345.53)	
Working Capital Facilities (net)	2098.81	(5206.04)	
Dividend paid	(13913.97)	(13295.57)	
Dividend Tax paid	(1370.19)	(2031.51)	
Finance Cost	(3422.41)	(3926.39)	
<b>Net Cash from / (used in) Financing Activities</b>	<b>(16607.76)</b>	<b>(30805.04)</b>	
Net increase / (decrease) in Cash and Cash Equivalents	<b>1030.27</b>	<b>(1307.01)</b>	
<b>D. Cash and Cash Equivalents balances</b>			
Opening Balances	229.10	1536.11	
Cash & Bank balance of Amalgamating Company (Refer Note 35)	236.81	-	
Exchange Gain / (Loss) on translation of foreign currency cash / cash equivalents	-	-	
<b>Balances at the end of the year</b>	<b>1496.18</b>	<b>229.10</b>	
<b>Cash and Cash Equivalent comprises of:</b>			
Cash and Cheques in hand	2.36	1.65	
Balances in Current Account & Mutual Funds	1493.82	227.45	
<b>Balances at the end of the year</b>	<b>1496.18</b>	<b>229.10</b>	

**Notes:**

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard on 'Cash Flow Statements (AS-3)' specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Previous year's figures have been rearranged/regrouped wherever necessary.

This is the Cash Flow Statement referred to in our Report of even date

For **Lovelock & Lewes**

Firm Registration No. 301056E

Chartered Accountants

**Dibyendu Majumder**

Partner

Membership No. 057687

Mumbai, 28<sup>th</sup> May 2015

**Cyrus P Mistry**

Chairman

**L Krishnakumar**

Executive Director

**John Jacob**

Chief Financial Officer

**Ajoy Misra**

Managing Director

**V Leeladhar**

**Harish Bhat**

Directors

**V Madan**

Vice President and Company Secretary

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 1. General Information:

Tata Global Beverages Limited ("the holding company") and its subsidiaries, joint ventures and associates (together, "the Group") is a global beverages company engaged in the trading, production and distribution of Tea, Coffee and Water. The group has branded beverage business operations mainly in India, Europe, US, Canada and Australia, plantation business in India/Sri Lanka and extraction business mainly in India, US and China.

## 2. Significant Accounting Policies:

### (a) Accounting Convention

The financial statements have been prepared in accordance with the historical cost convention on an accrual basis and comply with the applicable Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

These financial statements have been prepared as required under relevant provision of the Companies Act, 2013 and the presentation is based on the Schedule III of the Companies Act, 2013. All assets and liabilities are classified into current and non current generally based on the criteria of realisation/ settlement within twelve months period from the balance sheet date.

### (b) Fixed Assets and Depreciation

#### i) Tangible:

Tangible Assets are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. The cost of extension planting of cultivable land including cost of development is capitalised.

Assets acquired on hire purchase, for which ownership will vest at a future date, are capitalised at cash cost.

Subsidies receivable from government in respect of fixed assets are deducted from the cost of respective assets as and when they accrue.

Depreciation is provided on tangible asset including asset created on lands under lease on a monthly straight line basis over

the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013.

Renewal of land leases is assumed, consistent with past practice.

Management's estimates of the useful lives of certain assets are as follows:

Computers, Printers and Other Office Equipments	4 years
Air Conditioners	10 years
Plant and Machinery	20 - 25 years
Leasehold improvements	Over the life of lease

For the above class of assets, based on internal assessment and independent technical evaluation, management believes that the useful lives as given above best represents the period over which the asset would be used.

#### ii) Intangible:

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment loss, if any.

Expenditure on software and related implementation costs are capitalized where it is expected to provide enduring economic benefits and are amortised on a monthly basis over a period of five years.

Non-compete fees paid on acquisition of business is being amortised on monthly basis over a period of ten years.

Product development cost incurred on new products having enduring benefits is recognised as Intangible Assets and are amortised on a monthly basis over a period of ten years.

### (c) Impairment

At each balance sheet date, the management assess whether there is any indication that the assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and its value in use. In assessing value in

# NOTES FORMING PART OF THE

## Financial Statements for the year ended 31<sup>st</sup> March 2015

use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Cash flows used to determine value in use are derived from the annual budgets and strategic plans of the cash generating units. For certain cash generating units, variable growth has been considered even beyond five years, given the maturity of the business and scope for geographical expansion.

Reversal of impairment loss is recognised as income in the Statement of Profit and Loss.

### (d) Leases

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially assumed all risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease period at lower of fair value or present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the lessor, are recognised as operating leases. Lease rental under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the period of lease.

### (e) Borrowing Costs

Borrowing cost includes interest, ancillary costs incurred in connection with the arrangement of borrowings and exchange difference arising from foreign currency borrowings to the extent they are regarded as adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised. The other costs are charged to the Statement of Profit and Loss. Discount on Commercial Paper is amortised on straight line basis over its tenure.

### (f) Investments

Investments of a long-term nature are stated at cost, less adjustment for any diminution, other than

temporary, in the value thereof. Current investments are stated at lower of cost or fair value.

### (g) Inventories

Inventories are stated at lower of cost or net realisable value. Cost is determined on weighted average method for all categories of inventories other than for auction bought teas in which case cost is considered as actual cost for each lot. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, appropriate overheads based on normal level of activity. Provision is made for obsolescence and other anticipated losses wherever considered necessary.

### (h) Foreign Currency Transactions

Transactions in foreign currencies are recorded at average fortnightly spot rates. The exchange difference resulting from settled transactions is recognised 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 recognised in the Statement of Profit and Loss.

Premium or discount on forward contracts where there are underlying assets /liabilities are amortised over the life of the contract. Such foreign exchange forward contracts are revalued at the balance sheet date and the exchange difference between the spot rate at the date of the contract and the spot rate on the balance sheet date is recognised as gain/loss in the Statement of Profit and Loss.

### (i) Revenue Recognition

- (i) Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per terms of contract .
- (ii) Income and fees from services are accounted as per terms of relevant contractual agreements/arrangements.
- (iii) Export incentives are accounted on accrual basis.

### (j) Other Income

Interest income and income from investments are accounted on accrual basis.

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

Dividend income is recognised when the right to receive dividend is established.

## (k) Replanting/Rejuvenation

Cost of replanting/rejuvenating tea bushes/fuel trees is charged to revenue. Related Tea Board subsidies are accrued as Other Income on obtaining approval from Tea Board.

## (l) Compensation of Land

Compensation, if any, in respect of land surrendered or incidental rights thereto/ vested in Governments under various State Land Legislations is accounted for as and when received.

## (m) Employee Benefits

### i) Post retirement employee benefits:

Post retirement benefits like Provident Fund which are in the nature of defined benefit plans and also Superannuation schemes, in the nature of defined contribution plans, are maintained by the Company and for certain categories contributions are made to State Plans. In respect of PF contribution made to a Self Administered Trust, the Company is liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return, such contribution and shortfall, if any is recognised as an expense in the year incurred.

Post retirement defined benefits including gratuity, pension and medical benefits for qualifying executives / wholetime directors as provided by the Company are determined through independent actuarial valuation at year end and charge recognised in the Statement of Profit and Loss. For schemes, where recognised funds have been set up, annual contributions determined as payable in the actuarial valuation report are contributed. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

The Company recognises in the Statement of Profit and Loss, gains or losses on settlement of a defined benefit plan as and when the settlement occurs.

### ii) Other Employee Benefits:

Other employee benefits are accounted for on accrual basis. Liabilities for compensated absences are determined based on

independent actuarial valuation at year end and charge is recognised in the Statement of Profit and Loss. Short term Employee Benefits are recognised on an undiscounted basis whereas Long Term Employee Benefits are recognised on a discounted basis.

## iii) Other Employee Termination Benefits:

Payments to employees on termination along with additional liabilities towards retirement benefits arising pursuant to the termination are charged to the Statement of Profit and Loss in the year in which it is incurred.

## (n) Research and Development

Research and Development expenditure of revenue nature is charged to revenue and capital expenditure is included under fixed assets.

## (o) Taxes on Income

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets.

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.

## (p) Financial Instruments

The Company uses foreign currency forward contracts and options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable transactions. The Company designates these hedging instruments as cash flow hedges.

Hedging instruments are initially measured at fair value and are remeasured at subsequent reporting dates. Gain or loss on account of change in the fair value of hedging instruments in respect of effective portion of cash flow hedges are recognised in the Hedging Reserve account. On occurrence of the underlying transactions the accumulated balance is transferred from hedging reserve and recognised in the Statement of Profit and Loss. The portion of the gain or loss on the hedging instruments if determined to be an ineffective cash flow hedge

# NOTES FORMING PART OF THE

## Financial Statements for the year ended 31<sup>st</sup> March 2015

is recognised in the Statement of Profit and Loss. Fair value hedges are marked to market on balance sheet date and gain or loss recognised in the Statement of Profit and Loss.

### (q) Cash and Cash Equivalent

Cash and Cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short term investments/bank deposits with an original maturity of three months or less.

### (r) Provisions

Provisions are recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle

the obligation at the reporting date and are not discounted to its present value. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### (s) Contingent Liabilities

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

	Rs. in Lakhs	
	2015	2014
<b>3. Share Capital</b>		
<b>AUTHORISED</b>		
75,00,00,000 (75,00,00,000) Equity Shares of Re 1 each*	7500.00	7500.00
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
61,83,98,570 (61,83,98,570) Equity Shares of Re 1 each, fully paid-up	6183.99	6183.99
The details of Shareholders holding more than 5% shares as at 31 <sup>st</sup> March 2015 is set out as below :		
<b>Name of Shareholder</b>	<b>No of shares % of holding</b>	<b>No of shares % of holding</b>
Tata Sons Limited	142854570 23.10%	142854570 23.10%
Life Insurance Corporation Limited	31213954 5.05%	34676286 5.61%
Tata Chemicals Limited	43175140 6.98%	43175140 6.98%
The reconciliation of the number of shares as at 31 <sup>st</sup> March 2015 is set out below :		
<b>Particulars</b>		
Number of shares as at the beginning of the year	618398570	618398570
Add: Shares issued during the year	-	-
Number of shares as at the end of the year	618398570	618398570

\*Consequent to and as part of the amalgamation of the Amalgamating Company with the Company, the Authorised Share Capital of the Company stand increased to Rs. 11,000 Lakhs made up of 110,00,00,000 Equity Shares of Re. 1/- each with effect from the date of 18<sup>th</sup> May 2015 ("effective date"). The necessary formalities in this regard is under process. (Refer Note 35)

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

	2015	2014	Rs. in Lakhs
<b>4. Reserves and Surplus</b>			
Capital Reserve	8.67	8.67	
Add: Addition on Amalgamation (Note 35a)	1570.18	-	
	<b>1578.85</b>	<b>8.67</b>	
Securities Premium Account	55293.15	60112.96	
Add: Addition on Amalgamation (Note 35a)	8688.72	-	
Less: Deduction on Amalgamation (Note 35a)	30602.82	-	
Less: Deduction during the year	-	4819.81	
	<b>33379.05</b>	<b>55293.15</b>	
Debenture Redemption Reserve	8125.00	8125.00	
Add: Transferred from Surplus in Statement of Profit and Loss	-	8125.00	
Less: Transferred to Surplus in Statement of Profit and Loss	-	8125.00	
	<b>8125.00</b>	<b>8125.00</b>	
Revaluation Reserve	2186.16	2186.16	
Contingency Reserve	100.00	100.00	
Hedging Reserve	349.57	21.95	
Add: Movement during the year (net)	166.07	327.62	
	<b>515.64</b>	<b>349.57</b>	
General Reserve	103044.10	98574.40	
Add: Transferred from Surplus in Statement of Profit and Loss	2890.00	4469.70	
	<b>105934.10</b>	<b>103044.10</b>	
Surplus in Statement of Profit and Loss			
Balance in the beginning of the year	82034.59	56516.09	
Add: Profit for the year	28900.46	44697.00	
Add: Profit of Amalgamating Company for Financial Year 2013-14 (Note 35c)	239.30	-	
Add: Transferred from Debenture Redemption Reserve	-	8125.00	
Amount available for appropriation	<b>111174.35</b>	<b>109338.09</b>	
<b>Appropriations</b>			
Adjustments on evaluation of useful life of Fixed Assets (Note 39)	72.19	-	
Proposed Dividend	14200.42	13913.97	
Provision for Dividend Distribution Tax **	1976.93	794.83	
Transferred to Debenture Redemption Reserve	-	8125.00	
Transferred to General Reserve	2890.00	4469.70	
Adjustment on Amalgamation (Note 35a)	-	-	
Balance at the close of the year	<b>92034.81</b>	<b>82034.59</b>	
<b>Total</b>	<b>243853.61</b>	<b>251141.24</b>	

\*\*For the purpose of computation of Dividend Distribution Tax (DDT) on the proposed dividend, the Company has reduced DDT on the dividend received from its Indian subsidiaries and foreign subsidiaries on which tax has been paid under section 115-O and section 115-BBD of the Income tax act, 1961. Accordingly provision for dividend distribution tax (DDT) for the current year is net of DDT credit of **Rs. 994.48 Lakhs** (Rs. 1569.84 Lakhs) relating to current/earlier years.

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

	Rs. in Lakhs	
	2015	2014
<b>5. Long Term Borrowings</b>		
<b>Secured Loans</b>		
3250, 3 % Non-Convertible, privately placed, Debentures of Rs. 10 Lakhs each.	32500.00	32500.00
Redeemable at premium of Rs. 223205 per debenture on 22.10.2016, at the end of 3 years from the date of allotment 22.10.2013.		
Secured by way of a first mortgage on certain immovable assets of the company and partly by pledge of shares of certain companies held as investments.		
	<b>32500.00</b>	<b>32500.00</b>
<b>6. Other Long Term Liabilities</b>		
Premium payable on redemption of Debentures	7254.16	7254.16
	<b>7254.16</b>	<b>7254.16</b>
<b>7. Long Term Provisions</b>		
Employee Benefits	9032.51	8881.61
Other Provisions (Refer Note 36)	2369.00	-
	<b>11401.51</b>	<b>8881.61</b>
<b>8. Short Term Borrowings</b>		
<b>Secured Loans</b>		
<b>From Banks</b>		
<b>Working Capital Facilities</b>	8025.67	4388.85
Secured by way of hypothecation of raw materials, finished products, stores and spares, and book debts on pari passu basis		
<b>Unsecured Loans</b>		
<b>From Banks</b>	7223.99	8762.00
	<b>15249.66</b>	<b>13150.85</b>
<b>9. Trade Payables</b>		
Trade Payables*	14246.04	14752.38
Due to Micro and Small Enterprises	142.10	176.30
	<b>14388.14</b>	<b>14928.68</b>

\* Includes due to Related Parties - **Rs. 1179.39 Lakhs** (Rs. 1424.27 Lakhs)

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

	Rs. in Lakhs	
	2015	2014
<b>10. Other Current Liabilities</b>		
Unpaid Dividends*	605.11	559.24
Interest Accrued but not due on borrowings	432.45	435.48
Statutory Liabilities	1125.36	1205.56
Security Deposits from Customers	3301.36	2959.72
Others	9884.01	10291.98
	<b>15348.29</b>	15451.98
*There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund		
<b>11. Short Term Provision</b>		
Taxation less advance payment <b>Nil</b> (Rs. 122907.11 Lakhs)	-	3098.18
Wealth Tax less advance payment <b>Rs. 366.81 Lakhs</b> (Rs. 325.19 Lakhs)	41.62	41.02
Other Provisions (Refer Note 36)	1854.57	615.00
Proposed Dividend	14200.42	13913.97
Tax on Dividend (Net of Rs. 1341.77 Lakhs)	1629.64	1022.90
Employee Benefits	1535.10	1220.97
	<b>19261.35</b>	19912.04

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 12. Fixed Assets

Rs. in Lakhs

	Cost						Depreciation			Net Book Value		
	As at 01.04.2014	On Amalgamation (Refer Foot Note 5)	Additions/ Adjustment	Deductions/ Adjustment	As at 31.03.2015	As at 01.04.2014	On Amalgamation (Refer Foot Note 5)	For the Year	Deductions/ Adjustment	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>TANGIBLE</b>												
<b>Owned :</b>												
Land	141.82	39.74	-	-	181.56 @	-	-	-	-	-	181.56	141.82
<b>Tea Estate Land/Fuel</b>												
Area(Including Development)	554.99	-	-	-	554.99	-	-	-	-	-	554.99	554.99
Buildings	4151.83	452.50	281.37	-	4885.70 @	1154.92	158.41	96.97	-	1410.30	3475.40	2996.91
Bridges	0.09	-	-	-	0.09	0.03	-	-	-	0.03	0.06	0.06
Plant & Equipment	16588.21	2804.83	2288.75	138.09	21543.70 @	8770.68	1500.38	1173.29	50.27	11394.08	10149.62	7817.53
Furniture,Fixtures & Office Equipment	2767.58	81.12	1195.27	16.41	4027.56	1330.45	29.12	355.77	9.83	1705.51	2322.05	1437.13
Motor Vehicles	347.83	47.57	89.01	41.05	443.36	207.17	24.53	43.50	39.00	236.20	207.16	140.66
<b>Total</b>	<b>24552.35</b>	<b>3425.76</b>	<b>3854.40</b>	<b>195.55</b>	<b>31636.96</b>	<b>11463.25</b>	<b>1712.44</b>	<b>1669.53</b>	<b>99.10</b>	<b>14746.12</b>	<b>16890.84</b>	<b>13089.10</b>
Previous year	23560.47		2120.94	1129.06	24552.35	11017.11		1278.33	832.19	11463.25		13089.10
<b>INTANGIBLE</b>												
Capitalised Software	1763.75	23.19	672.87	-	2459.81	1056.35	23.19	224.12	-	1303.66	1156.15	707.4
Patent/Knowhow	1763.38	-	-	-	1763.38	365.30	-	176.34	-	541.64 +	1221.74	1398.08
Non Compete Fee	300.00	-	-	-	300.00	205.00	-	30.00	-	235.00 +	65.00	95.00
<b>Total</b>	<b>3827.13</b>	<b>23.19</b>	<b>672.87</b>	<b>-</b>	<b>4523.19</b>	<b>1626.65</b>	<b>23.19</b>	<b>430.46</b>	<b>-</b>	<b>2080.30</b>	<b>2442.89</b>	<b>2200.48</b>
Previous Year	3394.39	-	432.74	-	3827.13	1269.7	-	356.95	-	1626.65		2200.48

- 1) Cost of Land Includes a portion leased to an Associate.
- 2) Cost of Buildings include **Rs. 589.84 Lakhs** (Rs. 589.84 Lakhs) represented by shares in Co-operative Housing Societies / a Company.
- 3) (@) Includes amount of **Rs. 125.69 Lakhs** (Rs. 125.69 Lakhs), **Rs. 61.70 Lakhs** (Rs. 61.70 Lakhs), **Rs. 8.01 Lakhs** (Rs. 8.01 Lakhs), respectively, jointly owned / held with a subsidiary company.
- 4) (+) Unexpired period of amortisation for Patent/Knowhow is 83 months and Non Compete fees is 26 months
- 5) Includes Gross block and accumulated depreciation on assets taken over by the company on amalgamation as on 1<sup>st</sup> April 2013 and additions, deductions and depreciation for year ended 31<sup>st</sup> March 2014 (Refer Note 35a)

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 13. Non Current-Investments

					Rs. in Lakhs		
	Class	Nos.	Face Value of each		2015	2014	
<b>Long Term</b>							
<b>Trade Investments (Fully paid up and valued at cost)</b>							
<b>(a) Quoted Equity Investments</b>							
<b>Investment in Subsidiaries :</b>							
Tata Coffee Ltd. (Refer Foot Note 1 and 2) #	Equity Shares	107359820	Re.	1	<b>16150.65</b>	16150.65	
		(10735982)			(10)		
Mount Everest Mineral Water Ltd. ( Refer Note 35a )	Equity Shares	-	Rs.	10	-	24619.40	
		(17021092)					
					<b>16150.65</b>	<b>40770.05</b>	
( # ) Inclusive of <b>Rs. 2186.16 Lakhs</b> (Rs. 2186.16 Lakhs) kept in Revaluation Reserve							
<b>Others:</b>							
Tata Chemicals Ltd. (Refer Foot Note 2)	Equity Shares	11185522	Rs.	10	<b>5032.80</b>	5032.80	
The Indian Hotels Co Ltd.	Equity Shares	1687742	Re.	1	<b>271.99</b>	271.99	
Tata Motors Ltd.	Equity Shares	116665	Rs.	2	<b>46.84</b>	46.84	
Tata Motors Ltd.	"A" Ordinary Shares	16665	Rs.	2	<b>10.17</b>	10.17	
Tata Investment Corporation Ltd.	Equity Shares	160000	Rs.	10	<b>236.19</b>	236.19	
Tata Steel Ltd.	Equity Shares	12021	Rs.	10	<b>17.02</b>	17.02	
Titan Company Ltd.	Equity Shares	9248060	Re.	1	<b>295.24</b>	295.24	
					<b>5910.25</b>	<b>5910.25</b>	
<b>(b) Unquoted Equity Investments</b>							
<b>Investment in Subsidiaries :</b>							
Tata Tea Extractions Inc	Common Stock	14000000	US\$	1	<b>5980.46</b>	5980.46	
Tata Global Beverages Group Ltd.	Ordinary Shares	70666290	GBP	1	<b>50070.98</b>	50070.98	
Tata Global Beverages Capital Ltd.	Ordinary Shares	89606732	GBP	1	<b>76388.70</b>	76388.70	
Consolidated Coffee Incorporated	Common Stock	199	US\$	0.01	<b>9248.55</b>	9248.55	
Zhejiang Tata Tea Extraction Company Ltd. @					<b>2469.93</b>	2469.93	
Tata Tea Holdings Private Limited	Equity Shares	50000	Rs.	10	<b>5.00</b>	5.00	
Less: Provision for diminution in the value of investment (Refer Foot Note 3)					<b>(2469.93)</b>	(2000.00)	
					<b>141693.69</b>	142163.62	
@ Amount of Investments is <b>RMB 385 Lakhs</b> (RMB 385 Lakhs) in the share capital of the company							
<b>Investment in Associates :</b>							
Estate Management Services (Pvt.) Ltd.	Ordinary Shares *	12078406	LKR	10	<b>1456.91</b>	1456.91	
Amalgamated Plantations Pvt. Ltd.	Equity Shares	61024400	Rs.	10	<b>6102.44</b>	6102.44	
Kanan Devan Hills Plantations Company (Pvt.) Ltd.	Equity Shares	3976563	Rs.	10	<b>1233.19</b>	1233.19	
TRIL Constructions Limited	Equity Shares	11748148	Rs.	10	<b>1174.81</b>	1174.81	
					<b>9967.35</b>	<b>9967.35</b>	

\* Sale of these investments requires first offer of sale to the venture partners.

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

	Class	Nos.	Face Value of each	2015	2014	Rs. in Lakhs
<b>Investment in Joint Ventures :</b>						
NourishCo Beverages Limited (Refer Foot Note 4)	Equity Shares	77500000	Rs. 10	7750.00	6250.00	
		(62500000)				
Tata Starbucks Private Limited ( Refer Foot Note 4)	Equity Shares	150000000	Rs. 10	15000.00	9000.00	
		(90000000)				
				22750.00	15250.00	
<b>Others:</b>						
Tata Sons Ltd.	Equity Shares	1755	Rs. 1000	975.00	975.00	
Tata Services Ltd.	Ordinary Shares	475	Rs. 1000	4.77	4.77	
Tata Capital Ltd.	Equity Shares	613598	Rs. 10	95.02	95.02	
Tata Industries Ltd.	Equity Shares	6519441	Rs. 100	11582.32	11582.32	
Taj Air Ltd.	Equity Shares	4200000	Rs. 10	420.00	420.00	
				13077.11	13077.11	
<b>(c) Unquoted Preference Shares</b>						
<b>Investment in Associates :</b>						
Amalgamated Plantations Pvt. Ltd.	0.01% Non Cum. Redeemable Preference Shares @	67000000	Rs. 10	6700.00	6700.00	
TRIL Construction Limited	0.001% Non Cumulative Non-redeemable, mandatorily and fully convertible Preference Shares @@	66751852	Rs. 10	6675.19	6675.19	
				13375.19	13375.19	
@ Redeemable with Special redemption premium within 7-9 years from issue date						
@@ Convertible within six year from the issue date.						
<b>(d) Quoted Debentures</b>						
The Indian Hotels Co Ltd. (Refer Foot Note 5)	Compulsory Convertible Debenture	379741	Rs. 55	208.86	-	
				208.86	-	
<b>Other than Trade (Fully paid up and valued at cost)</b>						
<b>(a) Quoted Equity Investments</b>						
SBI Home Finance Ltd.	Equity Shares	100000	Rs. 10	10.00	10.00	
Less: Provision for diminution in the value of investment				(10.00)	(10.00)	
				-	-	

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

	Class	Nos.	Face Value of each	2015	2014
<b>(b) Unquoted Equity Investments</b>					
The Annamallais Ropeways Co. Ltd.	Ordinary Shares	2092	Rs. 100	2.10	2.10
ABC Tea Workers Welfare Services	Ordinary Shares	20000	Rs. 10	2.00	2.00
Assam Hospitals Ltd.	Equity Shares	200000	Rs. 10	20.00	20.00
The Valparai Co-operative Wholesale Stores Ltd.	Ordinary Shares	350	Rs. 10	0.04	0.04
Suryakiran Apartment Services Private Ltd.	Equity Shares	2146	Rs. 10	0.21	0.21
Jalpaiguri Club Ltd. (Cost Re. 1)	Ordinary Shares	60	Rs. 10	-	-
GNRC Ltd.	Equity Shares	50000	Rs. 10	5.00	5.00
IFCI Venture Capital Funds Ltd.	Equity Shares	250000	Rs. 10	25.00	25.00
Ritspin Synthetics Ltd.	Equity Shares	100000	Rs. 10	10.00	10.00
TEASERVE	Equity Shares	1	Rs. 5000	0.05	0.05
(The Tamil Nadu Tea Manufacturers' Service Industrial Co-operative Society Ltd.)					
Woodlands Hospital & Medical Res .Centre Ltd.	Equity Shares	12280	Rs. 10	0.44	0.44
Less: Provision for diminution in the value of investment				(12.14)	(12.14)
				<b>52.70</b>	<b>52.70</b>
<b>(c) Unquoted Debentures</b>					
The Bengal Chamber of Commerce & Industry	6 1/2% Debentures	7	Rs. 1000	0.07	0.07
Shillong Club Ltd. (Cost Rs. 2)	5% Debentures	31	Rs. 100	-	-
				<b>0.07</b>	<b>0.07</b>
<b>(d) Unquoted Preference Shares</b>					
Thakurbari Club Ltd. (Cost Re. 1)	Preference Shares	26	Rs. 100	-	-
				-	-
<b>(e) Unquoted Government Securities</b>					
W. B. Estates Acquisition Compensation Bond				0.08	0.08
				<b>0.08</b>	<b>0.08</b>
<b>Total</b>				<b>223185.95</b>	<b>240566.42</b>
Aggregate Amount of Quoted investments				<b>22269.76</b>	<b>46680.30</b>
Market Value of Quoted Investments				<b>187526.62</b>	<b>179684.08</b>
Aggregate Amount of Unquoted investments				<b>200916.19</b>	<b>193886.12</b>
Aggregate provision for diminution in value of investments				<b>2492.07</b>	<b>2022.14</b>

1. The face value of the equity shares of Tata Coffee Limited have been sub-divided from Rs.10 per share to Re.1 per share with effect from record date 27<sup>th</sup> January,2015.
2. 3723648 shares of Tata Chemicals Limited and 31000400(3100040) shares of Tata Coffee Limited are pledged against outstanding 3% Non Convertible privately placed Debentures
3. Provision for diminution, other than temporary, of Rs. 469.93 Lakhs made during the year(Refer Note 37).
4. During the year, the Company has invested an amount of Rs. 1500 Lakhs towards issue of equity shares by NourishCo Beverages Limited and Rs. 6000 Lakhs towards issue of equity shares by Tata Starbucks Private Limited. Both these Company are a 50:50 Joint ventures.
5. Subscription in Compulsorily Convertible Debentures (CCD) on a right basis of face value Rs. 55 each. These CCD's are convertible into equity shares of face value of Re. 1 each at a premium of Rs. 54 each in the ratio of 40 fully paid up Equity Shares for every 9 CCD held.

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

		Rs. in Lakhs
	<b>2015</b>	<b>2014</b>
<b>14. Deferred Tax Assets</b>		
<b>Deferred Tax Liability</b>		
Depreciation (Refer Note 39)	1739.36	1866.61
	<b>1739.36</b>	<b>1866.61</b>
<b>Deferred Tax Asset</b>		
Provision for doubtful debts/advances	250.69	246.21
Employee Benefits	3116.69	3023.94
Employee Separation Schemes	411.32	466.10
Carry forward agricultural income-tax loss	-	38.58
Premium on redemption of Debentures	1281.26	2103.15
Other Assets	1254.36	943.72
	<b>6314.32</b>	<b>6821.70</b>
	<b>4574.96</b>	<b>4955.09</b>
<b>15. Long Term Loans and Advances</b>		
<b>Unsecured and Considered Good unless other wise stated</b>		
Capital Advances	182.57	271.89
Security Deposit*	2538.65	1912.64
Advance Tax (net of provisions of <b>Rs. 131596.30 Lakhs</b> )	1985.95	-
<b>Other Advances</b>		
Inter Corporate Loans (Secured)	2400.00	2400.00
Employee Loans and Advances	71.35	96.11
Loan to Subsidiary **	3354.20	
Less: Provision for Impairment (Refer Note 37)	3354.20	-
<b>Considered Doubtful</b>		
Security Deposit	28.89	28.89
Less: Provision for Doubtful Deposits	28.89	-
	<b>7178.52</b>	<b>4680.64</b>
*includes Security Deposits to Related Party <b>NIL</b> (Rs. 100 Lakhs)		
** Pending Conversion into Equity Share Capital, classified as Short Term in previous year		
<b>16. Other Non Current Assets</b>		
Property Rights Pending Development (Refer Note 34)	7050.00	7050.00
	<b>7050.00</b>	<b>7050.00</b>

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

		2015	2014	Rs. in Lakhs
<b>17. Inventories</b>				
(At lower of cost or net realisable value)				
<b>Raw Material</b>				
Tea (Includes in transit <b>Rs. 310.28 Lakhs</b> (Rs. 59.49 Lakhs))	56500.48	42062.05		
Packing Materials	3494.28	2589.61		
	<b>59994.76</b>	<b>44651.66</b>		
<b>Finished Goods</b>				
Tea	20949.85	17993.46		
Others	54.97	29.65		
	<b>21004.82</b>	<b>18023.11</b>		
<b>Traded Goods</b>				
Formulations and Others	87.08	231.08		
<b>Stores and Spare Parts</b>	<b>840.52</b>	685.78		
	<b>81927.18</b>	<b>63591.63</b>		
<b>18. Trade Receivables</b>				
(Unsecured)				
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>				
Considered Good	81.65	29.49		
Considered Doubtful	520.23	520.23		
<b>Others</b>				
Considered Good	9280.27	11457.70		
	<b>9882.15</b>	<b>12007.42</b>		
Less : Provision for Doubtful Debts	520.23	520.23		
	<b>9361.92</b>	<b>11487.19</b>		
<b>19. Cash and Bank Balances</b>				
<b>Cash and Cash Equivalents</b>				
Cash and Cheques in hand	2.36	1.65		
In Mutual Funds	1082.67	-		
Bank Balances in Current Account	411.15	1496.18	227.45	229.10
<b>Other Bank Balances</b>				
Unclaimed Dividend Accounts	605.11	559.24		
	<b>2101.29</b>	788.34		

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

	2015	2014		
	Rs. in Lakhs			
<b>20. Short Term Loans and Advances</b>				
<b>Unsecured and Considered Good unless other wise stated</b>				
Due from Related Parties	1816.13	2773.63		
Insurance Claims Receivable	556.69	54.37		
Other Trade Advances	2393.18	1844.36		
Taxes Receivable	412.00	369.90		
Inter Corporate Deposits (Includes secured deposit of <b>Rs. 500 Lakhs (Nil)</b> )	2650.00	9500.00		
Inter Corporate Loan	-	3279.74		
Employee Loans and Advances	52.55	57.94		
Prepaid Expenses	1455.60	1112.13		
<b>Considered Doubtful</b>				
Other Advances for Supply of Goods and Services	175.25	175.25		
Less: Provision for Advances	175.25	-		
	<b>9336.15</b>	<b>18992.07</b>		
<b>21. Other Current Assets</b>				
Interest Accrued	200.77	548.03		
Export Incentive Receivable	190.00	550.00		
	<b>390.77</b>	<b>1098.03</b>		
<b>22. Revenue from Operations</b>				
Sales of Tea	277429.50	260226.92		
Others	1902.85	457.78		
Sales of Traded Goods	326.77	194.36		
Service Income	136.28	151.97		
Less: Excise duty	24.35	40.73		
	<b>279771.05</b>	<b>260990.30</b>		
<b>Other Operating Revenues</b>				
Export Incentive	752.47	843.00		
Liabilities no longer required written back	2474.38	1002.06		
Management Service Fees	4183.88	3743.00		
Provision for Doubtful Advances written back	-	64.71		
Miscellaneous Receipts	1270.56	1652.44		
	<b>8681.29</b>	<b>7305.21</b>		
	<b>288452.34</b>	<b>268295.51</b>		

## NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

		2015	2014	Rs. in Lakhs
<b>23. Other Income</b>				
Dividend Income from Non Current Trade Investments		2335.00	1985.46	
Dividend from Mutual Funds		62.42	95.96	
Dividend from Investment in Subsidiaries		11309.54	14260.26	
		<b>13706.96</b>	<b>16341.68</b>	
Profit on Sale of Current Investments		11.07	-	
Rent Income		48.32	40.86	
Interest Income on Advances/Deposits,etc		1749.78	2105.95	
		<b>15516.13</b>	<b>18488.49</b>	
<b>24. Cost of Materials Consumed</b>				
Tea				
Opening Stock		42062.05	43973.47	
Add: Purchases		182794.50	153696.86	
Less: Closing Stock		56500.48	42062.05	
		<b>168356.07</b>	<b>155608.28</b>	
Green Leaf		1624.78	2594.27	
Packing Material				
Opening Stock		2589.61	2867.73	
Add: Purchases		17136.83	13872.07	
Less: Closing Stock		3494.28	2589.61	
		<b>16232.16</b>	<b>14150.19</b>	
Others		1073.60	658.43	
		<b>187286.61</b>	<b>173011.17</b>	
<b>25. Changes in Inventory of Finished Goods/Traded Goods</b>				
Stock as at 1 <sup>st</sup> April				
Tea		17993.46	17658.64	
Others		260.73	85.30	
		<b>18254.19</b>	<b>17743.94</b>	
On Amalgamation		38.98	-	
Stock as at 31 <sup>st</sup> March				
Tea		20949.85	17993.46	
Others		142.05	260.73	
		<b>21091.90</b>	<b>18254.19</b>	
		<b>(2798.73)</b>	<b>(510.25)</b>	
<b>26. Employee Benefits Expense</b>				
Salaries, Wages and Bonus* (Refer Note 40)		11962.03	10646.00	
Contribution to Provident Fund and Other Funds		1792.04	1319.04	
Workmen and Staff Welfare Expenses		1769.96	1039.75	
Others		667.84	606.44	
		<b>16191.87</b>	13611.23	

\* Includes net credit of earlier year **Rs. 170 Lakhs (Nil)**

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

		2015	2014	Rs. in Lakhs
<b>27. Finance Costs</b>				
Interest				
On Fixed Loans	1787.97	1711.00		
On Debentures	975.00	1019.48		
On Other Loans	638.04	1150.75		
	<b>3401.01</b>	<b>3881.23</b>		
Bank Charges	18.37	38.46		
	<b>3419.38</b>	<b>3919.69</b>		
<b>28. Other Expenses</b>				
Manufacturing and Contract Packing Expenses *	5538.51	4669.18		
Consumption of Stores and Spare Parts	842.18	794.62		
Power and Fuel (net of recovery)	2784.17	2997.74		
Repairs to Plant and Machinery	356.15	377.69		
Repairs to Buildings	465.52	429.01		
Rent	3876.87	3376.60		
Rates and Taxes (net)	674.98	606.30		
Advertisement and Sale Charges	20765.51	20813.85		
Freight	5549.05	4702.80		
Insurance	343.24	266.94		
Management Service Fees	1888.50	1922.65		
Loss on Sale/Discard of Fixed Assets (net)	13.53	26.90		
Debts and Advances written off	-	54.51		
Miscellaneous Expenses ** ( Refer Note 40)	12826.61	12405.93		
	<b>55924.82</b>	<b>53444.72</b>		
* Includes Contract Packing Expenses <b>Rs. 3355.31 Lakhs</b> (Rs. 2966.20 Lakhs)				
** Includes exchange gain <b>Rs. 779.84 Lakhs</b> ( exchange loss Rs. 354.73 Lakhs)				
<b>29. Exceptional Items</b>				
<b>Income</b>				
Profit on sale of Non Core Investment	-	3552.90		
Profit on sale of Bangalore Property	-	19248.00		
<b>Expenditure</b>				
Provision for Retirement Benefit/Contractual Obligations - Net	-	(1492.22)		
Cost of new Initiatives and restructuring activities	(698.56)	(643.00)		
Provision for Impairment/obligations relating to a Subsidiary (Refer Note 37)	(6193.13)	(2000.00)		
Product Development Costs	-	(1445.00)		
	<b>(6891.69)</b>	<b>17220.68</b>		

## NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

- 30.** Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31<sup>st</sup> March 2015 aggregated **Rs. 770.30 Lakhs** (Rs. 772.40 Lakhs) (Capital Advances **Rs. 182.57 Lakhs** (Rs. 271.89 Lakhs)).

**31. Contingent Liabilities not provided for in respect of:**

- (a) Claims under adjudication not acknowledged as debts:

	Gross Rs. in Lakhs	Net of Estimated Tax Rs. in Lakhs
(i) Taxes, Statutory Duties/ Levies etc.	1163.94	723.40
	(1111.91)	(691.97)
(ii) Commercial and other Claims	471.85	299.04
	(450.87)	(287.20)

- (b) Labour disputes under adjudication relating to some staff – amount not ascertainable.
- (c) Guarantee given to the lender of a subsidiary **Rs. 7252.70 Lakhs** (Rs. 2894.00 Lakhs). (These corporate guarantees were issued against loans drawn by a subsidiary company from banks as working capital loans and term debts).

- 32** Micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the confirmations received in response to intimation in this regard sent by the Company to the suppliers. No interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 or otherwise has either been paid or payable or accrued and remaining unpaid as at 31<sup>st</sup> March 2015.

- 33** The company had entered into a put option agreement with International Finance Corporation (IFC) in relation to their investment in Amalgamated Plantations Private Limited (APPL). In terms of the said agreement, IFC has the right to exercise a put option whereby the company is obliged to purchase a maximum of 300 Lakh shares in APPL, if certain conditions or events stipulated in the said agreement do not occur.

- 34** The company during 2013-14 had entered into a development agreement with Tata Reality and Infrastructure Limited for development of commercial /residential property through a special purpose vehicle TRIL Constructions Limited (TCL) . The consideration for the transfer of land with buildings/structures in Yehswantpur, Bangalore was Rs. 19500 Lakhs . The said consideration was discharged by combination of cash, investment in TCL through equity and compulsorily convertible preference shares (Refer Note 13 - Non Current Investments) and constructed office space in the property to be developed.

**35 Scheme of Amalgamation**

Pursuant to the Scheme of Amalgamation and Arrangement (the "Scheme") sanctioned by the Honorable High Court of Calcutta vide its order dated 16<sup>th</sup> February 2015 received on 20<sup>th</sup> April 2015 and the Honorable High Court of Himachal Pradesh vide its order dated 23<sup>rd</sup> March 2015 received on 27<sup>th</sup> April 2015, Mount Everest Mineral Water Limited ("MEMW") a subsidiary of the Company engaged in sourcing and selling of natural mineral water has been amalgamated with the Company with effect from 1<sup>st</sup> April 2013 (the "appointed date"). The Scheme came into effect on 18<sup>th</sup> May 2015 (the "effective date"), the day on which both the orders were filed with the respective Registrars of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties and obligations of MEMW have been transferred to and vested in the Company with effect from 1<sup>st</sup> April, 2013.

**a) Accounting treatment of the Amalgamation**

The amalgamation has been accounted for in the books of account of the Company according to the "Pooling of Interests Method" of accounting as per the Accounting Standard (AS) 14, 'Accounting for Amalgamations' specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

# NOTES FORMING PART OF THE

## Financial Statements for the year ended 31<sup>st</sup> March 2015

All assets and liabilities, reserves have been recorded in the books of account of the Company at their existing carrying amounts and in the same form.

Further, in accordance with the Scheme, the difference between carrying value of investments in the Amalgamating Company as reflected in the books of the Company and the corresponding paid up capital of the amalgamating Company along with the debit balance in the Profit and Loss as of 1<sup>st</sup> April 2013 of the Amalgamating Company have been adjusted against the Securities Premium Account of the Company. The application and reduction of the Securities Premium Account is effected as an integral part of the sanctioned Scheme under reference to section 391 and section 394 of the Companies Act, 1956 read with section 78 and section 100 of the Companies Act, 1956.

No specific accounting treatment for this adjustment has been prescribed by the Accounting Standards and is in accordance with the Court order.

Accordingly, the amalgamation has resulted in transfer of assets and liabilities as on the appointed date in accordance with the terms of the Scheme at the following summarised values:

<b>Particulars</b>	Rs. in Lakhs	Rs. in Lakhs
Fixed Asset (Net)	1348.28	
Long Term Loans and Advances	374.04	
Other Non Current Assets	6.40	
Current Investment	112.04	
Inventories	176.86	
Trade Receivables	401.81	
Cash and Bank Balances	11.29	
Short Term Loans and Advances	2489.17	
Other Current Assets	89.85	
Trade Payables	(127.45)	
Other Current Liabilities	(359.83)	
Short Term Provisions	(42.90)	
Long Term Provisions	(76.77)	
<b>Net Assets</b>	<b>4402.79</b>	
Share Capital	3399.60	
Reserves and Surplus		
Balance in Securities Premium Account	8688.72	
Balance in Surplus in Statement of Profit and Loss (Dr)	(7685.53)	1003.19
<b>Shareholders Funds</b>	<b>4402.79</b>	
Paid up value of Equity Shares to be issued on Amalgamation	127.31	
Paid up value of Share Capital of Amalgamating Company	1697.49	
<b>To be credited to Capital Reserves in accordance with Scheme</b>	<b>1570.18</b>	
Investment in Amalgamating Company by the Company	24619.41	
Paid up value of Equity Shares in Amalgamating Company	(1702.12)	22917.29
Debit balance in Surplus in Statement of Profit and Loss of the Amalgamating Company		7685.53
<b>To be adjusted with Securities Premium in accordance with Scheme</b>	<b>30602.82</b>	

## NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

- b) As per the Scheme each shareholders of the Amalgamating Company (Mount Everest Mineral Water Limited) would be entitled to receive shares of the Company in the ratio of 3 equity shares of Re 1/- each fully paid up in the Company for every 4 equity shares of Rs.10/- each fully paid up held in the Amalgamating Company. Consequently 1,27,31,159 shares shall be issued to the Shareholders of the Amalgamating Company. Pending allotment of these shares the same has been reflected under Share Suspense Account.
- c) In terms of the Scheme, the appointed date of the amalgamation being 1<sup>st</sup> April 2013, net profit of amalgamating company for the financial year 2013-14 aggregating Rs. 239.30 Lakhs has been transferred to the Surplus in Statement of Profit and Loss in the books of the Company upon amalgamation.

As the Scheme has become effective from 18<sup>th</sup> May 2015 the figures for the current period includes the operations of the Amalgamating Company. Accordingly, the figures for the year ended 31<sup>st</sup> March 2015 are after giving effect to the amalgamation, while the comparative figures are before giving effect to the merger and hence are not comparable.

- d) Pursuant to the Scheme, the title deeds for the immovable properties pertaining to the Amalgamating Company are pending conveyance in the name of the Company. Further, the Company has initiated the name change formalities to transfer the title in respect of the other properties, contracts etc.

### 36 Other Provisions

Description	Opening Balance	Provision during the year	Amount paid/ Adjusted during the year	Closing balance	Rs. in Lakhs
Trade Obligations	615.00	694.00	-	1309.00	
Restructuring Costs	-	545.57	-	545.57	
Obligations relating to an Overseas Subsidiary Company	-	2369.00	-	2369.00	

- 37 During the year the Company has evaluated the carrying value of its exposure in its China business which is a Subsidiary Company under Joint Venture Control. In view of delays in startup and stabilisation of technology for an enhanced product range and on considerations of accounting prudence the Company has recognised a diminution, other than temporary, in its investment and convertible loans cumulating to **Rs. 3824.13 Lakhs** and has also created a provision of **Rs. 2369 Lakhs** in respect of obligations arising in the Subsidiary. The charge to the Statement of Profit and Loss has been classified as an "Exceptional item".
- 38 The current tax charge is net of credit relating to tax losses available as deduction on account of amalgamation of Mount Everest Mineral Water Limited of **Rs. 2432 Lakhs**, tax credits relating to debenture redemption premium charged to Securities Premium account in an earlier year of **Rs. 2162 Lakhs** and credit on account of other writebacks pertaining to earlier year of **Rs. 546 Lakhs** (Rs. 1197 Lakhs).
- 39 The Company has with effect from 1<sup>st</sup> April 2014, adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act 2013, applicable for accounting periods commencing 01<sup>st</sup> April 2014 or re-assessed useful life based on technical evaluation. Accordingly, depreciation of **Rs. 72.19 Lakhs** (net of deferred tax of **Rs. 33.87 Lakhs**) on account of assets whose useful life is already exhausted as on 01<sup>st</sup> April 2014 has been adjusted against Surplus in Statement of Profit and Loss . The consequential impact (after considering the transition provision specified in Part C of Schedule II of Companies Act, 2013) on the depreciation charged and on the results for year to date is not material.

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 40 Corporate Social Responsibility(CSR)

As per Section 135 of the Companies Act 2013, a CSR Committee has been formed by the Company. The amounts contributed for various CSR causes for the financial year 2014-15 are **Rs. 390.86 Lakhs**.

Amount required to be spent under Section 135	Rs. in Lakhs
	<b>372.00</b>
The amounts expended under CSR causes are as follows:	
(i) Salaries and Wages incurred on specific CSR activities	94.85
(ii) Miscellaneous Expenses	296.01
	<b>390.86</b>

A detailed disclosure has been given in the Directors Report

	2015	2014
<b>41 Earnings Per Share</b>		
Profit after taxation (Rs. in Lakhs)	<b>28900.46</b>	<b>44697.00</b>
Numbers of Equity Shares Outstanding	618398570	618398570
Add: Equity shares to be issued consequent to Amalgamation lying in Share Suspense Account ( Refer 35b)	12731159	-
Total Number of Shares	<b>631129729</b>	<b>618398570</b>
Earnings Per Share (Rs.)		
Basic	<b>4.58</b>	<b>7.23</b>
Diluted	<b>4.58</b>	<b>7.23</b>
	<b>Rs. in Lakhs</b>	
<b>42 Expenditure incurred in respect of the Company's Research and Development</b>		
Capital Expenditure	33.52	32.33
Revenue Expenditure	499.13	457.13
	<b>532.65</b>	<b>489.46</b>

**43** The Company's leasing arrangements are in respect of operating leases for premises (residential, office, godown, etc.) and motor cars.

These operating leasing arrangements which are cancellable ranges between 5 months to 5 years and are usually renewable on mutually agreeable terms. The aggregate lease rentals payable in respect of premises are charged as Rent and in respect of motor cars amounting to **Rs. 434.05 Lakhs** (Rs. 406.16 Lakhs) are charged under Miscellaneous Expenses under Note 28 of the Statement of Profit and Loss.

## NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

### 44 Value of Raw Materials and Stores and Spare Parts consumed - Gross

	Raw Materials		Stores and Spares	
	Value Rs. in Lakhs	% of total consumption	Value Rs. in Lakhs	% of total consumption
Imported	5447.50	2.91	80.00	5.54
	(5489.34)	(3.17)	(80.78)	(6.73)
Indigenous	181839.11	97.09	1365.00	94.46
	(167521.83)	(96.83)	(1120.01)	(93.27)
	<b>187286.61</b>	<b>100.00</b>	<b>1445.00</b>	<b>100.00</b>
	<b>(173011.17)</b>	<b>(100.00)</b>	<b>(1200.79)</b>	<b>(100.00)</b>

Rs. in Lakhs

2015                    2014

### 45 Earnings in Foreign Exchange

Value of Exports at F.O.B.	16612.76	17242.81
Technical Service Fees- Gross	124.03	139.71
Dividends - Gross	10360.16	13626.59
Management Service Fees	4183.88	3743.00
Interest	140.89	210.47
Others (Freight, Insurance etc.)	895.67	773.36

### 46 Expenditure in Foreign Currency

Foreign Travel	291.12	248.44
Professional Fees	379.27	340.78
Management Service Fees	1680.76	1711.15
Other Expenses	350.77	101.90

### 47 Value of Imports on C.I.F. basis

Raw Materials	5545.64	5270.57
Finished Goods	132.42	302.87
Stores, Spare Parts.	55.97	108.42
Capital Goods	169.00	171.77

### 48 Dividend remitted in foreign currency

No. of shareholders	1	1
No. of shares held in Lakhs	104.15	59.56
Dividend remitted (Rs. in Lakhs)	234.34	128.06
Year	2013-14	2012-13

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 49 a) Related Party Disclosure as per Accounting Standard 18.

### **Related Parties**

#### **Promoter**

Tata Sons Limited

#### **Subsidiaries**

Tata Global Beverages Group Limited

Tata Global Beverages Holdings Limited

Tata Global Beverages Services Limited

Tata Global Beverages GB Limited

Tata Global Beverages Overseas Holdings Limited

Tata Global Beverages Overseas Limited

Lyons Tetley Limited

Tata Global Beverages U.S. Holdings, Inc.

Tetley USA Inc

Tata Global Beverages Canada Inc

Tata Global Beverages Australia Pty Limited

Stansand Limited

Stansand (Brokers) Limited

Stansand (Africa) Limited

Stansand (Central Africa) Limited

Tata Global Beverages Polska Sp.z.o.o

Drassington Limited, UK

Good Earth Corporation

Good Earth Teas Inc.

Teapigs Limited

Teapigs US LLC.

Tata Global Beverages Czech Republic a.s,

Joekels Tea Packers (Proprietary) Limited

Tata Global Beverages Investments Limited

Campestres Holdings Limited

Kahutara Holdings Limited

Suntyco Holding Limited

Onomento Co Limited

OOO Tea Trade LLC

OOO Sunty LLC

#### **Subsidiaries (contd..)**

Tata Coffee Limited

Consolidated Coffee Inc.

Eight 'O Clock Holdings Inc.

Eight 'O Clock Coffee Inc

Alliance Coffee Limited

Tata Tea Extractions Inc

Tata Global Beverages Capital Limited

Zhejiang Tata Tea Extraction Company Limited

Tata Tea Holdings Private Limited

Earth Rules Pty Ltd. (w.e.f 01<sup>st</sup> May 2014)

#### **Associates**

Estate Management Services Pvt. Limited, Sri Lanka

Amalgamated Plantations Pvt. Limited

Kanan Devan Hills Plantation Company Private Limited

TRIL Constructions Limited

#### **Joint Ventures**

NourishCo Beverages Limited

Tata Starbucks Private Limited

#### **Associates of Subsidiaries**

Bjets Pte.Ltd.

RBC HoldCo LLC.

#### **Joint Venture of Subsidiaries**

Tetley ACI (Bangladesh) Limited

Southern Tea LLC

Empirical Group LLC

Tetley Clover (Private) Limited

#### **Key Management Personnel**

Mr. Ajay Misra - CEO & Managing Director

Mr. L Krishnakumar - Executive Director & Group CFO

## NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

Particulars of transactions during the year ended 31<sup>st</sup> March 2015

Nature of Transactions	Subsidiaries	Associates	Joint Ventures	Promoter	Key Management Personnel	Rs. in Lakhs Total
Sale of Goods & Services	17077.10	3.51	1961.75	-	-	19042.36
	(17624.62)	(72.41)	(54.51)	-	-	(17751.54)
Other Operating Income	4183.88	109.08	31.20	-	-	4324.16
	(3742.22)	(509.08)	(25.63)	-	-	(4276.93)
Rent Paid	-	133.53	-	31.82	-	165.35
	-	(116.62)	-	(95.46)	-	(212.08)
Purchase of Goods & Services	3726.99	26650.02	-	-	-	30377.01
	(5461.36)	(28057.69)	-	-	-	(33519.05)
Fees for Product Development/Marketing Support	-	-	1382.12	-	-	1382.12
	(674.16)	-	(1273.04)	-	-	(1947.20)
Other Expenses (Net)	-	282.76	-	846.98	-	1129.74
	-	(255.54)	-	(791.94)	-	(1047.48)
Reimbursement of Expenditure/(Income)	(93.16)	116.45	(123.45)	(0.52)	-	(100.68)
	(102.50)	128.89	84.92	31.28	-	142.59
Dividend/Interest received	11450.43	1201.76	-	140.40	-	12792.59
	(14471.14)	(955.29)	-	(140.40)	-	(15566.83)
Dividend Paid	-	-	-	3214.23	-	3214.23
	-	-	-	(3071.37)	-	(3071.37)
Intercorporate Loan/ Deposits Given	-	-	-	-	-	-
	(3733.20)	-	-	-	-	(3733.20)
Deposits Redeemed	-	-	-	100.00	-	100.00
	-	-	-	-	-	-
Investments Made	-	-	7500.00	-	-	7500.00
	-	(4313.34)	(8250.00)	-	-	(12563.34)
Guarantee Given	7252.70	-	-	-	-	7252.70
	(2894.00)	-	-	-	-	(2894.00)
Directors Remuneration *	-	-	-	-	513.74	513.74
	-	-	-	-	(677.47)	(677.47)
Outstanding at the year end :						
Debit	4371.18	2409.15	232.33	-	-	-
	(8010.54)	(3105.88)	(21.03)	(100.00)	-	-
Credit	196.43	214.19	-	768.77	-	-
	(430.77)	-	(164.54)	(700.08)	-	-

\* Provision for employee benefits, which are based on actuarial valuation done on an overall Company basis, is excluded. The above does not include share of recurring benefits payables to former Managing Directors.

In respect of certain Royalty agreements, moratorium period are prescribed and such transactions are not disclosed above to the extent there are no outflows/inflows.

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 49 b) Disclosures in respect of transactions in excess of 10% of the total related party transactions of the same type

		2015	2014	Rs. in Lakhs
1	Sale of Goods and Services	Tata Global Beverages Group Limited Tata Global Beverages Australia Pty Limited Tata Global Beverages Polska Sp.z.o.o Tata Tea Extractions Inc. NourishCo Beverages Limited	9480.27 - 1638.72 4565.26 1961.75	9180.24 400.37 1342.62 5616.49 -
2	Other Income	Tata Global Beverages Services Limited Kanan Devan Hills Plantation Company Private Limited	4183.88 109.08	3742.22 509.08
3	Purchase of Goods & Services	Amalgamated Plantations Private Limited Kanan Devan Hills Plantation Company Private Limited Tata Global Beverages Services Limited	18028.88 8621.14 1806.00	18548.45 9509.24 1812.92
4	Rent Paid	Tata Sons Ltd. Amalgamated Plantations Private Limited Kanan Devan Hills Plantation Company Private Limited	31.82 84.93 48.60	95.46 72.22 44.40
5	Fees for Product Development/ Marketing Support	NourishCo Beverages Limited Mount Everest Mineral Water Limited	1382.12 -	1273.04 674.16
6	Other Expenses (Net)	Tata Sons Ltd. Amalgamated Plantations Private Limited	846.98 282.76	791.94 255.54
7	Reimbursement of Expenditure/ (Income)	Consolidated Coffee Inc. Tata Global Beverages Services Ltd. Amalgamated Plantations Private Limited Kanan Devan Hills Plantation Company Private Limited NourishCo Beverages Limited Tata Starbucks Private Limited Tata Sons Ltd. Mount Everest Mineral Water Limited	50.89 (149.80) 113.58 2.87 (120.60) (2.85) (0.52) -	(99.16) (112.68) 162.79 (33.90) (64.49) 149.41 31.28 122.63
8	Dividend and Interest Received	Tata Global Beverages Group Limited Tata Global Beverages Capital Limited Tata Coffee Ltd. Consolidated Coffee Inc. Tata Tea Extractions US Inc.	3403.81 3294.08 1395.68 2054.12 1161.85	3974.49 4585.45 805.20 1585.89 3309.65
9	Dividend Paid	Tata Sons Ltd.	3214.23	3071.37
10	Deposits/ Inter Corporate Loan Given	Zhejiang Tata Tea Extraction Company Limited	-	3733.20
11	Deposits Redeemed	Tata Sons Ltd.	100.00	-
12	Investments Made	Amalgamated Plantations Private Limited NourishCo Beverages Limited Tata Starbucks Private Limited	- 1500.00 6000.00	3601.44 2750.00 5500.00
13	Guarantee Given	Zhejiang Tata Tea Extraction Company Limited.	7252.70	2894.00

## NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

### 49 c Disclosure under Clause 32 of the Listing Agreement

#### Amount of Loans and Advances in nature of loans outstanding as at 31<sup>st</sup> March 2015

	Outstanding 31 <sup>st</sup> March 2015	Rs. in Lakhs	Maximum during the year
<b>1 Subsidiary Company</b>			
Zhejiang Tata Tea Extraction Company Limited*	3354.20 (3279.74)	3733.20 (3279.74)	
<b>2 Associate Company</b>			
Kanan Devan Hills Plantation Company Private Limited	2400.00 (2400.00)	2400.00 (2400.00)	

\*Pending Conversion into Equity Share Capital

- 50** The Company has only one reportable primary segment namely tea. It has identified Geographical segment as the secondary segment. During the year and the previous year, the value of export sales made by the Company did not exceed the quantitative threshold provided for in the relevant Accounting Standards. Accordingly, no disclosures in the secondary format of geographical segments are required.

### 51 Interest in Joint Venture

- i) The Company's interest, as a venturer, in jointly controlled entities (incorporated Joint Venture) is :

Name	Country of Incorporation	% Ownership interests as at 31 <sup>st</sup> March 2015	% Ownership interests as at 31 <sup>st</sup> March 2014
NourishCo Beverages limited	India	50%	50%
Tata Starbucks Private Limited	India	50%	50%

- ii) The Company's interest in these Joint Ventures is reported as Non Current Trade Investments (Note - 13) and stated at cost. However, the Company's share of each of the assets, liabilities, income and expenses, etc. (each without elimination of the effect of transactions between the Company and the Joint Venture) relating to its interests in these Joint Ventures are :

Balance Sheet	2015	Rs. in Lakhs
<b>SOURCES OF FUNDS</b>		
(a) Share Capital	22750.00	15250.00
(b) Reserves and Surplus	(12561.45)	(8396.98)
<b>Shareholders' Funds</b>	<b>10188.55</b>	<b>6853.02</b>
<b>Non-current liabilities</b>		
(a) Other long-term liabilities	4.22	24.14
(b) Long-term provisions	103.22	32.85
<b>Sub-total - Non-current liabilities</b>	<b>107.44</b>	<b>56.99</b>

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

		Rs. in Lakhs
	2015	2014
<b>Balance Sheet</b>		
<b>Current Liabilities</b>		
(a) Short term Borrowings	-	771.75
(b) Trade Payables	1787.84	2235.99
(c) Other current liabilities	1133.50	1322.18
(d) Short-term provisions	28.21	83.40
<b>Sub-total - Current Liabilities</b>	<b>2949.55</b>	<b>4413.32</b>
<b>TOTAL SOURCES OF FUNDS</b>	<b>13245.54</b>	<b>11323.33</b>
<b>Assets</b>		
<b>Non-current Assets</b>		
(a) Fixed Assets	8099.86	6349.02
(b) Deferred tax Assets	-	-
(c) Long-term loans and advances	1264.21	1168.02
(d) Other non-current assets	27.51	15.60
<b>Sub-total - Non-current Assets</b>	<b>9391.58</b>	<b>7532.64</b>
<b>Current Assets</b>		
(a) Current investments	337.35	-
(b) Inventories	1530.25	1868.82
(c) Trade Receivables	129.59	135.40
(d) Cash & Bank balance	1191.66	1510.12
(e) Short-term loans and advances	658.29	260.85
(f) Other current assets	6.82	15.50
<b>Sub-total - Current Assets</b>	<b>3853.96</b>	<b>3790.69</b>
<b>TOTAL APPLICATION OF FUNDS</b>	<b>13245.54</b>	<b>11323.33</b>
<b>Statement of Profit and Loss</b>		
<b>Income</b>		
Revenue from Operations	13763.25	8624.17
Other Income	149.41	114.05
<b>Total Revenue</b>	<b>13912.66</b>	<b>8738.22</b>
<b>Expenses</b>		
Cost of Materials Consumed	5273.27	3812.00
Purchases of Stock in Trade	2011.49	2193.31
Change in Inventories of Finished Goods	(33.37)	(36.27)
Employee Benefits Expense	2296.80	1714.72
Finance Costs	17.75	9.69
Depreciation and Amortization expense	916.62	519.33
Other Expenses	7594.16	5654.39
<b>Total Expenses</b>	<b>18076.72</b>	<b>13867.17</b>
<b>Profit before exceptional items</b>	<b>(4164.06)</b>	<b>(5128.95)</b>
Exceptional items (net)	-	566.50
<b>Profit before tax</b>	<b>(4164.06)</b>	<b>(4562.45)</b>
Provision for tax	0.42	-
<b>Profit after tax</b>	<b>(4164.48)</b>	<b>(4562.45)</b>

## NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

### 52 Post Retirement Employee Benefits :

The Company operates defined benefit schemes like provident fund and defined contribution superannuation schemes. For these schemes, contributions are made by the Company, based on current salaries, to recognised 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 the employees. An amount of **Rs. 934.62 Lakhs** (Rs. 794.29 Lakhs) has been charged to the Statement of Profit & Loss on account of defined contribution schemes.

The Company also operates defined benefit schemes like retirement gratuity, defined superannuation benefits and post retirement medical benefits. The superannuation benefits and medical benefits are restricted to certain categories of employees and qualifying employee/directors in the form of pension, medical and other benefits in terms of a specific policy related to the same ("Others"). The defined benefit schemes offer specified benefits to the employees on retirement. Annual actuarial valuations are carried out by an independent actuary in compliance with Accounting Standard 15 (revised 2005) on Employee Benefits. Wherever recognised funds have been set up, annual contributions are also made by the Company. Employees are not required to make any contribution.

#### **Amounts recognised in the Statement of Profit and Loss and charged to Contribution to Provident Fund and Other Funds and Workmen and Staff Welfare Expenses**

	Rs. in Lakhs							
	Pension		Gratuity		Medical		Others	
	2015	2014	2015	2014	2015	2014	2015	2014
Current Service Cost			165.49	127.10	131.04	133.27	115.62	268.97
Interest on obligation	110.02	116.11	284.59	215.22	282.11	274.00	342.84	229.69
Expected Return on plan assets	(86.17)	(98.08)	(205.84)	(158.68)				
Net actuarial loss / (gain) recognised during the year	15.62	(26.74)	521.99	250.06	(443.88)	(507.75)	315.01	1052.57
Effects of the limit in Para 59(b)	(8.61)	11.03	(1.39)					
<b>Total recognised in Statement of Profit and Loss</b>	<b>30.86</b>	<b>2.32</b>	<b>764.84</b>	<b>433.70</b>	<b>(30.73)</b>	<b>(100.48)</b>	<b>773.47</b>	<b>1551.23</b>

#### **Reconciliation of opening and closing balances of the present value of the obligations:**

	Rs. in Lakhs							
	Pension		Gratuity		Medical		Others	
	2015	2014	2015	2014	2015	2014	2015	2014
Opening defined benefit obligation	1052.70	1104.59	3083.62	2635.92	3110.74	3279.16	3907.98	2656.02
On amalgamation (Refer Note 35a )			63.25					
Current Service Cost			165.49	127.10	131.04	133.27	115.62	268.97
Interest Cost	110.02	116.11	284.59	215.22	282.11	274.00	342.84	229.70
Actuarial loss/ (gain)	(0.72)	(93.00)	516.48	280.77	(443.88)	(507.75)	315.01	1052.57
Liabilities assumed on Acquisition / (settled on Divestiture) etc.			(70.29)	37.87				
Benefit Paid	(100.62)	(75.00)	(174.01)	(213.26)	(92.08)	(67.94)	(298.62)	(299.28)
<b>Closing Defined Benefit Obligation</b>	<b>1061.38</b>	<b>1052.70</b>	<b>3869.13</b>	<b>3083.62</b>	<b>2987.93</b>	<b>3110.74</b>	<b>4382.83</b>	<b>3907.98</b>

# NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

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

	Rs. in Lakhs			
	Pension		Gratuity	
	2015	2014	2015	2014
Opening fair value of plan assets	838.70	837.34	2649.82	2119.57
On amalgamation (Refer Note 35a )			80.96	
Expected Return on plan assets	86.17	98.09	205.84	158.68
Actuarial gain/ (loss)	(16.34)	(66.26)	(5.52)	30.71
Contribution/ ( Withdrawal) by employer			463.83	516.35
Assets acquired on Acquisition / (settled on Divestiture)			(70.29)	37.87
Benefits Paid	(58.89)	(30.47)	(174.01)	(213.36)
<b>Closing Fair value of Plan Assets</b>	<b>849.64</b>	<b>838.70</b>	<b>3150.63</b>	<b>2649.82</b>
Actual Return on Plan Assets	69.83	31.82	200.32	189.39

## Major Categories of Plan Assets as a percentage of fair value of the total plan assets:

	2015	2014
Govt of India Securities	5.0%	7.3%
PSU bonds	3.3%	3.3%
Insurance managed Funds	91.5%	88.6%
Others	0.2%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Effect of increase / decrease of one percentage point in the assumed medical inflation rates:

	Increase		Decrease	
	2015	2014	2015	2014
Effect on aggregate of interest cost and current service cost	52.71	75.02	(56.10)	(68.53)
Effect on defined benefit obligation	446.94	464.01	(401.00)	(435.21)

## Principal Actuarial assumptions used:

	2015	2014
Discount rates	8.00%	8.85%
Expected rate of return on plan assets	7.50%	7.50%
Medical inflation rate	8%	8%
Mortality rates	LIC 1994-96 mortality tables	LIC 1994-96 mortality tables

The estimates of future salary increases considered in the actuarial valuation takes into account factors like inflation, future salary increases, supply and demand in the employment market etc. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the funds during the estimated term of the obligations.

## NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

Amounts recognised in the Balance Sheet are as follows:

	Rs. in Lakhs									
	Pension					Gratuity				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Present value of funded obligation	647.01	610.76	641.83	841.71	896.27	3869.13	3083.52	2635.92	2109.22	2053.42
Fair Value of Plan Assets	849.64	838.70	837.35	1001.36	1023.49	3150.63	2649.82	2119.56	2052.36	1811.61
	(202.63)	(227.94)	(195.52)	(159.65)	(127.22)	718.50	433.70	516.36	56.86	241.81
Present Value of Unfunded Obligation	414.37	441.93	462.76	483.60	526.62					
Amount not recognised as an asset (limit in Para 59 (b) of AS -15	68.87	77.48	66.45	70.85	58.83	0.31				
<b>Net Liability</b>	<b>280.61</b>	291.47	333.69	394.80	458.23	<b>718.81</b>	433.70	516.36	56.86	241.81

	Rs. in Lakhs							
	Medical					Others		
	2015	2014	2013	2012	2011	2015	2014	2013
Present value of funded obligation	-	-	-	-	-	-	-	-
Fair Value of Plan Assets	-	-	-	-	-	-	-	-
		-	-	-	-			
Present Value of Unfunded Obligation	2987.93	3110.74	3279.16	2794.69	2491.08	4382.83	3907.98	2656.02
Amount not recognised as an asset (limit in Para 59 (b) of AS -15								
<b>Net Liability</b>	<b>2987.93</b>	3110.74	3279.16	2794.69	2491.08	<b>4382.83</b>	3907.98	2656.02

	Rs. in Lakhs				
	2015	2014	2013	2012	2011
Experience adjustment on Plan Liability	(458.72)	750.90	(6.47)	313.69	373.76
Experience adjustment on Plan Assets	41.6	2.72	102.92	12.79	46.13

The contribution expected to be made by the Company for the year ending 31<sup>st</sup> March 2016 is not readily ascertainable.

The Guidance on Implementing AS15, Employee Benefits(revised 2005) issued by Accounting Standards Board(ASB) states that benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. The Actuarial Society of India has issued the final guidance for measurement of provident fund liabilities during the quarter ended 31<sup>st</sup> December 2011.

# NOTES FORMING PART OF THE

## Financial Statements for the year ended 31<sup>st</sup> March 2015

The actuary has accordingly provided a valuation and based on the assumptions provided below, there is no shortfall as at 31<sup>st</sup> March 2015.

Particulars	Rs. in Lakhs	
	2015	2014
Plan Assets as at period end	9500.00	8215.22
Present Value of Funded Obligations at period end	9500.00	8215.22
Amount Recognised in the Balance Sheet	-	-

**Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:**

Particulars	Provident Fund	
	2015	2014
Guaranteed Rate of Return	8.75%	8.75%
Discount Rate for remaining term to Maturity of Investment	7.95%	8.90%
Expected Rate of Return on Investment	8.94%	8.68%

### 53 Disclosure requirement for Derivatives Instruments

The Company uses foreign currency hedges to manage its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable transactions. The Company does not use derivative contracts for trading or for speculative purposes.

a) The outstanding forward exchange contracts for sale of foreign currency as at 31<sup>st</sup> March 2015 are:

No of Contracts	US\$ in Lakhs	AU\$ in Lakhs	RMB in Lakhs	Rupee Equivalent in Lakhs
135	101.00	92.00	-	11571.18
(87)	(78.00)	(68.00)	(186.00)	(11156.45)

b) The foreign currency exposures of monetary items that have not been hedged are:

	US\$ equivalent in Lakhs	Rs. in Lakhs
Amounts receivable in foreign currency	51.66	3228.33
	(130.79)	(7835.55)
Amounts payable in foreign currency	4.35	272.17
	(4.51)	(270.01)

## NOTES FORMING PART OF THE

Financial Statements for the year ended 31<sup>st</sup> March 2015

### 54 Miscellaneous Expenses and Exceptional items includes:

	2015	2014	Rs. in Lakhs
a) Contribution to Progressive Electoral Trust	-	131.50	
b) Auditors Remuneration and expenses			
Statutory Audit	36.00	36.00	
Tax Audit	11.00	11.00	
Other Services	64.65	83.95	
Reimbursement of Expenses(including Service tax)	21.29	22.17	

55 Unless otherwise stated, figures in brackets relate to previous year and have been rearranged / regrouped wherever necessary.

For **Lovelock & Lewes**

Firm Registration No. 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner  
Membership No. 057687  
Mumbai, 28<sup>th</sup> May 2015

**Cyrus P Mistry**

*Chairman*

**L Krishnakumar**

*Executive Director*

**John Jacob**

*Chief Financial Officer*

**Ajoy Misra**

*Managing Director*

**V Leeladhar**

**Harish Bhat**

*Directors*

**V Madan**

*Vice President and Company Secretary*

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF TATA GLOBAL BEVERAGES LIMITED

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Tata Global Beverages Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its jointly controlled entities and associate companies; (refer Note 2 (b) (i) to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at 31<sup>st</sup> March 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

### Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly controlled entities respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and

presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
5. 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 auditors' judgement, 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 9 of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, read with the proviso and the effect of the matter referred in paragraph 8 below, the aforesaid consolidated 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 of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31<sup>st</sup> March 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Emphasis of Matter**

8. As mentioned in Note 48(c) to the consolidated financial statements, the overseas subsidiaries of the group have defined benefit schemes relating to which the actuarial losses or gains are allowed to be recognised in the Reserves as per the local generally accepted accounting practices followed in those respective jurisdictions. For the purpose of consolidated financial statements the holding company has adopted the accounting policy in respect of actuarial gains or losses for its overseas defined benefit schemes to reflect the applicable accounting framework of the respective jurisdictions and consequently accounted it in the Reserves instead of in the Statement of Profit and Loss. Had the Company followed the practice of recognition of actuarial gains/losses on the aforesaid defined benefit plans in the Statement of Profit and Loss as per Accounting Standard (AS 15) on Employee Benefits, the charge to employee benefits expenses would have been higher by Rs. 5867.27 Lakhs, the deferred tax credit would have been higher by Rs. 1056.63 Lakhs, the consolidated profit before taxes and minority interest would have been lower by Rs. 5867.27 Lakhs and the consolidated profit after taxes and minority interest would have been lower by Rs. 4264.63 Lakhs.

### **Other Matter**

9. We did not audit the financial statements/financial information of 38 subsidiaries, 6 jointly controlled entities and an erstwhile subsidiary which has been amalgamated with Holding Company whose financial statements/ financial information reflect total assets of Rs. 773879 Lakhs and net assets of Rs. 573975 Lakhs as at 31<sup>st</sup> March 2015, total revenue of Rs. 539267 Lakhs, net profit of Rs. 10317 Lakhs and net decrease in cash flows amounting to Rs. 15950 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 1088 Lakhs for the year ended 31<sup>st</sup> March 2015 as considered in the consolidated financial statements, in respect of 5 associate companies whose

financial statements/ financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associate companies and our report in terms of sub-sections (3) and (11) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### **Report on Other Legal and Regulatory Requirements**

10. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary company, associate companies and jointly controlled companies incorporated in India (Refer Note 2 (b)(i) to the consolidated financial statements), we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, associate companies and jointly controlled entities incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated

Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, associate companies and jointly controlled entities incorporated in India including relevant records relating to the preparation of the consolidated financial statements.

- (d) In our opinion, read with the proviso and the effect of the matter referred in paragraph 8 above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31<sup>st</sup> March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of

the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact, if any, of pending litigations as at 31<sup>st</sup> March 2015 on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Notes 34 and 35 to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at 31<sup>st</sup> March 2015.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company, associate companies and jointly controlled companies incorporated in India during the year ended 31<sup>st</sup> March 2015.

For **Lovelock & Lewes**

Firm Registration Number: 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner

Membership Number 057687

Place: Mumbai

Date: 28<sup>th</sup> May 2015

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata Global Beverages Limited on the consolidated financial statements as of and for the year ended 31<sup>st</sup> March 2015

- i. (a) The Holding Company, its subsidiaries, jointly controlled entities and associates incorporated in India are maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the respective Managements of the Holding Company, its subsidiary, jointly controlled entities and associates incorporated in India according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the aforesaid Holding Company, its subsidiary, jointly controlled entities and associates and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the respective Managements of the aforesaid Holding Company, its subsidiary, jointly controlled entities and associates during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory excluding stocks of Holding Company with third parties has been physically verified by the respective Managements of the Holding Company, its subsidiary, jointly controlled entities and associates incorporated in India during the year. In respect of inventory of the aforesaid Holding Company lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the respective Managements of the Holding Company, its subsidiary, jointly controlled entities and associates incorporated in India are reasonable and adequate in relation to the size of the aforesaid Holding Company, its subsidiary, jointly controlled entities and associates and the nature of their respective businesses.
- (c) On the basis of our examination of the inventory records and the reports of the other auditors, in our opinion, the Holding Company, jointly controlled entities and associates incorporated in India are maintaining proper records of inventory. The discrepancies noticed on physical verification of

inventory of the aforesaid Holding Company, jointly controlled entities and associates as compared to the respective book records were not material.

In case of Amalgamated Plantations Private Limited, an associate of the Holding Company, audited by another firm of chartered accountants, who vide their report dated 23<sup>rd</sup> May 2015 have reported as follows: "On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory, which in certain cases are being updated. Discrepancies, noticed on physical verification of inventory by Management, as compared to book records were not material and have been appropriately dealt with in the books of accounts".

In case of Tata Coffee Limited, a subsidiary of the Holding Company, audited by another firm of chartered accountants, who vide their report dated 15<sup>th</sup> May 2015 have reported as follows: "In our opinion company has maintained proper records of inventory. In respect of timber, the company is in the process of developing an inventory and verification system".

- iii. The Holding Company, its subsidiaries, jointly controlled entities and associates incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the aforesaid Holding Company, its subsidiary, jointly controlled entities and associates.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company, its subsidiary, jointly controlled entity and associates incorporated in India and the nature of their respective businesses for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the aforesaid Holding Company and the reports of the other auditors on the subsidiary, jointly controlled entity and associates as furnished to us, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

In case of NourishCo Beverages Limited, a jointly controlled entity of Holding Company, audited by another firm of

chartered accountants, who vide their report dated 23<sup>rd</sup> May 2015 have reported as follows: "In our opinion and according to the information and explanations given to us, having regard to the explanation that, except for certain items of inventory, fixed assets and sale of goods and services which are of proprietary nature for which suitable alternative sources do not exist, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system".

- v. The Holding Company, its subsidiary, jointly controlled entities and associates incorporated in India have not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub- section (1) of Section 148 of the Act for any of the products of the Holding Company, its subsidiary, jointly controlled entities and associates incorporated in India.

In case of Kanan Devan Hills Plantations Company Private Limited, an associate of the Holding Company, audited by another firm of chartered accountants, who vide their report dated 14<sup>th</sup> May 2015 have reported as follows: "We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records

and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete".

- vii. (a) In our opinion, and according to the information and explanations given to us and the records of the Holding Company examined by us, and based on the reports of the other auditors of the Holding company's subsidiary, jointly controlled entities and associates incorporated in India, the Holding Company, its subsidiaries, jointly controlled entities and associates are regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Holding Company incorporated in India examined by us, and based on the reports of the other auditors of the Holding company's subsidiary, jointly controlled entities and associates incorporated in India there are no dues of wealth-tax and duty of customs which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of excise, value added tax, cess as at 31<sup>st</sup> March 2015 which have not been deposited on account of a dispute, are as follows

Name of the Company	Relationship	Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Tata Global Beverages Limited	Holding Company	Income Tax Act, 1961	Income tax	217.79	2004-05, 2007-08 and 2008-09	Commissioner of Income Tax (Appeals), Kochi
Tata Global Beverages Limited	Holding Company	Income Tax Act, 1961	Income tax	5.97	2008-09	Income Tax Appellate Tribunal, New Delhi
Tata Global Beverages Limited	Holding Company	Kerala General Sales Tax Act, 1963	Sales Tax	12.00	1998-99	Sales Tax Appellate Tribunal, Ernakulam

<b>Name of the Company</b>	<b>Relationship</b>	<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amount (Rs. in Lakhs)</b>	<b>Period to which the amount relates</b>	<b>Forum where the dispute is pending</b>
Tata Global Beverages Limited	Holding Company	Kerala General Sales Tax Act, 1963	Sales Tax	43.74	1996-97 to 2000-01 and 2002-03	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
Tata Global Beverages Limited	Holding Company	Kerala General Sales Tax Act, 1963	Sales Tax	2.76	1994-95 to 1996-97	The Assistant Commissioner (Assessment), Special Circle, Produce, Sales Tax Office, Mattancherry
Tata Global Beverages Limited	Holding Company	West Bengal Sales Tax Act, 1994	Sales Tax	1.76	1998-99 and 2000-01	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Tata Global Beverages Limited	Holding Company	West Bengal Value Added Tax Act, 2003	Value added tax	135.80	2007-08 and 2008-09	The West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Tata Global Beverages Limited	Holding Company	Central Sales Tax Act, 1956	Sales Tax	12.14	1998-99	Sales Tax Appellate Tribunal, Ernakulam
Tata Global Beverages Limited	Holding Company	Central Sales Tax Act, 1956	Sales Tax	14.99	1999-00, 2000-01 and 2002-03	Deputy Commissioner (Appeals), Commercial Taxes, Ernakulam
Tata Global Beverages Limited	Holding Company	Central Sales Tax Act, 1956	Sales Tax	267.60	2006-07 and 2010-11	Joint Commissioner of Sales Tax, Maharashtra
Tata Global Beverages Limited	Holding Company	Karnataka Sales Tax Act, 1957	Sales Tax	128.00	1997-98	The Supreme Court of India
Tata Global Beverages Limited	Holding Company	Karnataka Value Added Tax Act, 2003	Value added tax	9.00	2006-07	The Joint Commissioner (Appeals), Commercial Taxes, Karnataka
Tata Global Beverages Limited	Holding Company	Tamil Nadu General Sales Tax Act, 1959	Sales Tax	52.66	2001-02 to 2006-07	Deputy Commissioner of Commercial Taxes, Tamil Nadu
Tata Global Beverages Limited	Holding Company	Maharashtra Value Added Tax Act, 2002	Value Added Tax	17.24	2006-07 and 2008-09	Joint Commissioner of Sales Tax, Maharashtra
Tata Global Beverages Limited	Holding Company	Madhya Pradesh Entry Tax Act, 1976	Entry tax	478.83	2003-04, 2005-06 to 2010-11	The Supreme Court of India
Tata Global Beverages Limited	Holding Company	Goa Value Added Tax Act, 2005	Value Added Tax	1.01	2006-07	Commissioner of Commercial Taxes, Goa

<b>Name of the Company</b>	<b>Relationship</b>	<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amount (Rs. in Lakhs)</b>	<b>Period to which the amount relates</b>	<b>Forum where the dispute is pending</b>
Tata Global Beverages Limited	Holding Company	Tamil Nadu Panchayat Act,1994	Cess on Land Revenue	6.01	2000-2001 to 2002- 2003	The High Court of Madras
Tata Global Beverages Limited	Holding Company	Finance Act,1994	Service Tax	145.51	2005-06	Custom Excise & Service Tax Appellate Tribunal, Kolkata
Tata Coffee Limited	Subsidiary	Income Tax Act, 1961	Central Income Tax	8.34	2003-04	Karnataka High Court
Tata Coffee Limited	Subsidiary	Income Tax Act, 1961	Central Income Tax	1.91	2004-05	Karnataka High Court
Tata Coffee Limited	Subsidiary	Income Tax Act, 1961	Central Income Tax	66.96	2005-06	Income Tax Appellate Tribunal
Tata Coffee Limited	Subsidiary	Income Tax Act, 1961	Central Income Tax	366.51	2011-12	Dispute Resolution Panel (*)
Amalgamated Plantations Private Limited	Associate	Central Sales Tax Act, 1956	Central Sales Tax	0.27	1996-97	Deputy Commissioner (Appeals) of Commercial Taxes, Tinsukia.
Amalgamated Plantations Private Limited	Associate	Central Sales Tax Act, 1956	Central Sales Tax	3.58	1996-97	Assistant Commissioner of Taxes, Assam
Amalgamated Plantations Private Limited	Associate	Assam General Sales Tax Act,1993	Sales Tax	1.67	1996-97, 2001-02, 2002-03	Assistant Commissioner of Taxes, Assam
Amalgamated Plantations Private Limited	Associate	Assam Taxation (on Specified Land) Rules,1990	Cess on Green Leaf	7.19	2001	Deputy Commissioner of Taxes, Jorhat, Assam
Amalgamated Plantations Private Limited	Associate	Assam Taxation (on Specified Land) Rules,1990	Cess on Green Leaf	0.32	1997	Sales Tax Department, Tinsukia
Amalgamated Plantations Private Limited	Associate	Central Excise Act, 1944	Excise Duty	118.86	1992 to 2003	CESTAT (Central Excise Tribunal)
Amalgamated Plantations Private Limited	Associate	West Bengal Value Added Tax Act, 2003	Value Added Tax	26.66	2009-10 2011-12	Deputy Commissioner of Commercial Taxes, Bhawanipore, West Bengal

Name of the Company	Relationship	Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Amalgamated Plantations Private Limited	Associate	West Bengal Value Added Tax Act, 2003	Central Sales Tax	71.59	2009-10	Deputy Commissioner of Commercial Taxes, Bhawanipore, West Bengal
Amalgamated Plantations Private Limited	Associate	Income Tax Act, 1961	Income Tax	1.26	2011-12	Commissioner of Income Tax (Appeals), Circle-4, Kolkata
Kanan Devan Hills Plantations Company Private Limited	Associate	The Kerala Value Added Tax Act, 2003	Kerala Value Added Tax plus interest thereon.	415.56	2005-06 to 2010-11	Deputy Commissioner (Appeals), Commercial Taxes, Government of Kerala. Kottayam / The Kerala Value Added Tax Appellate Tribunal, Ernakulam
Kanan Devan Hills Plantations Company Private Limited	Associate	Income Tax Act, 1961	Central Income Tax.	784.47	2005-06 to 2011-12	Commissioner of Income Tax Appeals -II, Ernakulam

(\*) Appeal filed after 31<sup>st</sup> March 2015

- c) The amount required to be transferred to Investor Education and Protection Fund by the Holding Company, its subsidiary and associates incorporated in India have been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- In case of Tata Starbucks Private Limited and NourishCo Beverages Limited, Jointly controlled entities of the Holding Company and TRIL Constructions Limited, an associate of the Holding Company, audited by other firms of chartered accountants, who vide their reports dated 19<sup>th</sup> May 2015, 20<sup>th</sup> May 2015 and 19<sup>th</sup> May 2015 respectively have reported as follows: "There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder."
- viii. The Holding Company, its subsidiary and associates incorporated in India have no accumulated losses as at the end of the financial year and they have not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- In case of TRIL Constructions Limited, an associate of the Holding Company, audited by another firm of chartered accountants, who vide their report dated 19<sup>th</sup> May 2015 have reported as follows: "The accumulated losses of the Company as at the end of the financial year does not exceed fifty percent of its net worth. The Company has incurred cash losses in the current financial year and in the immediately preceding financial year".
- ix. According to the records of the Holding Company examined by us and the information and explanation given to us and based on the reports of the other auditors, the Holding Company, its subsidiary and associates incorporated in India have not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Holding Company for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Holding Company.
- xi. In our opinion, and according to the information and explanations given to us and based on the reports of the other auditors, the term loans obtained by the Holding Company and associates incorporated in India have been applied for the purposes for which they were obtained.

- xii. During the course of our examination of the books and records of the Holding Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and based on the reports of the other auditors, we/ the other auditors have neither come across any instance of material fraud on or by the Holding Company, its subsidiary, jointly controlled entities and associates incorporated in India noticed or reported during the year, nor have we/ the other auditors been informed of any such case by the respective Managements of the aforesaid Holding Company, its subsidiary, jointly controlled entities and associates.
- xiii. In case of Tata Coffee Limited, a subsidiary of the Holding Company, matters specified in clauses (x) and (xi), in case of NourishCo Beverages Limited and Tata Starbucks Private Limited, jointly controlled entities of the Holding Company, matters specified in clauses (viii), (ix), (x) and (xi), in case of TRIL Constructions Limited, an associate of the Holding

Company, matters specified in clauses (ii), (x) and (xi) and in case of Amalgamated Plantations Private Limited and Kanan Devan Hills Plantations Company Private Limited, associates of the Holding Company, matters specified in clause (x) of paragraph 3 of the CARO, 2015 is not applicable. Our reporting on the said clauses inssofar as it relates the aforesaid subsidiary, jointly controlled entities and associates, is based solely on the reports of the other auditors.

For **Lovelock & Lewes**

Firm Registration Number: 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner

Membership Number 057687

Place: Mumbai

Date: 28<sup>th</sup> May 2015

# CONSOLIDATED BALANCE SHEET

As at 31<sup>st</sup> March 2015

	Note	2015	2014	Rs. in Lakhs
<b>Equity and Liabilities</b>				
<b>Shareholders' Funds</b>				
Share Capital	4	6183.99	6183.99	
Reserves and Surplus	5	542967.61	578700.70	584884.69
<b>Share Suspense Account (Refer Note 2b(v))</b>		127.31	-	
<b>Minority Interest</b>		87621.47	92406.96	
<b>Non-Current Liabilities</b>				
Long Term Borrowings	6	88394.36	105374.72	
Deferred Tax Liabilities (Net)	7	15641.99	13315.89	
Other Long Term Liabilities	8	7957.48	8054.59	
Long Term Provisions	9	22498.52	134492.35	21851.38 148596.58
<b>Current Liabilities</b>				
Short Term Borrowings	10	38203.22	34758.50	
Trade Payables		75936.88	76888.11	
Other Current Liabilities	11	38731.65	36803.50	
Short Term Provisions	12	26918.40	179790.15	25499.04 173949.15
<b>Total</b>		951182.88	999837.38	
<b>Assets</b>				
<b>Non-Current Assets</b>				
Fixed Assets	13			
Tangible Assets		77980.59	75696.95	
Intangible Assets		24976.41	23579.54	
Goodwill on Consolidation		389212.18	418824.39	
Capital Work in Progress		4697.61	5938.58	
Intangible Assets under Development		19.47	18.14	
		496886.26	524057.60	
Non-current Investments	14	61775.59	60786.66	
Deferred Tax Assets (Net)	15	5424.93	8690.75	
Long Term Loans and Advances	16	18932.05	13579.00	
Other non-current Assets	17	7050.00	590068.83	7050.00 614164.01
<b>Current Assets</b>				
Current Investments	18	426.29	310.11	
Inventories	19	162530.12	151845.87	
Trade Receivables	20	61608.89	65434.80	
Cash and Bank Balances	21	54424.42	72523.72	
Short Term Loans and Advances	22	79158.51	92788.87	
Other Current Assets	23	2965.82	361114.05	2770.00 385673.37
<b>Total</b>		951182.88	999837.38	
<b>Summary of Significant Accounting Policies</b>	3			
The Notes are an integral part of the Consolidated Financial Statements				

This is the Consolidated Balance Sheet referred to in our Report of even date.

For **Lovelock & Lewes**

Firm Registration No. 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner  
Membership No. 057687  
Mumbai, 28<sup>th</sup> May 2015

**Cyrus P Mistry**

Chairman

**L Krishnakumar**

Executive Director

**John Jacob**

Chief Financial Officer

**Ajoy Misra**

Managing Director

**V Leeladhar**

Harish Bhat

Directors

**V Madan**

Vice President and Company Secretary

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended 31<sup>st</sup> March 2015

	Note	2015	2014
<b>Income</b>			Rs. in Lakhs
Revenue from Operations-Net	24	799338.82	773761.06
Other Income	25	6997.99	8180.18
<b>Total Revenue</b>		<b>806336.81</b>	<b>781941.24</b>
<b>Expenses</b>			
Cost of Materials Consumed	26	362512.33	352808.57
Purchase of Stock in Trade	27	26346.64	26356.50
Change in Inventories of Finished Goods/Work-in-progress/ Stock in Trade	28	(5125.08)	(11419.34)
Employee Benefits Expense	29	85767.42	79253.08
Finance Costs	30	8185.72	8653.15
Depreciation and Amortisation Expense		13577.34	13169.11
Less : Amount drawn from Revaluation Reserve		(266.71)	(263.25)
Other Expenses	31	252352.60	251573.56
<b>Total Expenses</b>		<b>743350.26</b>	<b>720131.38</b>
<b>Profit before Exceptional Items and Taxes</b>		<b>62986.55</b>	<b>61809.86</b>
<b>Exceptional Items</b>	32	<b>(12998.72)</b>	<b>8876.21</b>
<b>Profit before Tax</b>		<b>49987.83</b>	<b>70686.07</b>
<b>Tax expenses</b>			
Current tax (Refer Note 38)		16836.06	16258.30
Deferred tax		4716.25	21552.31
<b>Profit after Taxation before Share of results of Associates and Minority Interest</b>		<b>28435.52</b>	<b>52237.13</b>
Share of net profit/(loss) in Associates		(1087.96)	(1287.10)
Minority Interest		(2565.71)	(2898.53)
<b>Profit for the year</b>		<b>24781.85</b>	<b>48051.50</b>
<b>Earnings Per Share</b>	42		
Equity share of nominal value of Re. 1 each			
Basic and Diluted		<b>3.93</b>	<b>7.77</b>
The Notes are an integral part of the Consolidated Financial Statements			

This is the Consolidated Statement of Profit and Loss referred to in our Report of even date.

For **Lovelock & Lewes**

Firm Registration No. 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner  
Membership No. 057687  
Mumbai, 28<sup>th</sup> May 2015

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*Directors*

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*Vice President and Company Secretary*

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31<sup>st</sup> March 2015

	2015	2014	Rs. in Lakhs
<b>A. Cash Flow from Operating Activities</b>			
Net Profit before Tax	<b>49987.83</b>	<b>70686.07</b>	
Adjusted for :			
Depreciation and amortisation (net of withdrawals from Revaluation Reserve)	13310.63	12905.86	
Dividend Income	(1569.68)	(1630.75)	
Profit on Sale of Long Term Trade Investments	-	(3171.13)	
Profit on sale of current investments (net)	(74.73)	(16.06)	
Unrealised foreign exchange (gain) / loss	48.00	312.45	
Finance Cost	8185.72	8653.15	
Interest Income	(5201.59)	(6412.60)	
Provision for doubtful debts and advances	33.99	36.50	
Liabilities no longer required written back	(5043.02)	(1552.42)	
Debts and advances written off	41.95	53.71	
Provision for doubtful debts and advances no longer required written back	(3.77)	(80.48)	
(Profit) / loss on sale / discard of fixed assets (net)	101.57	(19473.18)	
Other Exceptional Expense / (Income) (net)	12032.73	<b>21861.80</b>	6505.51
Operating Profit before working capital changes	<b>71849.63</b>	<b>66816.63</b>	
Adjustments for:			
Trade and other receivables	(1927.65)	14260.98	
Inventories	(13588.11)	(8723.15)	
Trade payables	2311.94	<b>(13203.82)</b>	(4699.22)
Cash generated from operations	<b>58645.81</b>	<b>67655.24</b>	
Direct taxes paid	<b>(16864.76)</b>	<b>(25477.87)</b>	
<b>Net Cash from Operating Activities</b>	<b>41781.05</b>	<b>42177.37</b>	
<b>B. Cash Flow from Investing Activities</b>			
Purchase of fixed assets	(17922.81)	(20374.45)	
Sale of fixed assets	37.28	5805.81	
Purchase of Long Term Investments	(7254.98)	-	
Investment in Subsidiary	(9318.81)	-	
Sale of Investments in Associates	-	3914.11	
Investments in Associates	-	(8173.34)	
(Purchase) / Sale of Current Investments (net)	(262.99)	(98.33)	
Dividend Income (including dividend from associates)	2416.77	2156.35	
Interest received	3697.39	4478.32	
Redemption of Bank Deposits (net)	-	3000.00	
Inter Corporate Loans and Deposits (net)	11123.92	(2749.80)	
<b>Net cash used in Investing Activities</b>	<b>(17484.23)</b>	<b>(12041.33)</b>	

	2015	2014	Rs. in Lakhs
<b>C. Cash Flow from Financing Activities</b>			
Redemption of Debentures (including premium)	-	(38845.53)	
Proceeds from issuance of Debentures	-	32500.00	
Proceeds from long term borrowings	-	1852.38	
Repayment of long term borrowings	(18086.09)	(5200.58)	
Working capital facilities (net)	4978.22	749.08	
Dividend paid	(16145.98)	(16230.33)	
Dividend tax paid	(1782.96)	(2524.71)	
Interest paid	(8201.07)	(8625.04)	
<b>Net Cash used in Financing Activities</b>	<b>(39237.88)</b>	<b>(36324.73)</b>	
Net increase / (decrease) in Cash and Cash Equivalents	<b>(14941.06)</b>	<b>(6188.69)</b>	
<b>D. Cash and Cash Equivalents</b>			
Balances at the beginning of the year	71815.28	66083.31	
Exchange Gain/ (Loss) on translation of foreign currency cash/ cash equivalents	(3220.48)	11920.66	
<b>Balances at the end of the year</b>	<b>53653.74</b>	<b>71815.28</b>	
<b>Cash and Cash Equivalents comprises of:</b>			
Cash and Cash Equivalents	8512.67	14078.36	
Short-Term Bank Deposits	45141.07	57736.92	
<b>Balances at the end of the year</b>	<b>53653.74</b>	<b>71815.28</b>	

**Notes:**

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard on Cash Flow Statements (AS-3) specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
- Previous year's figures have been rearranged/regrouped wherever necessary.

This is the Consolidated Cash Flow Statement referred to in our Report of even date.

For **Lovelock & Lewes**

Firm Registration No. 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner  
Membership No. 057687  
Mumbai, 28<sup>th</sup> May 2015

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**V Leeladhar**

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*Directors*

**V Madan**

*Vice President and Company Secretary*

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 1. General Information

Tata Global Beverages Limited ("the Holding Company") and its subsidiaries, joint ventures and associates (together, "the Group") is a global beverages company engaged in the trading, production and distribution of Tea, Coffee and Water. The group has branded beverage business operations mainly in India, Europe, US, Canada and Australia, plantation business in India /Sri Lanka and extraction business mainly in India, US and China.

## 2. (a) Basis of Consolidation

The consolidated financial statements comprises of the financial statements of the Group. The consolidated financial statements are prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements", Accounting Standard 23 on "Accounting for Associates in Consolidated Financial Statements" and Accounting Standard 27 on "Financial Reporting of Interests in Joint Ventures" as required under Companies Act, 2013.

The consolidated financial statements are prepared on the following basis:

### (i) Investment in Subsidiaries

The financial statements of the Holding Company and its subsidiary companies have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances, intra-group transactions and unrealised profits or losses thereon have been fully eliminated.

b) i) The subsidiaries, joint ventures and associates considered in the consolidated financial statements are:

Name of the Companies	Country of Incorporation	Voting power held	Effective voting power held by the Holding Company (%)	Voting power held by the Holding Company (%)	Effective voting power held by the Holding Company (%)
<b>A) SUBSIDIARIES</b>					
Tata Global Beverages Group Ltd. [58.59% through subsidiaries]	U K	88.65	88.65	88.65	88.65
<b>Subsidiaries of Tata Global Beverages Group Ltd.</b>					
Tata Global Beverages Holdings Ltd.	U K	100.00	88.65	100.00	88.65
Tata Global Beverages Services Ltd.	U K	100.00	88.65	100.00	88.65
Tata Global Beverages GB Ltd.	U K	100.00	88.65	100.00	88.65
Tata Global Beverages Overseas Holdings Ltd.	U K	100.00	88.65	100.00	88.65
Tata Global Beverages Overseas Ltd.	U K	100.00	88.65	100.00	88.65

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

Name of the Companies	Country of Incorporation	Voting power held	Effective voting power held by the Holding Company	Voting power held	Effective voting power held by the Holding Company
		(%)	(%)	(%)	(%)
				2015	2014
Lyons Tetley Ltd.	U K	100.00	88.65	100.00	88.65
Drassington Ltd.	U K	100.00	88.65	100.00	88.65
Teapigs Ltd.	U K	100.00	88.65	100.00	88.65
Teapigs US LLC	USA	100.00	88.65	100.00	88.65
Stansand Ltd.	U K	100.00	88.65	100.00	88.65
Stansand (Brokers) Ltd.	U K	100.00	88.65	100.00	88.65
Stansand (Africa) Ltd.	Kenya	100.00	88.65	100.00	88.65
Stansand (Central Africa) Ltd.	Malawi	100.00	88.65	100.00	88.65
Joekels Tea Packers (Proprietary) Ltd.	South Africa	51.00	45.21	51.00	45.21
Tata Global Beverages Polska sp.zo.o	Poland	100.00	88.65	100.00	88.65
Tata Global Beverages Czech Republic a.s.	Czech Republic	100.00	88.65	100.00	88.65
Tata Global Beverages US Holdings Inc.	USA	100.00	88.65	100.00	88.65
Tetley USA Inc.	USA	100.00	88.65	100.00	88.65
Good Earth Corporation.	USA	100.00	88.65	100.00	88.65
Good Earth Teas Inc.	USA	100.00	88.65	100.00	88.65
Tata Global Beverages Canada Inc.	Canada	100.00	88.65	100.00	88.65
Tata Global Beverages Australia Pty Ltd.	Australia	100.00	88.65	100.00	88.65
Earth Rules Pty Ltd. (w.e.f 1 <sup>st</sup> May 2014)	Australia	100.00	88.65	-	-
Tata Global Beverages Investments Ltd.	U K	100.00	88.65	100.00	88.65
Campestres Holdings Ltd.	Cyprus	100.00	88.65	100.00	88.65
Kahutara Holdings Ltd.	Cyprus	65.00	57.62	65.00	57.62
Suntyco Holding Ltd.	Cyprus	100.00	57.62	100.00	57.62
Onomento Co Ltd.	Cyprus	100.00	57.62	100.00	57.62
OOO Tea Trade LLC	Russia	100.00	57.62	100.00	57.62
OOO Sunty LLC	Russia	100.00	57.62	100.00	57.62
<b>Joint ventures of Tata Global Beverages Group Ltd.</b>					
Empirical Group LLC	USA	56.00	49.64	56.00	49.64
Southern Tea LLC	USA	50.00	44.33	50.00	44.33
Tetley ACI (Bangladesh) Ltd.	Bangladesh	50.00	44.33	50.00	44.33
Tetley Clover (Pvt.) Ltd.	Pakistan	50.00	44.33	50.00	44.33
<b>Associates of Tata Global Beverages Group Ltd.</b>					
Bjets Pte. Ltd. (Refer Note (vii) below)	Singapore	-	-	49.31	43.71
RBC HoldCo. LLC (Refer Note (ii) below)	USA	32.80	29.08	32.80	29.08
<b>Tata Global Beverages Capital Ltd</b>					
<b>Tata Coffee Ltd.</b>					
<b>Subsidiaries of Tata Coffee Ltd.</b>					
Alliance Coffee Ltd. (Refer Note (vi) below)	India	-	-	100.00	57.48
Consolidated Coffee Inc.	USA	100.00	78.70	100.00	78.70

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

Name of the Companies	Country of Incorporation	Voting power held (%)	Effective voting power held by the Holding Company (%)	Voting power held (%)	Effective voting power held by the Holding Company (%)
		2015		2014	
<b><i>Subsidiary of Consolidated Coffee Inc.</i></b>					
Eight O'Clock Holdings Inc.	USA	100.00	78.70	100.00	78.70
Eight O'Clock Coffee Inc.	USA	100.00	78.70	100.00	78.70
<b><i>Associates of Consolidated Coffee Inc.</i></b>					
RBC HoldCo LLC (Refer Note (ii) below)	USA	27.09	21.32	27.09	21.32
<b>Tata Tea Extractions Inc.</b>	USA	100.00	100.00	100.00	100.00
<b>Zhejiang Tata Tea Extraction Company Ltd.</b>	China	70.00	70.00	70.00	70.00
<b>Tata Tea Holdings Private Ltd.</b>	India	100.00	100.00	100.00	100.00
<b>Mount Everest Mineral Water Ltd.</b>	India	-	-	50.07	50.07
(Refer note (v) below)					
<b>B) ASSOCIATES</b>					
Amalgamated Plantations Pvt. Ltd.	India	41.03	41.03	41.03	41.03
Estate Management Services Pvt. Ltd.	Sri Lanka	31.85	31.85	31.85	31.85
Kanan Devan Hills Plantations Co. Pvt. Ltd.	India	28.52	28.52	28.52	28.52
TRIL Constructions Ltd.	India	32.50	32.50	32.50	32.50
<b>C) JOINT VENTURES</b>					
NourishCo Beverages Ltd.	India	50.00	50.00	50.00	50.00
Tata Starbucks Private Ltd.	India	50.00	50.00	50.00	50.00
(Converted to private limited company w.e.f 16 <sup>th</sup> March 2015)					

- ii) The entity formed post sale of the entire stake in a US based functional beverage company has not been consolidated as the control is intended to be temporary as the company is expected to be wound up.
- iii) European Bank of Reconstruction and Development (EBRD) has entered into a put option agreement with Campestres Holdings Ltd. (CHL) and Tata Global Beverages Investments Ltd. (TGBIL), overseas subsidiaries of the Holding Company, in relation to their investment in Kahutara Holdings Ltd. In terms of the said agreement, EBRD has the right to exercise a put option whereby CHL and TGBIL are obliged to purchase the shares held by EBRD at fair market value after 6 years from the subscription date. Conversely, CHL has the right to exercise a call option on all the shares held by EBRD at the end of the stipulated 8 years at fair market value. The

stipulated time period of 8 years may be bought forward if certain events as per the agreement are triggered.

- iv) The Holding Company has entered into a put option agreement with International Finance Corporation (IFC) in relation to their investment in Amalgamated Plantations Private Limited (APPL). In terms of the said agreement, IFC has the right to exercise a put option whereby the Holding Company is obliged to purchase a maximum of 300 Lakh shares in APPL, if certain conditions or events stipulated in the said agreement do not occur.
- v) Pursuant to the Scheme of Amalgamation and Arrangement (the "Scheme") sanctioned by the Honorable High Court of Calcutta vide its order dated 16<sup>th</sup> February 2015 received on 20<sup>th</sup> April 2015 and the Honorable High Court of Himachal Pradesh

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

vide its order dated 23<sup>rd</sup> March 2015 received on 27<sup>th</sup> April 2015, Mount Everest Mineral Water Limited ("MEMW") a subsidiary of the Holding Company engaged in sourcing and selling of natural mineral water, amalgamated with the Holding Company with effect from 1<sup>st</sup> April 2013 (the "appointed date"). The Scheme came into effect on 18<sup>th</sup> May 2015, the day on which both the orders were filed with the respective Registrars of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties and obligations of MEMW have been transferred to and vested in the Holding Company with effect from 1<sup>st</sup> April 2013. The amalgamation has been accounted for in accordance with the scheme and upon the Scheme becoming effective all equity shares issued by the Amalgamating Company and held by the Holding Company has been cancelled and consequently goodwill carried in the books amounting to Rs. 20351 Lakhs and Group's share of debit balance in the Statement of Profit and Loss of MEMW amounting to Rs. 2064 Lakhs has been adjusted against the Securities Premium Account. The shares to be issued in exchange to the minority shareholders amounting to Rs. 127.31 Lakhs has been reported as 'Share Suspense Account' pending allotment of shares and the difference between shares to be thus issued and shares to be cancelled amounting to Rs. 1570.19 Lakhs has been credited to Capital Reserve Account. The said Scheme does not have material impact on the Statement of Profit and Loss of the Group.

- vi) During the year, Tata Coffee Limited (TCL), Indian subsidiary of the Holding Company, has merged with itself Alliance Coffee Limited (ACL), its wholly owned subsidiary vide the order dated 20<sup>th</sup> November 2014 of The High Court of Karnataka approving the scheme of merger with effect from 1<sup>st</sup> April 2013 (the "appointed date"). The said Scheme does not have material impact on these financial statements.
- vii) As at 31<sup>st</sup> March 2015, a disposal has been recognised based on an agreement and accordingly a loss of Rs. 1795.73 Lakhs has been booked in these financial statements (net of reversal of Foreign Currency Translation Reserve of Rs. 1083.87 Lakhs).
- viii) During the year, an overseas subsidiary of the Holding Company acquired a 100% stake in the equity capital of Earth Rules Pty Ltd., Australia, engaged in coffee business under the 'MAP' brand, with presence in Roast & Ground coffee and coffee in Pods (single serve portions) segment in Australia.

## 3. Significant Accounting Policies

### a) Accounting Convention

The financial statements have been prepared in accordance with the historical cost convention on an accrual basis and comply with the applicable Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

These financial statements have been prepared as required under relevant provision of the Companies Act, 2013 and the presentation is based on the Schedule III of the Companies Act, 2013. All assets and liabilities are classified into current and non current generally based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

### b) Fixed Assets and Depreciation

#### i) Tangible

Tangible Assets are carried at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Cost of extension planting of cultivable land including cost of development is capitalised. Assets acquired on hire purchase, for which ownership will vest at a future date, are capitalised at cash cost. Subsidies receivable from government in respect of fixed assets are deducted from the cost of respective assets as and when they accrue.

Depreciation is provided on asset, including asset created on lands under lease, on a straight-line basis over the estimated useful life of fixed assets as stipulated by Schedule II of the Companies Act, 2013 or as appropriate based on technical evaluation of the asset. Renewal of land leases is assumed, consistent with past practice. Estimated useful lives of assets are as follows:

Leasehold buildings	- Over the life of lease
Leasehold Improvements	- Over the life of lease
Buildings	- 30 to 60 years
Plant and Machinery	- 3 to 25 years
Furniture and Fixtures	- 7 to 16 years
Office Equipments	- 2 to 16 years
Motor Vehicles	- 4 to 10 years

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

In an Indian subsidiary certain assets amounting to **Rs. 14320.28 Lakhs** (Rs. 13215.65 Lakhs) (Gross Block) in respect of which depreciation is provided under written down value method (accumulated depreciation **Rs. 5362.88 Lakhs** (Rs. 5128.01 Lakhs)).

## **ii) Intangible**

Intangibles assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment loss, if any. Expenditure on software and related implementation cost, product development cost on new products, non-compete fee and other intangibles items qualifying for recognition as intangibles assets and which provide enduring benefits are recognised as such.

Intangible assets are amortised over their estimated useful life on a straight line basis. Estimated useful lives are as follows:

Patent /Knowhow	– 10 years
Trademark	– 25 years
Computer Software	– 5 to 10 years
Non-Compete Fees	– 10 years

## **c) Impairment**

At each balance sheet date, the management assess whether there is any indication that the assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected from the continuing use of the asset and from its disposal at the end of its useful life. For certain cash generating units, variable growth has been considered even beyond five years, given the potential of the business. Reversal of impairment loss is recognised as income in the Statement of Profit and Loss.

## **d) Leases**

Lease of assets where the Group, as a lessee, has substantially assumed all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is

recognised for an equivalent amount. Each lease rental is allocated between the liability and the interest cost so as to achieve a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rental under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the period of lease.

## **e) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of such assets. Borrowing costs include amortisation of issue / ancillary costs relating to the borrowings which are being appropriately amortised over the expected term of the borrowing.

## **f) Investments**

Investments of a long-term nature are stated at cost, less adjustment for any diminution, other than temporary, in the value thereof. Current investments are stated at lower of cost or fair value.

## **g) Inventories**

Inventories, other than stores and spares are stated at cost or net realisable value whichever is lower. Stores and spares are carried at cost, provision is made for obsolete, slow-moving and defective stocks, where necessary.

Cost is determined on weighted-average/FIFO method for all categories of inventories other than for auction bought teas in which case cost is considered as actual cost for each lot. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, includes, appropriate overheads based on the normal level of activity.

## **h) Foreign Currency Transactions / Translation**

### **(i) Foreign Currency Transactions**

Transactions in foreign currency are recorded at a rate that approximates the prevalent exchange rate on the transaction date. Exchange differences resulting from settled transactions are adjusted in the Statement of Profit and Loss. Year-end balances of monetary items are restated at the year-end exchange

# NOTES TO CONSOLIDATED

## Financial Statements for the year ended 31<sup>st</sup> March 2015

rates and the resultant net gain or loss is recognised in the Statement of Profit and Loss.

Premium or discount on forward contracts where there are underlying assets/liabilities are amortised over the life of the contract. Such foreign exchange forward contracts are revalued at the balance sheet date and the exchange differences between the spot rate at the date of the contract and the spot rate on the balance sheet date is recognised as gain/loss in the Statement of Profit and Loss.

### (ii) Foreign Currency Translation

In relation to non-integral overseas subsidiaries/joint ventures all assets and liabilities are translated at the year end exchange rates, where as income and expenditure are translated at an exchange rate that approximates the prevalent exchange rate on the transaction date. All resulting exchange differences are cumulated in Foreign Currency Translation Reserve until the disposal of net investment. On disposal of the net investment, the amount accumulated in Foreign Currency Translation Reserve is recognised in the Statement of Profit and Loss.

In respect of integral foreign operations, the financial statements are translated as if the transactions of the foreign operations are those of the Holding Company.

### i) Revenue Recognition

Sales are recognised when significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract. Provisions for sales returns and other off invoice allowances relating to that year's sale are offset from sales. Income and fees from services are accounted as per terms of relevant agreements /arrangements. Export incentives are accounted on an accrual basis.

### j) Other Income

Interest income and income from investments are accounted on an accrual basis.

Dividend income are recognised when the right to receive dividend is established.

### k) Replanting/Rejuvenation

Cost of replanting/rejuvenating tea/coffee bushes/fuel trees is charged to revenue.

Related Tea / Coffee Board subsidies are accrued as other income on obtaining approval from Tea / Coffee Board.

### I) Compensation of Land

Compensation, if any, in respect of land surrendered or incidental rights thereto/vested in Governments under various State Land Legislations in India is accounted for as and when received.

### m) Employee Benefits

i) Post retirement employee benefits: Contribution to post retirement defined benefit and contribution schemes like Provident Fund (PF), Superannuation Schemes and other such schemes are accounted for on accrual basis by the Group. With regard to PF contribution made by the holding company to a Self Administered Trust, holding company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contribution and shortfall, if any, as an expense in the year incurred.

Post retirement defined benefits including gratuity, pension and medical benefits for qualifying executives/wholetime directors as provided by the Group are determined through independent actuarial valuation at year end and charge recognised in the Statement of Profit and Loss. For schemes, where recognised funds have been set up, annual contributions determined as payable in the actuarial valuation report are contributed. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

The Group recognises in the Statement of Profit and Loss, gains or losses on curtailment or settlement of a defined benefit plan as and when the curtailment or settlement occurs.

ii) Other Employee Benefits: Other employee benefits are accounted for on accrual basis. Liabilities for compensated absences are determined based on independent actuarial valuation at year end and charge is recognised in the Statement of Profit and Loss. Short Term Employee Benefits are recognised on an undiscounted basis whereas Long Term Employee Benefits are recognised on a discounted basis.

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

- iii) Employee Termination Benefits: Payments to employees on termination along with additional liabilities towards retirement benefits arising pursuant to the termination are charged to the Statement of Profit and Loss in the year in which it is incurred.
- iv) With regard to overseas subsidiaries and associates, liabilities for retirement benefits are determined as per the regulations and principles followed in the respective countries. Defined benefit obligation of overseas subsidiaries accounted for in the reserves in its financial statements, in compliance with the local generally accepted accounting principles, are recognised in Group's Reserve and Surplus (Refer Note 48(c)).

**n) Research and Development**

Research and Development expenditure of revenue nature is charged to revenue and capital expenditure is treated as fixed assets.

**o) Taxes on Income**

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Group operates.

Deferred tax is recognised on all timing differences to the extent that it is probable that a liability or asset will crystallize in accordance with local practices of various jurisdictions where the Group operates. As at the balance sheet date, unless there is evidence to the contrary, based on management's expectation of future profits for set off with reasonable or virtual certainty, as applicable, deferred tax assets pertaining to business loss are recognised. Deferred tax assets and liabilities are offset when legal right exist. The resultant net balances are reported, as appropriate.

**p) Financial Instruments**

Foreign currency forward contracts, interest rate swaps and options relating to commodities and foreign currencies are used to hedge associated risk relating to certain firm commitments and forecasted transactions. The Group designates these hedging instruments as cash flow hedges.

Hedging instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Gain or loss on account of change in the fair value of hedging instrument in respect of effective portion of the cash flow hedges are recognised in the Hedging Reserve account. On occurrence of the underlying transactions the accumulated balance is transferred from hedging reserve and recognised in the Statement of Profit and Loss. The portion of the gain or loss on the hedging instruments if determined to be an ineffective cash flow hedge is recognised in the Statement of Profit and Loss. Fair value hedges are marked to market on the balance sheet date and gain or loss recognised in the Statement of Profit and Loss.

**q) Cash and Cash Equivalent**

Cash and Cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short term investments with an original maturity of three months or less.

**r) Provision**

Provisions are recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date and are not discounted to its present value. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**s) Contingent Liabilities**

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

	Rs. in Lakhs	
	2015	2014
<b>4. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
750000000 Equity Shares of Re. 1 each*	<b>7500.00</b>	7500.00
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
618398570 Equity Shares of Re. 1 each, fully paid-up	<b>6183.99</b>	6183.99
	<b>6183.99</b>	<b>6183.99</b>
<b>a) The details of Shareholders holding more than 5% shares as at 31<sup>st</sup> March 2015 is set out as below :</b>		
<b>Name of Share holder</b>	<b>No. of shares % of holding</b>	<b>No. of shares % of holding</b>
Tata Sons Limited	<b>142854570</b>	142854570
	<b>23.10%</b>	23.10%
Tata Chemicals Limited	<b>43175140</b>	43175140
	<b>6.98%</b>	6.98%
Life Insurance Corporation Limited	<b>31213954</b>	34676286
	<b>5.05%</b>	5.61%
<b>b) The reconciliation of the number of shares as at 31<sup>st</sup> March 2015 is set out below :</b>		
Particulars		
Number of shares as at the beginning of the year	<b>618398570</b>	618398570
Add: Shares issued during the year	-	-
Number of shares as at the end of the year	<b>618398570</b>	618398570

\* Consequent to and as a part of the amalgamation, the Authorised Share Capital of the Holding Company will increase to Rs. 11000 Lakhs (1100000000 Equity Shares of Re. 1/- each) with effect from 18<sup>th</sup> May 2015 (the "effective date"). The necessary formalities in this regard are under process (Refer Note 2b(v)).

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

	2015	2014	Rs. in Lakhs
<b>5. RESERVES AND SURPLUS</b>			
<b>Capital Reserves</b>			
Opening Balance	8.67	8.67	
Add: Addition on amalgamation (Refer Note 2b(v))	1570.19	-	
<b>Closing Balance</b>	<b>1578.86</b>	<b>8.67</b>	
<b>Capital Redemption Reserve</b>			
	10.41	10.41	
<b>Securities Premium Account</b>			
Opening Balance	55293.15	60112.96	
Less: Deduction on amalgamation (Refer Note 2b(v))	(21914.07)	-	
Less: Deduction during the year	-	(4819.81)	
<b>Closing Balance</b>	<b>33379.08</b>	<b>55293.15</b>	
<b>Debenture Redemption Reserve</b>			
Opening Balance	8125.00	8125.00	
Add: Amount transferred in from Surplus	-	8125.00	
Less: Amount transferred to Surplus	-	(8125.00)	
<b>Closing Balance</b>	<b>8125.00</b>	<b>8125.00</b>	
<b>Revaluation Reserve</b>			
Opening Balance	4207.21	4379.89	
Add: Other Adjustments	182.37	90.57	
Less: Amount transferred to Statement of Profit and Loss	(266.71)	(263.25)	
<b>Closing Balance</b>	<b>4122.87</b>	<b>4207.21</b>	
<b>Contingency Reserve</b>			
	100.00	100.00	
<b>Amalgamation Reserves</b>			
	832.53	832.53	
<b>Foreign Currency Translation Reserve</b>			
Opening Balance	92635.46	15176.46	
Add: Movements during the year (net)	(23664.06)	83079.60	
Less: Amount transferred to Statement of Profit and Loss	(1083.87)	(5620.60)	
<b>Closing Balance</b>	<b>67887.53</b>	<b>92635.46</b>	
<b>Hedging Reserve</b>			
Opening Balance	(978.86)	1232.43	
Add/(Less): Movement during the year (net)	3267.81	(2211.29)	
<b>Closing Balance</b>	<b>2288.95</b>	<b>(978.86)</b>	
<b>Actuarial Gain/(Loss) Reserve</b>			
Opening Balance	(9254.80)	(9766.94)	
Add/(Less): Movement during the year (net)	(4264.63)	512.14	
<b>Closing Balance</b>	<b>(13519.43)</b>	<b>(9254.80)</b>	
<b>General Reserves</b>			
Opening Balance	100157.30	95587.02	
Add: Transferred from Surplus	4949.08	4570.28	
<b>Closing Balance</b>	<b>105106.38</b>	<b>100157.30</b>	
<b>Surplus in the Statement of Profit and Loss</b>			
Opening Balance	327564.63	299029.46	
Add: Profit for the year	24781.85	48051.50	

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

	2015	2014	Rs. in Lakhs
Add: Transfer from Debenture Redemption Reserve	-	8125.00	
Add: Adjustment on Amalgamation (Refer Note 2b(v))	2063.93	-	
<b>Amount available for appropriation</b>	<b>354410.41</b>	<b>355205.96</b>	
<b>Less : Appropriation</b>			
Proposed Dividend	(14200.42)	(13913.97)	
Provision for Dividend Distribution Tax	(2124.21)	(1032.08)	
Transfer to Debenture Redemption Reserve	-	(8125.00)	
Transfer to General Reserve	(4949.08)	(4570.28)	
Adjustment on evaluation of useful life of Fixed Assets	(81.27)	-	
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>333055.43</b>	<b>327564.63</b>	
<b>Total Reserve and Surplus</b>	<b>542967.61</b>	<b>578700.70</b>	

## 6. Long Term Borrowings

### Secured (unless otherwise stated)

#### Debentures

3250, 3% Non-convertible, privately placed, Debentures of Rs. 10 Lakhs each. (Refer Note a)	32500.00	32500.00
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#### Loan From Banks

Term Loan (Refer Note b)	3465.65	1702.27
Less : Maturing within the next 12 months	(1118.02)	(680.91)
	<b>2347.63</b>	<b>1021.36</b>
External Commercial Borrowing (Refer Note c)	3515.91	4868.50
Less : Maturing within the next 12 months	(1562.63)	(1498.00)
	<b>1953.28</b>	<b>3370.50</b>
Senior Debt (Refer Note d)	54718.21	68183.31
Less : Maturing within the next 12 months	(3124.76)	(1497.74)
	<b>51593.45</b>	<b>66685.57</b>

#### From Others

Unsecured Loan Notes	-	1797.29
Less : Maturing within the next 12 months	-	-
	<b>-</b>	<b>1797.29</b>

<b>Total Long Term Borrowings</b>	<b>88394.36</b>	<b>105374.72</b>
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<b>Total Long Term Borrowings (Gross)</b>	<b>94199.77</b>	109051.37
Less: Total Maturing within the next 12 months	(5805.41)	(3676.65)
	<b>88394.36</b>	<b>105374.72</b>

- a. Redeemable at premium of Rs. 223205 per debenture on 22<sup>nd</sup> October 2016, at the end of 3 years from the date of allotment 22<sup>nd</sup> October 2013. Secured by way of a first mortgage on certain immovable assets and partly by pledge of shares of certain companies held as investments by the Holding Company.
- b. Debt amounting to **Rs. 1067.71 Lakhs** (Rs. 1702.27 Lakhs) is repayable in quarterly installments, last installment due in September 2016, secured by way of mortgage of certain immovable and movable properties of an overseas subsidiary and guarantee given by the Holding Company. Debts amounting to **Rs. 2397.94 Lakhs** (Nil) is repayable in equal installments and is mortgage on certain immovable property of an overseas subsidiary.

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

- c. Repayable in sixteen equal quarterly installments commencing from 3<sup>rd</sup> September 2013. The borrowing is secured by deposit of title deeds of a immovable property and a charge over the machinery of the expansion project of an Indian subsidiary.
- d. Debt amounting to **Rs. 54718.21 Lakhs** (Rs. 58412.03 Lakhs) is repayable within 28<sup>th</sup> March 2018 and is secured over assets of certain overseas subsidiaries. Debt amounting to **Nil** (Rs. 9771.28 Lakhs) was repayable within 6 years from date of its origination and was secured by way of pledge of shares and guarantee given by the Holding Company, the said loan has been repaid during the year.

	Rs. in Lakhs	
	2015	2014
<b>7. Deferred Tax Liabilities (net)</b>		
<b>Deferred Tax Liability</b>		
Depreciation	17821.54	15507.30
Others	129.37	-
	<b>17950.91</b>	<b>15507.30</b>
<b>Deferred Tax Asset</b>		
Provision for Doubtful Debts/Advances	122.41	114.84
Employee Benefits	472.64	436.24
Others	1713.87	1640.33
	<b>2308.92</b>	<b>2191.41</b>
<b>Net Deferred Tax Liabilities</b>	<b>15641.99</b>	<b>13315.89</b>
<b>8. Other Long Term Liabilities</b>		
Premium payable on redemption of Debentures	7254.16	7254.16
Deposits	301.64	236.49
Others	401.68	563.94
	<b>7957.48</b>	<b>8054.59</b>
<b>9. Long Term Provisions</b>		
Employee Benefits	22498.52	21851.38
	<b>22498.52</b>	<b>21851.38</b>
<b>10. Short Term Borrowings</b>		
<b>From Banks</b>		
<b>Secured</b>		
Working Capital Facilities *	28979.23	24911.58
<b>Unsecured</b>		
Working Capital Facilities	9223.99	9846.92
	<b>38203.22</b>	<b>34758.50</b>

\*Secured by way of hypothecation of inventories, book debts of the Holding Company. For an Indian subsidiary, working capital facility is secured by hypothecation of coffee crop, stocks and receivables, whilst a part of the working capital facilities is also secured by deposit of title deeds of a coffee estate. For overseas subsidiaries working capital facilities are secured by specific security over their certain assets.

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

	Rs. in Lakhs	
	2015	2014
<b>11. Other Current Liabilities</b>		
Current Maturities of Long Term Borrowings (Refer Note 6)	5805.41	3676.65
Security Deposits from Customers	3573.84	4354.03
Unpaid Dividends*	770.68	708.44
Interest Accrued but not due	553.11	566.50
Other Payables	28028.61	27497.88
	<b>38731.65</b>	<b>36803.50</b>
* There are no amounts due to and outstanding to be credited to the Investor Education and Protection Fund		
<b>12. Short Term Provisions</b>		
Employee Benefits	5218.79	2013.27
Taxation less advance payment	1996.67	4653.90
Proposed Dividend	14200.42	13913.97
Tax on Dividend	2123.92	1435.67
Other Provisions (Refer Note 37)	3378.60	3482.23
	<b>26918.40</b>	<b>25499.04</b>

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 13. FIXED ASSETS

	Cost					Depreciation/Amortisation					Net Book Value		Rs. in Lakhs
	As at 01.04.2014	Additions	Deductions/ Adjustment	Translation Exchange difference	As at 31.03.2015	As at 01.04.2014	Depreciation/ Amortisation for the year	Deductions/ Adjustment	Translation Exchange difference	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	
<b>TANGIBLE</b>													
Land (including Development)	6010.92	3.33	-	(5.32)	6008.93 *	80.79	12.68	0.01	3.96	97.44	5911.49	5930.13	
Tea / Coffee Estate Land / Fuel						-	-	-	-	-	755.60	755.60	
Area (including Development)	755.60	-	-	-	755.60	8103.10	966.34	334.00 &	(121.78)	9281.66	15834.48	15677.56	
Buildings	23780.66	1641.89	(10.23)	(296.18)	25116.14	2.44	-	-	-	2.44	13.99	13.99	
Bridges	16.43	-	-	-	16.43	89615.23	6298.70	2401.27 &	(4426.03)	93889.17	42701.94	41727.53	
Plant and Machinery	131342.76	12111.07	(1613.83)	(5248.89)	136591.11	15264.76	2737.87	100.56	(1066.72)	17036.47	11292.79	10198.31	
Furniture and Fixtures	25463.07	4676.72	(354.41)	(1456.12)	28329.26	465.32	80.55	74.96	5.55	626.38	285.68	246.87	
Office Equipment	712.19	205.61	(12.87)	7.13	912.06	1474.07	296.21	(149.46)	(100.78)	1520.04	1184.62	1146.96	
Motor Vehicles	2621.03	598.05	(360.59)	(153.83)	2704.66	115005.71	10392.35	2761.34	(5705.80)	122453.60	77980.59	75696.95	
<b>Total Tangibles</b>	<b>190702.66</b>	<b>19236.67</b>	<b>(2351.93)</b>	<b>(7153.21)</b>	<b>200434.19</b>	95034.49	10804.03	(3073.50)	12240.69	115005.71	75696.95		
Previous Year	155578.17	23864.71	(4126.05)	15385.83	190702.66	8707.53	1288.51	-	227.12	10223.16 @	20991.05	21816.11	
<b>INTANGIBLE</b>													
Intangibles ^	30523.64	-	-	690.57	31214.21	2327.25	1112.48	-	(269.29)	3170.44	3920.36	1668.43	
Capitalised Software	3995.68	2979.86	(1.39)	116.65	7090.80	205.00	30.00	-	-	235.00	65.00	95.00	
Non Compete Fee	300.00	-	-	-	300.00	11239.78	2430.99	-	(42.17)	13628.60	24976.41	23579.54	
<b>Total Intangibles</b>	<b>34819.32</b>	<b>2979.86</b>	<b>(1.39)</b>	<b>807.22</b>	<b>38605.01</b>	8055.50	1618.81	898.58	666.89	11239.78	23579.54		
Previous Year	31133.72	709.64	(41.31)	3017.27	34819.32	5482.38	754.00 \$	7054.42 &	194.60	13485.40	389212.18	418824.39	
<b>Goodwill on Consolidation</b>	<b>424306.77</b>	<b>7737.73</b>	<b>(20351.00) #</b>	<b>(8995.92)</b>	<b>402697.58</b>	4282.75	746.27	-	453.36	5482.38	418824.39		
Previous Year	364094.69	-	(452.77)	60664.85	424306.77	131272.87	13577.34	9815.76	(5553.37)	149567.60	492169.18	518100.88	
<b>Total</b>	<b>649828.75</b>	<b>29954.26</b>	<b>(22704.32)</b>	<b>(15341.91)</b>	<b>641736.78</b>	107372.74	13169.11	(2174.92)	13360.94	131272.87	518100.88		
Previous Year	550806.58	24574.35	(4620.13)	79067.95	649828.75								

Notes:

- (\*) Includes leasehold land of **Rs. 202.40 Lakhs** (Rs. 202.40 Lakhs) belonging to two Indian subsidiaries and also includes a portion of land leased to an Associate.
- Cost of Buildings include **Rs. 589.84 Lakhs** (Rs. 589.84 Lakhs) represented by shares in Co-operative Housing Societies / a Company.
- (\\$) Represents amortisation of certain intangible assets included as goodwill under Indian GAAP by an overseas subsidiary.
- (@) Unexpired period of amortization for certain intangibles is 324 months, 196 months and 83 months.
- (^) Includes Trademark, Brands and Patents/Knowhow.
- Though the brands have indefinite useful life in the jurisdiction in which they are capitalised, an estimated life of 35 years has been considered for the purpose of these Consolidated Financials Statements.
- (&) Adjustment in Goodwill, Plant & Machinery and Building includes impairment charge of **Rs. 7054.42 Lakhs**, **Rs. 2164 Lakhs** and **Rs. 320 Lakhs** respectively (Refer Note 40).
- (#) Adjustment of **Rs. 20315 Lakhs** represents adjustment of goodwill on amalgamation of Mount Everest Mineral Water Ltd. with the Holding Company (Refer Note 2b(v)).
- Exchange differences arising due to restatement of fixed assets in overseas subsidiaries, as at year end, have been transferred to Foreign Currency Translation Reserve. Goodwill arising in the books of overseas subsidiaries has been translated at the year end exchange rates from the relevant currencies of the cash generating units in line with the Group Accounting Policy. Arising out of translation, the goodwill on consolidation has increased by **Rs. 7584.42 Lakhs**.
- During the year, the group has, with effect from 1<sup>st</sup> April 2014, reassessed the estimated useful life of fixed assets as stipulated by Schedule II of the Companies Act, 2013 or as appropriate based on technical evaluation. The consequential impact (after considering the transition provision specified in Part C of Schedule II to the Companies Act, 2013) on the depreciation charged and on the results for the year is not material.

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 14. Non - Current Investments

				Rs. in Lakhs	
		Face Value of each	Nos.	2015	2014
<b>TRADE INVESTMENT (fully paid and valued at cost)</b>					
<b>(a) Quoted Equity Investments</b>					
Tata Chemicals Ltd. (Refer Note (a))	Rs.	10	11345522	<b>5457.01</b>	5457.01
The Indian Hotels Co. Ltd.	Re.	1	1687742	271.99	271.99
Tata Motors Ltd.	Rs.	2	116665	46.84	46.84
Tata Motors Ltd. - 'A' Ordinary Shares	Rs.	2	16665	10.17	10.17
Tata Investment Corporation Ltd.	Rs.	10	160000	236.19	236.19
Tata Steel Ltd.	Rs.	10	12021	17.02	17.02
Titan Industries Ltd.	Re.	1	9248060	295.24	295.24
Joonkolle Tea & Industries Ltd.	Rs.	10	12602	6.63	6.63
				<b>6341.09</b>	<b>6341.09</b>
<b>(b) Unquoted Equity Investments</b>					
<b>Investment in Associates</b>					
Amalgamated Plantations Pvt. Ltd.	Rs.	10	61024400	6102.44	6102.44
Estate Management Services Pvt. Ltd.	LKR	10	12078406	1456.90	1456.90
Kanan Devan Hills Plantations Company Pvt. Ltd.	Rs.	10	3976563	1233.19	1233.19
BJETS Pte Ltd. (Refer Note 2b(vii))	US\$	1	-	-	8836.51
				(21584823)	
TRIL Constructions Limited	Rs.	10	11748148	1174.81	1174.81
				<b>9967.34</b>	<b>18803.85</b>
<b>Others</b>					
Tata Sons Ltd.	Rs.	1000	1755	975.00	975.00
Tata Capital Ltd.	Rs.	10	613598	95.02	95.02
Tata Services Ltd.	Rs.	1000	475	4.77	4.77
Tata Industries Ltd.	Rs.	100	6519441	11582.32	11582.32
Taj Air Ltd.	Rs.	10	22200000	2849.56	3037.49
Chembra Peak Estates Ltd.	Rs.	10	3481	0.41	0.41
Wartyhully Estates Ltd.	Rs.	10	24748	0.93	0.93
				<b>15508.01</b>	<b>15695.94</b>
<b>(c) Unquoted Preference Shares</b>					
<b>Investment in Associates</b>					
Amalgamated Plantations Pvt. Ltd.	Rs.	10	67000000	6700.00	6700.00
0.01% Non Cum Redeemable Preference Shares (Redeemable with special redemption premium within 7 - 9 years from issue date )					
TRIL Constructions Limited	Rs.	10	66751852	6675.19	6675.19
0.001% Non Cumulative Non redeemable, mandatorily and fully convertible Preference Shares (Convertible within 6 years from issue date )					
				<b>13375.19</b>	<b>13375.19</b>

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

				Rs. in Lakhs	
		Face Value of each	Nos.	2015	2014
<b>(d) Quoted Debentures</b>					
The Indian Hotels Co Ltd.	Rs.	55	379741	208.86	-
Compulsory Convertible Debenture*					
* Subscription in Compulsorily Convertible Debentures (CCD) on a right basis of face value Rs. 55 each. These CCD's are convertible into equity shares of face value of Re. 1 each at a premium of Rs. 54 each in the ratio of 40 fully paid up Equity Shares for every 9 CCD held.				208.86	-
<b>OTHERS INVESTMENT (fully paid and valued at cost)</b>					
<b>(a) Quoted Equity Investments</b>					
SBI Home Finance Ltd. (Refer Note (c))	Rs.	10	100000	-	-
Industrial Development Bank of India	Rs.	10	16160	13.13	13.13
				13.13	13.13
<b>(b) Unquoted Equity Investments</b>					
The Annamallais Ropeways Company Ltd. - Ordinary Shares (Refer Note (c))	Rs.	100	2092	-	-
ABC Tea Workers Welfare Services - Ordinary Shares	Rs.	10	20000	2.00	2.00
Assam Hospitals Ltd.	Rs.	10	200000	20.00	20.00
The Valparai Co-operative Wholesale Stores Ltd. - Ordinary Shares (Refer Note (c))	Rs.	10	350	-	-
Suryakiran Apartment Services Private Ltd.	Rs.	10	2146	0.21	0.21
Jalpaiguri Club Ltd.- Ordinary Shares (Cost Re. 1)	Rs.	10	60	-	-
GNRC Ltd.	Rs.	10	50000	5.00	5.00
IFCI Venture Capital Funds Ltd.	Rs.	10	250000	25.00	25.00
Ritspin Synthetics Ltd. (Refer Note (c))	Rs.	10	200000	-	-
Coorg Orange Growers Co-operative Society Ltd.	Rs.	100	4	-	-
Tata Coffee Co-operative Stores Limited	Rs.	5	20	-	-
Coorg Cardamom Co-operative Marketing Society Ltd.	Rs.	100	1	-	-
Southern Scribe Instruments Pvt. Ltd.	Rs.	100	7280	7.28	7.28
TEASERVE (The Tamil Nadu Tea Manufacturers' Service Industrial Co-op Society Ltd.)	Rs.	5000	1	0.05	0.05
Woodlands Hospital & Medical Res. Centre Ltd. - Equity Shares	Rs.	10	12280	0.44	0.44
				59.98	59.98
<b>(c) Unquoted Preference Shares</b>					
Thakurbari Club Ltd. (Cost Re. 1)	Rs.	100	26	-	-
				-	-
<b>(d) Unquoted Government Securities:</b>					
W.B. Estates Acquisition Compensation Bond				0.08	0.08
				0.08	0.08

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

			2015	2014	Rs. in Lakhs
<b>(e) Unquoted Debentures</b>		<b>Face Value of each</b>			
The Bengal Chamber of Commerce & Industry - 6 1/2% Debentures	Rs. 1000	7	0.07	0.07	
Shillong Club Ltd. - 5% Debentures - (Cost Rs. 2)	Rs. 100	31	-	-	
			<b>0.07</b>	<b>0.07</b>	
<b>INVESTMENT PROPERTIES</b>					
Commercial Property			7044.91		
			<b>7044.91</b>	-	
		<b>Total</b>	<b>52518.66</b>	<b>54289.33</b>	
Net appreciation in investments in associates under equity method (Refer Note (d))			9256.93	6497.33	
			<b>61775.59</b>	<b>60786.66</b>	
<b>Total of Investments</b>					
Quoted			6354.22	6354.22	
Unquoted			48376.46	54432.44	
Investment Properties			7044.91	-	
<b>Aggregate Amount</b>			<b>61775.59</b>	<b>60786.66</b>	
<b>Market value of quoted investments</b>			<b>90396.54</b>	<b>59339.61</b>	

**Notes :**

- (a) 3723648 shares of Tata Chemicals Ltd. is pledged against outstanding 3% Non Convertible privately placed Debentures.
- (b) Cost of investments in Bjets Pte Ltd. includes Goodwill amounting to **Nil** (Rs. 6839.01 Lakhs); cost of investment in Amalgamated Plantations Pvt. Ltd. and Kanan Devan Hills Plantations Co. Pvt. Ltd. includes capital reserve of Rs. 1559.78 Lakhs and Rs. 1180.26 Lakhs respectively.
- (c) Fully provided (Original Cost Rs. 32.14 Lakhs)
- (d) Includes the following adjustments on account of Associate Companies:

	2015	2014	Rs. in Lakhs
Pre-acquisition share of profit / (loss)	(152.25)	(152.25)	
Post acquisition profit	13360.62	9953.07	
Current year profit / (loss)	(1087.96)	(1287.10)	
Dividend received	(2863.48)	(2016.39)	
	<b>9256.93</b>	<b>6497.33</b>	

## NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

		Rs. in Lakhs
	2015	2014
<b>15. Deferred Tax Assets (net)</b>		
<b>Deferred Tax Asset</b>		
Provision for Doubtful Debts/Advances	250.69	246.21
Employee Benefits	3528.01	3490.04
Premium on redemption of Debentures	1281.26	2103.15
Others	1831.87	4445.43
Carry forward agricultural income-tax loss*	-	38.58
	<b>6891.83</b>	<b>10323.41</b>
<b>Deferred Tax Liability</b>		
Depreciation	1466.90	1632.66
	<b>1466.90</b>	<b>1632.66</b>
<b>Net Deferred Tax Assets</b>	<b>5424.93</b>	<b>8690.75</b>
*To the extent of offsetting deferred tax liabilities		
<b>16. Long Term Loans and Advances</b>		
(unsecured and considered good unless otherwise stated)		
<b>Inter Corporate Loans - Secured</b>	<b>10211.02</b>	<b>7492.55</b>
<b>Capital Advances</b>	<b>212.60</b>	<b>453.43</b>
<b>Security Deposit</b>		
Considered Good	5296.79	3729.57
Considered Doubtful	28.04	32.73
	5324.83	3762.30
Less: Provision for Doubtful Deposits	(28.04)	(32.73)
	<b>5296.79</b>	<b>3729.57</b>
<b>Other Advances</b>		
Considered Good	1225.69	1530.50
Considered Doubtful	12.34	12.34
	1238.03	1542.84
Less: Provision for Doubtful Advances	(12.34)	(12.34)
	<b>1225.69</b>	<b>1530.50</b>
<b>Advance Tax</b>	<b>1985.95</b>	<b>372.95</b>
	<b>18932.05</b>	<b>13579.00</b>

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

		Rs. in Lakhs
	2015	2014
<b>17. Other Non current Assets</b>		
Property rights pending development	<b>7050.00</b>	7050.00
	<b>7050.00</b>	<b>7050.00</b>
<b>18. Current Investments</b>		
(At lower of cost and fair value)		
	<b>Face Value of each</b>	Nos
<b>Unquoted Mutual Fund</b>		
ICICI Prudential Liquid - Units of Regular Plan - Growth	Rs. 100	72313.5
Kotak Floater Short Term - Units of Regular Plan - Growth	Rs. 1000	8657.5
Sundaram Money Fund - Units of Regular Plan - Growth	Rs. 10	21554.5
Tata Mutual fund - Units of TLFG - Tata Floater Fund Growth	Rs. 10	-
	(11851.112)	142.43
HSBC Ultra Short Term Fund - Weekly Dividend	Rs. 10	887448
	(793909)	88.93
<b>Total Current Investments</b>	<b>426.29</b>	<b>310.11</b>
<b>Net fair value of investment in Mutual Fund</b>	<b>443.36</b>	<b>311.73</b>
<b>19. Inventories</b>		
(At lower of cost and net realisable value)		
Stores, Spare Parts and Packing Materials	8901.10	8088.59
Raw Material*	86664.41	81917.75
Finished Goods**	65672.93	60605.32
Stock in Trade	436.53	357.56
Work in Progress	855.15	876.65
	<b>162530.12</b>	<b>151845.87</b>
*includes intransit of <b>Rs. 1941.05 Lakhs</b> (Rs. 2580.89 Lakhs)		
**includes intransit of <b>Rs. 560.80 Lakhs</b> (Rs. 855.80 Lakhs)		

## NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

		Rs. in Lakhs
	<b>2015</b>	<b>2014</b>
<b>20. Trade Receivables</b>		
Receivables outstanding for a period exceeding six months from due date		
Considered Good	168.91	40.70
Doubtful	811.10	808.35
	980.01	849.05
Less : Provision for Doubtful Debts	(811.10)	(808.35)
	<b>168.91</b>	<b>40.70</b>
<b>Other Receivables</b>		
Considered Good*	61439.98	65394.10
Doubtful	61.87	239.10
	61501.85	65633.20
Less : Provision for Doubtful Debts	(61.87)	(239.10)
	<b>61439.98</b>	<b>65394.10</b>
	<b>61608.89</b>	<b>65434.80</b>
*Other Receivable includes secured receivable of <b>Rs. 2004.17 Lakhs</b> (Rs. 1405.83 Lakhs)		
<b>21. Cash and Bank Balances</b>		
<b>Cash and Cash Equivalents</b>		
Cash/Cheques in hand	65.57	76.70
Others - Investment in Mutual Fund	1082.67	-
Balances with Bank		
Current Account	7364.43	14001.66
Deposit Account ^	45141.07	57736.92
	<b>53653.74</b>	<b>71815.28</b>
<b>Other Bank Balances</b>		
Unclaimed Dividend Account	770.68	708.44
	<b>770.68</b>	<b>708.44</b>
	<b>54424.42</b>	72523.72
^ The cash held in bank deposits includes <b>Rs. 61.78 Lakhs</b> (Rs. 189.31 Lakhs) of restricted cash which may only be used to service the external debt.		

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

		Rs. in Lakhs
	<b>2015</b>	<b>2014</b>
<b>22. Short Term Loans and Advances</b>		
(unsecured and considered good unless otherwise stated)		
<b>Inter Corporate Loans</b>	57974.47	67428.51
(including secured loan amounting to <b>Rs. 46500.77 Lakhs</b> (Rs. 42051.12 Lakhs))		
<b>Deposits</b>		
Considered Good	500.04	1286.60
Considered Doubtful	38.00	38.00
	538.04	1324.60
Less : Provision for Doubtful Deposits	(38.00)	(38.00)
	500.04	1286.60
<b>Other Advances</b>		
Considered Good	16505.19	15692.64
Considered Doubtful	266.96	283.88
	16772.15	15976.52
Less : Provision for Doubtful Advances	(266.96)	(283.88)
	16505.19	15692.64
<b>Prepaid Expenses</b>	3208.89	2908.77
<b>Advance Tax</b>	969.92	5472.35
	<b>79158.51</b>	<b>92788.87</b>
<b>23. Other Current Assets</b>		
Interest Accrued	362.35	1332.02
Export Incentive receivable	1478.37	1437.98
Other receivables	1125.10	-
	<b>2965.82</b>	<b>2770.00</b>

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

		Rs. in Lakhs
	<b>2015</b>	<b>2014</b>
<b>24. Revenue from Operations</b>		
Sale of Products	782717.43	761702.47
Sale of Services	604.97	573.00
<b>Other Operating Revenues</b>		
Miscellaneous Receipts	3406.88	2806.21
Liabilities no longer required written back	5043.02	1552.42
Provision for debts and advances write back	3.77	80.48
Royalty Income	4920.99	4299.82
Export Incentive	2696.99	2823.74
	16071.65	11562.67
	799394.05	773838.14
Less: Excise Duty	(55.23)	(77.08)
	<b>799338.82</b>	<b>773761.06</b>
<b>25. Other Income</b>		
Interest Income - on advances and deposits	5201.59	6412.60
<b>Dividend income</b>		
Long-term Investments	1507.26	1529.71
Current Investments	62.42	101.04
	1569.68	1630.75
Profit on sale of Current Investments (net)	74.73	16.06
Rent Income	101.50	99.28
Other non operating income	50.49	21.49
	<b>6997.99</b>	<b>8180.18</b>
<b>26. Cost of Materials Consumed</b>		
<b>Raw Materials Consumed</b>		
Tea	245947.72	236552.74
Coffee	66869.46	66049.79
Others	2441.13	1737.08
	315258.31	304339.61
<b>Consumption of Packing Materials</b>	47254.02	48468.96
	<b>362512.33</b>	<b>352808.57</b>

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

		Rs. in Lakhs
	2015	2014
<b>27. Purchase of Stock in Trade</b>		
Tea	15649.71	17021.91
Coffee	4820.38	3182.44
Others	5876.55	6152.15
	<b>26346.64</b>	<b>26356.50</b>
<b>28. Changes in Inventories of Finished Goods/Work in progress/Stock in Trade</b>		
<b>Stock as at 1<sup>st</sup> April</b>		
Finished Goods	60605.32	50614.26
Stock-in-Trade	357.56	413.96
Work-in-Progress	876.65	491.97
	<b>61839.53</b>	51520.19
<b>Stock as at 31<sup>st</sup> March</b>		
Finished Goods	65672.93	60605.32
Stock-in-Trade	436.53	357.56
Work-in-Progress	855.15	876.65
	<b>66964.61</b>	61839.53
	<b>(5125.08)</b>	<b>(10319.34)</b>
Less: Inventory write down accounted in Exceptional Items (Refer Note 32)	-	1100.00
	<b>(5125.08)</b>	<b>(11419.34)</b>
<b>29. Employee Benefits Expense</b>		
Salaries, Wages and Bonus (Refer Note 39)	77588.64	72512.70
Contribution to Provident Fund and Other Funds	5386.43	4864.50
Workmen and Staff Welfare Expenses	2792.35	1875.88
	<b>85767.42</b>	<b>79253.08</b>
<b>30. Finance Costs</b>		
Interest Expense	7789.65	8230.15
Other Borrowing Cost	91.61	115.32
Exchange loss (net)	304.46	307.68
	<b>8185.72</b>	<b>8653.15</b>

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

		Rs. in Lakhs
	2015	2014
<b>31. Other Expenses</b>		
Manufacturing and Contract Packing Expenses	11138.67	10256.64
Consumption of Stores and Spare Parts	4751.72	4404.38
Power and Fuel	8478.02	9140.13
Repairs to Plant and Machinery	2302.65	2558.56
Repairs to Buildings	1521.45	1743.05
General Repairs	2151.99	2142.65
Rent	9553.65	8197.56
Rates and Taxes	1877.92	1738.57
Advertisement and Sale Charges	132557.11	140225.89
Commission on Sales	13763.16	12610.11
Freight	19993.91	17223.09
Insurance	2481.79	2276.82
Legal and Professional Expenses	11566.94	10267.39
Miscellaneous Expenses* (Refer Note 39)	30036.11	28679.99
Provision for Doubtful Debts and Advances	33.99	36.50
Debts and Advances written off (net)	41.95	53.71
Loss on sale of fixed assets	101.57	18.52
	<b>252352.60</b>	<b>251573.56</b>
*Includes Exchange (gain)/loss - <b>(Rs. 977.28 Lakhs)</b> (Rs. 187.73 Lakhs)		
<b>32. Exceptional Items</b>		
<b>Income</b>		
Profit on sale of Long term Investments (net)	-	3171.13
Profit on sale of property	-	19473.18
Realised Profit on sale of Plantation Division	-	8590.80
Exchange Gain	87.61	275.07
	<b>87.61</b>	<b>31510.18</b>
<b>Expenditure</b>		
Long Term initiatives	-	(2255.27)
Re-organisation/Business Restructure costs	(1752.18)	(5239.95)
Provision for Retirement Benefits / Contractual Obligation (net)	-	(1492.22)
Impairment of Assets (Refer Note 40)	(9538.42)	-
Product Development costs	-	(1028.42)
Disposal of an Associate	(1795.73)	(10320.15)
Write-down of Inventory to net realisable value	-	(1100.00)
Others	-	(1197.96)
	<b>(13086.33)</b>	<b>(22633.97)</b>
	<b>(12998.72)</b>	<b>8876.21</b>

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

- 33.** Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31<sup>st</sup> March 2015 aggregated **Rs. 1082.80 Lakhs** (Rs. 1519.30 Lakhs).

**34. Contingent Liabilities not provided for in respect of :**

a) **Claims under adjudication not acknowledged as debts:**

Particulars	2015	2014
i. Taxes, Statutory Duties/ Levies etc.	3588.00	2660.20
ii. Commercial and other Claims	1140.88	1132.97

- b) Labour disputes under adjudication relating to some staff – amount not ascertainable for Holding Company and **Rs. 80.01 Lakhs** (Rs. 85.32 Lakhs) for an Indian subsidiary.
- c) In the case of overseas subsidiaries there are contingent liabilities in respect of forward exchange contracts, operating leases, outstanding letters of credit and financing arrangements of joint ventures. All of these arrangements have been undertaken in the normal course of trade and are centrally managed by the central treasury team of the overseas subsidiary. Because the value of many of these liabilities is dependent on future market price movements, the directors believe that it is not practically possible to provide an estimate of the Group's potential liability under such arrangements.
- d) Bank and other guarantees - **Rs. 922.64 Lakhs** (Rs. 942.03 Lakhs).

**35. Litigations**

- i) Stamp duty claim yet to be reassessed – amount not ascertainable  
 ii) Product liability claims not established – amounts not ascertainable

**36. Research & Development Expenditure:**

Particulars	2015	2014
Capital	33.52	32.33
Revenue	859.34	737.71
<b>Total</b>	<b>892.86</b>	<b>770.04</b>

**37. Details of provision:**

Particulars	Reorganisation Cost <sup>#</sup>		Others <sup>&amp;</sup>	
	2015	2014	2015	2014
Opening Balance	2790.39	3214.01	691.84	9.31
Provision made during the year	1147.14	996.72	694.00	682.53
Amount paid / adjusted during the year	1867.93	1420.34	76.84	-
<b>Closing Balance</b>	<b>2069.60</b>	<b>2790.39</b>	<b>1309.00</b>	<b>691.84</b>

<sup>#</sup> relates to restructure costs and is expected to be paid in near future

<sup>&</sup> relates to provision for trade obligations

- 38.** The current tax charge is net of credit relating to tax losses available as deduction on account of amalgamation of Mount Everest Mineral Water Limited with the Holding Company of **Rs. 2432 Lakhs**, tax credit relating to debenture redemption premium charged to Securities Premium account in an earlier year of **Rs. 2162 Lakhs** and credit on account of other write backs pertaining to earlier years of **Rs. 740.61 Lakhs** (Rs. 2331.01 Lakhs).

## NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

- 39.** As per Section 135 of the Companies Act 2013, the amount contributed for Corporate Social Responsibility for the financial year 2014-15 is **Rs. 645.34 Lakhs**.

The breakup of this amount is as follows:

Particulars	Rs. in Lakhs
Employee Benefit Expenses	94.85
Others Expenses - Miscellaneous	550.49
<b>Total</b>	<b>645.34</b>

- 40.** During the year the Group recognised a non-cash impairment loss relating to its businesses in China and Eastern Europe. The impairment relating to the China business, a subsidiary company under joint venture control, of **Rs. 2484 Lakhs** within tea segment is on account of delays in start up and stabilization of technology for an enhanced product range. A pre-tax discount rate of 15.1% has been used for value in use computation.

In the case of Eastern Europe, the goodwill impairment mainly relates to Russia within coffee segment and to a lesser extent to Czech Republic within tea segment. In Russia, the impairment of **Rs. 4480.51 Lakhs** is arising due to adverse macroeconomic environment with resultant adverse impact on interest and discounting rates used for impairment assessment. A pre-tax discount rate of 20.4% has been used for value in use computation. In the case of Czech Republic, the impairment of **Rs. 2573.91 Lakhs** has been recognised based on current expectation of business performance. A pre-tax discount rate of 6.3% has been used for value in use computation.

The impact of impairment has been accounted under exceptional items and is disclosed as unallocated items in the segment report.

### 41. Leases

#### Operating Lease

Group's leasing arrangements are for premises (residential, office, factory, godown and stores), equipments and vehicles, these ranges between 5 months to 15 years and are usually renewable on mutually agreed terms.

Disclosure in respect of operating leases:

Particulars	2015	2014	Rs. in Lakhs
Minimum lease payments under Non-cancellable operating lease			
Within one year	5225.58	4686.40	
Later than one year and not later than five years	12427.23	13699.11	
Later than five years	2411.10	4013.57	
<b>Total</b>	<b>20063.91</b>	<b>22399.08</b>	
Lease payments recognised in the Statement of Profit and Loss	<b>10426.34</b>	<b>8716.28</b>	

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 42. Earning Per Share

Particulars	2015	2014
Group Net Profit (Rs. in Lakhs)	24781.85	48051.50
Numbers of Equity Shares Outstanding	618398570	618398570
Add: Equity shares to be issued consequent to Amalgamation lying in Share Suspense Account (Refer Note 2b(v))	12731159	-
<b>Total number of Shares (No.)</b>	<b>631129729</b>	<b>618398570</b>
<b>Earnings Per Share (Rs.)</b>		
Basic	3.93	7.77
Diluted	3.93	7.77

43. The proportionate share of the assets, liabilities, income and expenditure of the joint venture of Holding Company and its subsidiary companies (Refer Note 2b(i)) included in these consolidated financial statements are given below:

### Joint Ventures' Balance Sheet as at 31<sup>st</sup> March 2015

Particulars	2015	2014
<b>Equity and Liabilities</b>		
<b>Share Capital</b>		
Share Capital	27537.99	19259.90
Reserves and Surplus	(13308.63)	(8502.53)
<b>Shareholders' Funds</b>	<b>14229.36</b>	<b>10757.37</b>
<b>Non Current Liabilities:</b>		
Deferred Tax (net)	(72.90)	(88.58)
Other Long Term Liabilities	4.22	24.14
Long Term Provisions	103.22	32.85
<b>Total Non Current Liabilities</b>	<b>34.54</b>	<b>(31.59)</b>
<b>Current Liabilities:</b>		
Short Term Borrowings	3466.23	4533.32
Trade Payables	5472.04	5703.03
Other Current Liabilities	1133.50	1322.17
Short Term Provisions	156.43	192.14
<b>Total Current Liabilities</b>	<b>10228.20</b>	<b>11750.66</b>
<b>TOTAL</b>	<b>24492.10</b>	<b>22476.44</b>
<b>Assets</b>		
<b>Non-Current Assets</b>		
<b>Fixed Assets</b>		
Tangible Assets	7783.14	5436.65
Intangible assets	437.79	333.12
Capital work in progress	905.65	1458.69

## NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

<b>Particulars</b>			Rs. in Lakhs
	<b>2015</b>	<b>2014</b>	
Intangible assets under development	1.33	-	
Long Term Loans and Advances	1291.71	1183.63	
<b>Total Non Current Assets</b>	<b>10419.62</b>	<b>8412.09</b>	
<b>Current Assets</b>			
Current investments	337.35	-	
Inventories	8872.96	9195.68	
Trade Receivables	1884.27	2257.84	
Cash and Bank Balance	1793.40	2052.88	
Short Term Loans and Advances	1177.68	552.03	
Other Current Assets	6.82	5.92	
<b>Total Current Assets</b>	<b>14072.48</b>	<b>14064.35</b>	
<b>TOTAL</b>	<b>24492.10</b>	<b>22476.44</b>	

### Joint Ventures' Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2015

<b>Particulars</b>			Rs. in Lakhs
	<b>2015</b>	<b>2014</b>	
<b>Income</b>			
Revenue from Operations	56036.30	49729.19	
Other Income	162.51	121.49	
<b>Total Revenue</b>	<b>56198.81</b>	<b>49850.68</b>	
<b>Expenses</b>			
Material Cost	36657.20	34918.38	
Employee Benefits Expense	4957.47	4213.96	
Finance Costs	253.36	216.36	
Depreciation and Amortisation Expense	1149.36	738.01	
Other Expenses	16148.84	13840.78	
<b>Total Expenses</b>	<b>59166.23</b>	<b>53927.49</b>	
<b>Profit before Exceptional Items and Taxes</b>	<b>(2967.42)</b>	<b>(4076.81)</b>	
Exceptional Items (net)	-	566.50	
<b>Profit before tax</b>	<b>(2967.42)</b>	<b>(3510.31)</b>	
Tax Expenses	33.77	9.67	
<b>Profit after Taxation</b>	<b>(3001.19)</b>	<b>(3519.98)</b>	

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

**44 a. Consolidated Related Party Disclosure as per Accounting Standard - 18**  
**Particulars of transactions during the year ended 31<sup>st</sup> March 2015**

Nature of Transactions	Joint Ventures	Associates	Promoter	Key Management Personnel	Rs. in Lakhs
Sale of Goods and Services	2324.13	3.51			<b>2327.64</b>
	(2330.55)	(72.41)			<b>(2402.96)</b>
Other Operating Income	15.60	109.08			<b>124.68</b>
	(14.33)	(509.08)			<b>(523.41)</b>
Purchase of Goods and Services	7243.94	27396.99			<b>34640.93</b>
	(7173.89)	(29030.81)			<b>(36204.70)</b>
Rent Paid		133.53	31.82		<b>165.35</b>
		(116.62)	(95.46)		<b>(212.08)</b>
Fees paid for Product Development	691.06				<b>691.06</b>
	(636.52)				<b>(636.52)</b>
Other Expenses (Net)		282.76	1280.05		<b>1562.81</b>
		(255.54)	(1658.81)		<b>(1914.35)</b>
Deposits Redeemed			100.00		<b>100.00</b>
Directors Remuneration *				573.94	<b>573.94</b>
				(819.85)	<b>(819.85)</b>
Dividend Paid			3214.23		<b>3214.23</b>
			(3071.37)		<b>(3071.37)</b>
Investments Made			-		-
			(8173.34)		<b>(8173.34)</b>
Reimbursement of Expenditure/(Income)	(61.72)	116.45	(0.52)		<b>54.21</b>
	(42.46)	(128.89)	(31.28)		<b>(202.63)</b>
Dividend/Interest Received		1201.76	140.40		<b>1342.16</b>
		(955.29)	(140.40)		<b>(1095.69)</b>
Balances Outstanding					
Debit	428.43	3007.87	-		<b>3436.30</b>
	(284.54)	(3105.87)	(100.00)		<b>(3490.41)</b>
Credit	156.74	214.19	1201.84		<b>1572.77</b>
	(283.34)	-	(1417.93)		<b>(1701.27)</b>

\* Provision for employee benefits, which are based on actuarial valuation done on an overall basis, is excluded.  
The above does not include share of recurring/special benefits payables to former Directors.

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

## Related Parties

### Promoter

Tata Sons Ltd.

### Key Management Personnel

Mr. Ajoy Misra - CEO & Managing Director

Mr. L Krishna Kumar - Executive Director & Group CFO

## Associates

Estate Management Services Pvt. Ltd.

Amalgamated Plantations Pvt. Ltd.

Kanan Devan Hills Plantations Co. Pvt. Ltd.

TRIL Constructions Ltd.

## Joint Ventures

NourishCo Beverages Ltd.

Tata Starbucks Private Ltd.

## Joint Ventures of Subsidiary

Tetley ACI (Bangladesh) Ltd.

Empirical Group LLC, USA

Southern Tea LLC, USA

Tetley Clover Pvt Ltd., Pakistan

## Associate of Subsidiary

Bjets Pte. Ltd. Singapore (Refer Note 2b(vii))

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 44. b) Disclosures in respect of transactions in excess of 10% of the total related party transactions of the same type

		2015	2014	Rs. in Lakhs
1	Sale of Goods and Services	Southern Tea LLC, USA NourishCo Beverages Ltd. Tetley Clover Pvt. Ltd., Pakistan	264.97 980.87 859.89	342.04 985.36 861.44
2	Other Operating Income	Kanan Devan Hills Plantations Co. Pvt. Ltd. NourishCo Beverages Limited	109.08 15.60	509.08 -
3	Purchase of Goods & Services	Amalgamated Plantations Pvt. Ltd. Kanan Devan Hills Plantations Co. Pvt. Ltd. Southern Tea LLC, USA	18028.88 9368.11 7230.17	18548.45 10482.36 7165.45
4	Rent Paid	Tata Sons Ltd. Amalgamated Plantations Pvt. Ltd. Kanan Devan Hills Plantations Co. Pvt. Ltd.	31.82 84.93 48.60	95.46 72.22 44.40
5	Fees paid for Product Development	NourishCo Beverages Ltd.	691.06	636.52
6	Other Expenses (Net)	Tata Sons Ltd. Amalgamated Plantations Pvt. Ltd.	1280.05 282.76	1658.81 255.54
7	Dividend Paid	Tata Sons Ltd.	3214.23	3071.37
8	Investments Made	Amalgamated Plantations Pvt. Ltd. Estate Management Services Pvt. Ltd. The Rising Beverages Company LLC	- - -	3601.44 711.90 3860.00
9	Reimbursement of Expenses/ (Income)	Amalgamated Plantations Pvt. Ltd. NourishCo Beverages Ltd. Tata Starbucks Private Ltd. Kanan Devan Hills Plantations Co. Pvt. Ltd. Tata Sons Ltd.	113.58 (60.30) (1.43) 2.87 (0.52)	162.79 (32.25) 74.71 (33.90) 31.28
10	Deposits Redeemed	Tata Sons Ltd.	100.00	-
11	Dividend and Interest Received	Amalgamated Plantations Pvt. Ltd. Estate Management Services Pvt. Ltd. Kanan Devan Hills Plantations Co. Pvt. Ltd. Tata Sons Ltd.	341.80 446.30 413.64 140.40	250.77 171.42 533.10 140.40

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

## 45. Disclosure requirement for Derivatives Instruments

A. The Group uses forward exchange contracts to hedge its exposures in foreign currency. All the derivative contract entered by the Company were for hedging purposes and not for any speculative purpose.

- a) The outstanding forward exchange contracts of foreign currency are:

Type of Contract	Currency Pair	2015			2014			
		No. of Contract	Notional Amount in FCY Mn	Equivalent Amount in Rs. in Lakhs *	No. of Contract	Notional Amount in FCY Mn	Equivalent Amount in Rs. in Lakhs *	
<b>Forward Contracts Outstanding</b>								
i)	Exports	GBP / EUR	2	1.10	738.87	2	0.62	510.22
		GBP / CAD	-	-	-	3	5.45	2964.45
		USD / INR	184	32.30	20185.92	109	17.37	10406.33
		AUD / INR	62	9.20	4372.46	41	6.80	3769.99
ii)	Payables	GBP / USD	25	35.70	22310.75	24	82.45	49395.61
		USD / RUB	23	4.55	2843.53	13	2.72	1629.55
iii)	Loans given	GBP / USD	8	93.83	58636.65	7	86.01	51529.00
iv)	Loan to subsidiaries	GBP / USD	6	55.57	34731.03	13	48.26	28912.46
v)	Receivables from subsidiaries	GBP / PLN	1	12.80	2102.98	1	11.17	2202.42
		GBP / CZK	2	160.11	3910.91	1	150.00	4505.40
		GBP / AUD	2	6.10	2899.13	1	10.40	5765.87
		GBP / CAD	1	1.50	735.40	1	3.90	2121.35
		GBP / USD	1	9.40	5874.54	1	9.00	5391.88

\* converted at the year exchange rates

- b) The foreign currency exposures not hedged as at the year end are as under :

	Currency Pair	2015			2014	
		Foreign Currency in Mn	Equivalent Amount in Rs. in Lakhs *	Foreign Currency in Mn	Equivalent Amount in Rs. in Lakhs *	
a)	Amounts receivable in foreign currency	USD/INR	9.05	5655.81	7.39	4427.33
		USD/RUB	2.21	1379.80	0.37	224.59
b)	Amounts payable in foreign currency	USD/INR	1.51	943.82	3.88	2322.10
c)	Outstanding Loan in Foreign Currency ^	USD/INR	14.60	9121.72	9.42	5640.51

\* converted at the year exchange rates

^ This includes Long Term Borrowing of **USD 5.63 mn** (PY - USD 8.13 mn)

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

- B. Details of Interest rate swap which the Group has entered into for hedging its interest rate exposure on borrowing:**

<b>Details of Borrowings</b>	<b>Currency</b>	<b>2015</b>		<b>2014</b>	
		<b>Foreign Currency in Mn</b>	<b>Equivalent Amount in Rs. in Lakhs *</b>	<b>Foreign Currency in Mn</b>	<b>Equivalent Amount in Rs. in Lakhs *</b>
Senior Debts / External Commercial Borrowings **	USD	53.13	33200.52	56.88	34073.68

\* converted at the year exchange rates

\*\* to the extent of swap entered

- C. Outstanding position of various commodity derivatives financial instruments.**

<b>Commodity</b>	<b>Futures &amp; Options</b>	<b>2015</b>		<b>2014</b>	
		<b>Notional Value in USD Mn</b>	<b>Equivalent Amount in Rs. in Lakhs *</b>	<b>Notional Value in USD Mn</b>	<b>Equivalent Amount in Rs. in Lakhs *</b>
a) Coffee	Futures	9.06	5664.22	2.39	1432.59
b) Coffee	Options	14.44	9025.54	(23.95)	(14351.28)

\* converted at the year exchange rates

## 46. Consolidated Segment Reporting

- a) By Business Segments:**

<b>Particulars</b>	<b>Tea</b>	<b>Coffee and Other Produce</b>	<b>Others</b>	<b>Unallocated</b>	<b>Total</b>	Rs. in Lakhs
Sales Revenue from External Customers	582492.82	190977.74	9796.61		<b>783267.17</b>	
	(565535.93)	(187996.07)	(8666.39)	-	(762198.39)	
Other Operating Revenue	5531.59	10055.12	484.94	-	<b>16071.65</b>	
	(4584.51)	(6752.26)	(225.90)	-	(11562.67)	
Total Segment Revenue	588024.41	201032.86	10281.55	-	<b>799338.82</b>	
	(570120.44)	(194748.33)	(8892.29)	-	(773761.06)	
Add : Other Income	-	-	-	6997.99	<b>6997.99</b>	
				(8180.18)	(8180.18)	
Total Income	588024.41	201032.86	10281.55	6997.99	<b>806336.81</b>	
	(570120.44)	(194748.33)	(8892.29)	(8180.18)	(781941.24)	
Segment result	61496.91	26437.59	(4426.13)	-	<b>83508.37</b>	
	(63442.20)	(21458.27)	((3645.49))	-	(81254.98)	
Add : Other Income	-	-	-	6997.99	<b>6997.99</b>	
				(8180.18)	(8180.18)	
Add : Unallocable (expenditure) net of income	-	-	-	(19334.09)	<b>(19334.09)</b>	
				((18972.15))	((18972.15))	

## NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

Particulars	Tea	Coffee and Other Produce	Others	Unallocated	Rs. in Lakhs Total
Less: Finance Cost	-	-	-	(8185.72)	<b>(8185.72)</b>
				((8653.15))	((8653.15))
	61496.91	26437.59	(4426.13)	(20521.82)	<b>62986.55</b>
	(63442.20)	(21458.27)	((3645.49))	((19445.12))	(61809.87)
Exceptional Income / (Expenditure)	-	-	-	(12998.72)	<b>(12998.72)</b>
				(8876.21)	(8876.21)
Profit before Tax	61496.91	26437.59	(4426.13)	(33520.54)	<b>49987.83</b>
	(63442.20)	(21458.27)	((3645.49))	((10568.91))	(70686.07)
Provision for Taxation	-	-	-	(21552.31)	<b>(21552.31)</b>
				((18448.94))	((18448.94))
Profit after Taxation before Share of Results of Associates and Minority Interest	61496.91	26437.59	(4426.13)	(55072.85)	<b>28435.52</b>
	(63442.20)	(21458.27)	((3645.49))	((29017.85))	(52237.13)
Share of Results of Associates	-	-	-	(1087.96)	<b>(1087.96)</b>
				((1287.10))	((1287.10))
Profit after Taxation before Minority Interest	61496.91	26437.59	(4426.13)	(56160.81)	<b>27347.56</b>
	(63442.20)	(21458.27)	((3645.49))	((30304.95))	(50950.03)
Segment Assets	476674.17	269444.38	7250.11	-	<b>753368.66</b>
	(487352.34)	(260921.66)	(27799.21)	-	(776073.21)
Investments	-	-	-	62201.88	<b>62201.88</b>
				(61096.77)	(61096.77)
Unallocated Assets	-	-	-	135612.34	<b>135612.34</b>
				(162667.40)	(162667.65)
Total Assets	476674.17	269444.38	7250.11	197814.22	<b>951182.88</b>
	(487352.34)	(260921.66)	(27799.21)	(223764.17)	(999837.38)
Segment Liabilities	80230.81	32576.82	1785.02	-	<b>114592.65</b>
	(86115.19)	(25974.72)	(1781.47)	-	(113871.38)
Unallocated liabilities	-	-	-	199689.85	<b>199689.85</b>
				(208674.35)	(208674.35)
Total Liabilities	80230.81	32576.82	1785.02	199689.85	<b>314282.50</b>
	(86115.19)	(25974.72)	(1781.47)	(208674.35)	(322545.73)
Capital Expenditure	11103.01	17073.94	481.37	-	<b>28658.32</b>
	(9460.55)	(12032.08)	(890.40)	-	(22383.03)
Depreciation and amortisation	6673.69	6476.92	160.02	-	<b>13310.63</b>
	(7085.25)	(5703.94)	(116.67)	-	(12905.86)
Non Cash Expenditure other than depreciation and amortisation	65.19	104.07	0.52	-	<b>169.78</b>
	(101.28)	(24.45)	-	-	(125.73)

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

**b) By Geographical Segments:**

	Rs. in Lakhs				
	India	UK	USA and Canada	Rest of the World	Total
Sales Revenue	295965.40	144355.25	192984.39	149962.13	<b>783267.17</b>
	(273663.42)	(152314.73)	(189305.25)	(146914.99)	(762198.39)
Segment Assets	199813.59	285812.98	226951.36	40790.73	<b>753368.66</b>
	(197509.70)	(310974.86)	(218372.97)	(49215.68)	(776073.21)
Purchase of Fixed Assets	10409.41	9559.40	5137.09	3552.42	<b>28658.32</b>
	(13940.86)	(3324.27)	(3626.32)	(1491.58)	(22383.03)

**Notes:**

- a. Business Segments: The internal business segmentation and the activities encompassed therein are as follows:  
 Tea : Cultivation, manufacture, blending and sale of tea in packet, bulk or value added forms  
 Coffee and Other Produce : Cultivation of coffee and related plantation crops and sale of coffee in various value added forms  
 Others : Sale of water products and other businesses
- b. Geographical segments : Sales Revenue is on the basis of the geographical location of the customers.  
 Carrying value of segment assets is based on geographical location of assets
- c. The segment wise revenue, results, assets and liabilities figures relate to the respective amounts directly identifiable to each of the segments. Unallocable expenditure includes expenses incurred on common services at the corporate level, interest and exceptional items, unallocable income includes income from investments and exceptional items.
- d. Pricing of inter segment transfers are based on benchmark market prices.

- 47.** Additional information, as required under Schedule III of the Companies Act, 2013, of entities consolidated as Subsidiary/ Associates/Joint Ventures (Refer Note 2b(i)).

Sl. No.	Name of the Entity	Net Assets		Share in Profit or Loss	
		As a % of Consolidated Net Assets	Amount (Rs. in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs. in Lakhs)
<b>Parent</b>					
	Tata Global Beverages Limited	45.54%	250164.91	116.62%	28900.46
<b>Subsidiaries</b>					
<b>Indian</b>					
1	Tata Coffee Ltd.	12.35%	67839.23	40.98%	10156.04
2	Tata Tea Holdings Private Ltd.	0.00%	0.79	0.00%	(0.36)
<b>Foreign</b>					
1	Consolidated Coffee Inc. (Consolidated Financials)	9.40%	51605.33	40.32%	9991.15
2	Tata Tea Extractions Inc.	5.03%	27619.08	7.49%	1856.68
3	Zhejiang Tata Tea Extraction Company Ltd.	-0.62%	(3407.00)	-7.42%	(1838.32)
4	Tata Global Beverages Capital Ltd.	15.28%	83911.33	16.76%	4153.11

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

Sl. No.	Name of the Entity	Net Assets		Share in Profit or Loss	
		As a % of Consolidated Net Assets	Amount (Rs. in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs. in Lakhs)
5	Tata Global Beverages Group Ltd.	39.68%	217939.27	23.04%	5710.86
6	Tata Global Beverages Holdings Ltd.	29.80%	163663.39	9.62%	2383.25
7	Tata Global Beverages Services Ltd.	58.38%	320647.34	5.31%	1317.12
8	Tata Global Beverages GB Ltd.	34.37%	188798.55	48.67%	12062.50
9	Tata Global Beverages Overseas Holdings Ltd.	0.41%	2252.06	-1.83%	(452.30)
10	Tata Global Beverages Overseas Ltd.	-0.04%	(236.00)	-1.05%	(260.96)
11	Lyons Tetley Ltd.	-	0.00	-	0.00
12	Drassington Ltd.	-	0.00	0.75%	186.60
13	Teapigs Ltd.	1.02%	5603.33	3.09%	766.31
14	Teapigs US LLC	-0.03%	(158.11)	-0.40%	(100.15)
15	Stansand Ltd.	-	0.00	-	0.00
16	Stansand (Brokers) Ltd.	-	0.00	-	0.00
17	Stansand (Africa) Ltd.	0.10%	538.71	-0.02%	(4.46)
18	Stansand (Central Africa) Ltd.	0.00%	22.50	-0.27%	(65.76)
19	Joekels Tea Packers (Proprietary) Ltd.	0.24%	1318.60	2.16%	534.36
20	Tata Global Beverages Polska sp.zo.o	-0.32%	(1771.76)	-6.38%	(1580.13)
21	Tata Global Beverages Czech Republic a.s.	0.11%	621.25	2.18%	539.23
22	Tata Global Beverages US Holdings Inc.	4.95%	27205.37	-0.79%	(196.97)
23	Tetley USA Inc.	4.87%	26750.40	5.47%	1354.69
24	Good Earth Corporation.	-0.10%	(556.21)	-0.10%	(25.45)
25	Good Earth Teas Inc.	-1.56%	(8574.33)	-4.80%	(1189.47)
26	Tata Global Beverages Canada Inc.	1.38%	7574.58	4.07%	1008.86
27	Tata Global Beverages Australia Pty Ltd.	0.21%	1136.97	1.84%	454.82
28	Earth Rules Pty Ltd.	0.01%	43.25	-6.00%	(1486.47)
29	Tata Global Beverages Investments Ltd.	68.99%	378939.21	1.17%	289.65
30	Campestres Holdings Ltd.	2.38%	13093.97	-0.61%	(150.64)
31	Kahutara Holdings Ltd.	3.27%	17982.34	-2.70%	(668.42)
32	Suntyco Holding Ltd. (Consolidated Financials)	0.33%	1797.06	-10.80%	(2677.32)
Minorities in all Subsidiaries		-15.95%	(87621.47)	-10.35%	(2565.71)
<b>Associates</b>					
<b>Indian</b>					
1	Amalgamated Plantations Pvt. Ltd.	1.44%	7931.14	-2.75%	(682.49)
2	Kanan Devan Hills Plantations Co. Pvt. Ltd.	0.07%	405.13	0.29%	71.00
3	TRIL Constructions Ltd.	-0.01%	(55.85)	-0.06%	(14.03)
<b>Foreign</b>					
1	Estate Management Services Pvt. Ltd.	0.18%	976.51	2.40%	593.82
2	Bjets Pte. Ltd.	-	0.00	-4.26%	(1056.26)

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

Sl. No.	Name of the Entity	Net Assets		Share in Profit or Loss	
		As a % of Consolidated Net Assets	Amount (Rs. in Lakhs)	As a % of Consolidated Profit or Loss	Amount (Rs. in Lakhs)
		<b>Joint Ventures</b>			
<b>Indian</b>					
1	NourishCo Beverages Ltd.	0.16%	861.80	-7.32%	(1814.40)
2	Tata Starbucks Private Ltd.	1.70%	9326.75	-9.48%	(2350.08)
<b>Foreign</b>					
1	Empirical Group LLC	0.18%	1002.67	8.05%	1994.21
2	Southern Tea LLC	0.64%	3505.98	-0.34%	(84.55)
3	Tetley ACI (Bangladesh) Ltd.	-0.05%	(290.27)	-0.99%	(244.24)
4	Tetley Clover (Pvt) Ltd.	-0.03%	(177.56)	-2.03%	(502.12)
	Consolidation Eliminations/adjustments	-223.74%	(1228951.33)	-159.52%	(39531.81)
<b>TOTAL</b>			<b>549278.91</b>		<b>24781.85</b>

## 48. Post Retirement Employee Benefits :

- a. The Group operates defined contribution schemes like provident fund and defined contribution superannuation schemes. For these schemes, contributions are made by the Group, based on current salaries, to funds maintained by the Group and, for certain categories contributions are made to State Plans. For certain schemes, contributions are also made by the employees. An amount of **Rs. 3906.62 Lakhs** (Rs. 3333.54 Lakhs) has been charged to the Statement of Profit and Loss on account of defined contribution schemes.
- b. The Group also operates defined benefit schemes like retirement gratuity, superannuation benefits and post retirement medical benefits. The superannuation benefits and medical benefits are restricted to certain categories of employees/ Directors in the form of pension, medical and other benefits in terms of a specific policy related to the same ("Others"). The defined benefit schemes offer specified benefits to the employees on retirement. Annual actuarial valuations are carried out by independent actuaries. Wherever funds have been set up, annual contributions are also made by the Group. Employees are not required to make any contribution.
- c. The Group has substantial international operations with approximately 60% of its revenues coming from overseas operations. For the purposes of consolidated financial statements, actuarial gains and losses relating to defined benefit pension scheme of overseas subsidiaries has been accounted for in the Reserves instead of the Statement of Profit and Loss, applying the accounting principles of consolidation under Accounting Standard 21 and the policy followed by the overseas subsidiaries and as recognised by the relevant overseas accounting framework. Adoption of the above policy is required to reflect a consistent framework amenable for better inter-firm comparison and to reflect the underlying performance. Further, the current policy is consistent with IND-AS 19 – Employee Benefits (mandatorily applicable from 1<sup>st</sup> April 2016) wherein, the actuarial gains and losses on defined benefit plans are not required to be recognised in the Statement of Profit and Loss.

Overseas actuarial gains/losses principally relate to a defined benefit retirement scheme of an overseas subsidiary which is closed for future accruals. These gains/ losses represent increase in the value of future long term payment obligations due to changes in interest rates and other actuarial assumptions based on the market position as at the year end. The actuarial assumptions are subject to significant fluctuations especially under volatile market conditions. Had the company followed the policy of accounting overseas actuarial gain/(loss) in the Statement of Profit and Loss, the profit before tax, profit after tax before shares of results of Associate & Minority Interest and profit after tax would have been lower by **Rs. 5867.27 Lakhs** (PY higher by Rs. 733.18 Lakhs), **Rs. 4810.64 Lakhs** (PY higher by Rs. 591.37 Lakhs ) and **Rs. 4264.63 Lakhs** (PY higher by Rs. 524.26 Lakhs) respectively.

## NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

- d. The following tables set out the details of funded and un-funded retirement benefit plans and amounts recognised in the financial statements :
- i. Amounts recognised in the Statement of Profit and Loss and charged to Contribution to Provident Fund and Other Funds, Workmen and Staff Welfare Expenses and Exceptional items are as follows:

Rs. in Lakhs

	Pension		Gratuity		Medical		Others	
	2015	2014	2015	2014	2015	2014	2015	2014
Current Service Cost	-	-	455.52	409.88	184.59	169.79	217.13	106.86
Interest on obligation	5067.18	5376.91	661.96	551.45	365.77	350.04	342.84	229.70
Expected Return on plan assets	(5233.99)	(5152.58)	(558.96)	(412.62)	-	-	-	-
Net actuarial loss/ (gain) recognised during the year	15.62	(26.74)	407.88	456.07	(421.26)	(591.92)	315.01	1222.67
Other Credits	-	-	-	-	-	-	-	-
Effects of the limit in Para 59(b)	(8.61)	11.03	(1.39)	1.62	-	-	-	-
<b>Total recognised in Statement of Profit and Loss</b>	<b>(159.80)</b>	<b>208.62</b>	<b>965.01</b>	<b>1006.40</b>	<b>129.10</b>	<b>(72.09)</b>	<b>874.98</b>	<b>1559.23</b>

- ii. Reconciliation of opening and closing balances of the present value of the obligations:

Rs. in Lakhs

	Pension		Gratuity		Medical		Others	
	2015	2014	2015	2014	2015	2014	2015	2014
Opening defined benefit obligation	117883.51	96250.39	7766.98	6836.15	4022.42	4194.22	5126.51	3888.89
Current Service Cost	-	-	455.52	409.88	184.59	169.79	217.13	106.86
Interest Cost	5067.18	5376.91	661.96	551.45	365.77	350.04	342.84	229.70
Actuarial loss/ (gain)	18815.00	76.20	431.82	567.49	(421.26)	(591.92)	315.01	1222.67
Past Service cost	-	-	-	-	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-	-	-	-	-
Liabilities assumed on Acquisition / (settled on Divestiture) etc.	-	-	(61.78)	45.25	-	-	-	-
Exchange Rate Variation	(9923.74)	20072.36	-	-	-	-	-	-
Benefit Paid	(3663.18)	(3892.35)	(566.20)	(643.24)	(124.88)	(99.71)	(331.58)	(321.61)
<b>Closing Defined Benefit Obligation</b>	<b>128178.77</b>	<b>117883.51</b>	<b>8688.30</b>	<b>7766.98</b>	<b>4026.64</b>	<b>4022.42</b>	<b>5669.91</b>	<b>5126.51</b>

# NOTES TO CONSOLIDATED

Financial Statements for the year ended 31<sup>st</sup> March 2015

- iii. Reconciliation of opening and closing balances of the fair value of plan assets:

	<b>Pension</b>		<b>Gratuity</b>		Rs. in Lakhs
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	
Opening fair value of Plan Assets	105119.89	81042.20	6916.95	5636.82	
Expected Return on plan assets	5233.99	5152.58	558.96	412.62	
Actuarial gain/ (loss)	12932.11	836.13	23.94	111.42	
Asset distributed on settlement	-	-	-	-	
Contribution/ (Withdrawal) by employer	-	4294.52	888.95	1361.46	
Assets acquired on Acquisition / (settled on Divestiture)	-	-	(70.29)	37.87	
Exchange Rate Variation	(8533.99)	17642.28	-	-	
Benefits Paid	(3621.45)	(3847.82)	(566.20)	(643.24)	
<b>Closing Fair value of Plan Assets</b>	<b>111130.55</b>	105119.89	<b>7752.31</b>	6916.95	
<b>Actual Return on Plan Assets</b>	<b>18166.10</b>	5988.71	<b>582.90</b>	524.04	

- iv. Major Categories of Plan Assets as a percentage of fair value of the total plan assets:

	<b>2015</b>	<b>2014</b>
Govt of India Securities	0.18%	0.24%
Equity	35.07%	37.60%
Bonds	49.77%	44.10%
Insurance managed Funds	7.14%	6.77%
Property	7.29%	7.27%
Others	0.55%	4.02%
Total	<b>100.00%</b>	<b>100.00%</b>

- v. Effect of increase/ decrease of one percentage point in the assumed medical inflation rates:

	Rs. in Lakhs			
	<b>Increase</b>		<b>Decrease</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Effect on aggregate of interest cost and current service cost	158.12	169.58	(197.76)	(155.27)
Effect on defined benefit obligation	446.94	464.01	(401.00)	(435.21)

- vi. Principal Actuarial assumptions used:

	<b>2015</b>	<b>2014</b>
Discount rates	8.00% / 9.30% / 9.00% / 3.40%	8.85% / 8.00% / 9.30% / 9.00% / 4.50%
Expected rate of return on plan assets	7.50% / 8.85%	8.85% / 7.50%
Medical inflation rate	8.00 % / 10.00 % / 14.00 %	8.00 % / 10.00 % / 14.00 %
Mortality rates	LIC 1994-96 mortality tables/ other approved norms for overseas schemes	LIC 1994-96 mortality tables/ other approved norms for overseas schemes

## NOTES TO CONSOLIDATED

### Financial Statements for the year ended 31<sup>st</sup> March 2015

The estimates of future salary increases considered in the actuarial valuation takes into account factors like inflation, future salary increases, supply and demand in the employment market etc. The expected return on plan assets is based on actuarial expectation of the average long term rate of return expected on investments of the Funds during the estimated term of the obligations.

The contribution expected to be made by the Group for the year ending 31<sup>st</sup> March 2016 is not readily ascertainable.

vii. Amounts recognised in the Balance Sheet are as follows:

Particulars	Pension					Gratuity				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Present value of funded obligation	127764.39	117441.57	95787.62	84627.71	64843.75	8688.30	7766.98	6833.50	5618.06	4688.82
Fair Value of Plan Assets	111130.55	105119.89	81042.20	69464.64	58375.49	7752.31	6916.95	5636.82	4646.23	4146.47
	<b>16633.84</b>	<b>12321.68</b>	<b>14745.42</b>	<b>15163.07</b>	<b>6468.26</b>	<b>935.99</b>	<b>850.03</b>	<b>1196.68</b>	<b>971.83</b>	<b>542.35</b>
Present Value of Unfunded Obligation	414.38	441.94	462.76	590.63	638.82	-	-	-	2.65	-
Amount not recognised as an asset (limit in Para 59 (b) of AS -15)	68.87	77.48	66.45	70.85	58.83	0.31	1.71	-	-	-
<b>Net Liability</b>	<b>17117.09</b>	<b>12841.10</b>	<b>15274.63</b>	<b>15824.55</b>	<b>7165.91</b>	<b>936.30</b>	<b>851.74</b>	<b>1199.33</b>	<b>971.83</b>	<b>542.35</b>

Particulars	Medical					Others		
	2015	2014	2013	2012	2011	2015	2014	2013
Present value of funded obligation	-	-	-	-	-	-	-	-
Fair Value of Plan Assets	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Present Value of Unfunded Obligation	4026.64	4022.42	4194.22	3777.93	3416.88	5669.91	5126.51	3888.89
Amount not recognised as an asset (limit in Para 59 (b) of AS -15)	-	-	-	-	-	-	-	-
<b>Net Liability</b>	<b>4026.64</b>	<b>4022.42</b>	<b>4194.22</b>	<b>3777.93</b>	<b>3416.88</b>	<b>5669.91</b>	<b>5126.51</b>	<b>3888.89</b>

49. Unless otherwise stated, figures in brackets relate to the previous year and have been rearranged / regrouped, wherever necessary.

For **Lovelock & Lewes**

Firm Registration No. 301056E  
Chartered Accountants

**Dibyendu Majumder**

Partner  
Membership No. 057687  
Mumbai, 28<sup>th</sup> May 2015

**Cyrus P Mistry**

Chairman

**L Krishnakumar**

Executive Director

**John Jacob**

Chief Financial Officer

**Ajoy Misra**

Managing Director

**V Leeladhar**

**Harish Bhat**

Directors

**V Madan**

Vice President and Company Secretary

# STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE /JOINT VENTURES

Part "A": Subsidiaries Sl. No	Name of the Subsidiary	Reporting Currency as on last day of relevant financial year (Refer Note - 6)	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Profit after Taxation	Proposed Dividend	Shareholding % (Refer Note - 2)	Average yearly rates for P&L items translation
			Rs.	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	%	Rs.	
1	Tata Global Beverages Group Ltd.	GBP	92.45	217348	647	78638	560703	715555	-	3463	1781	5244	-	88.65
2	Tata Global Beverages Holdings Ltd.	GBP	92.45	0	163663	175205	11541	164331	-	2474	-	2474	-	100.00
3	Tata Global Beverages Services Ltd.	GBP	92.45	148	318589	487215	168478	-	19355	386	(1487)	(1101)	-	98.96
4	Tata Global Beverages GB Ltd.	GBP	92.45	0	189808	279370	89562	924	145062	1403	(2378)	11925	-	100.00
5	Tata Global Beverages Overseas Holdings Ltd.	GBP	92.45	0	(6054)	65600	71654	52850	-	(9479)	133	(9346)	-	100.00
6	Tata Global Beverages Overseas Ltd.	GBP	92.45	0	(1724)	6158	7882	-	(222)	46	(176)	-	100.00	
7	Lyons Tetley Limited (Dormant)	GBP	92.45	18	-	18	-	-	-	-	-	-	-	98.96
8	Darssington Ltd.	GBP	92.45	1808	(1838)	-	-	-	-	194	-	194	-	100.00
9	Teapigs Ltd.	GBP	92.45	924	1581	3945	1439	0	8975	980	(206)	774	-	100.00
10	Teapigs US LLC	USD	62.50	0	(138)	373	531	-	406	(100)	-	(100)	-	100.00
11	Stansand Ltd. (Dormant)	GBP	92.45	5	-	5	-	-	-	-	-	-	-	98.96
12	Stansand Brothers Ltd. (Dormant)	GBP	92.45	29	-	29	-	-	-	-	-	-	-	100.00
13	Stansand (Africa) Ltd.	KES	0.68	3	530	2195	1661	-	9368	11	(13)	(2)	-	100.00
14	Stansand (Central Africa) Ltd.	MWK	0.14	0	(15)	198	213	-	2024	(41)	11	(30)	-	100.00
15	Joekels Tea Packers (Proprietary) Ltd.	SAR	5.12	0	1360	3450	2090	-	11243	724	(211)	513	-	51.00
16	Tata Global Beverages Polska Sp.z o.o.	PLN	16.43	7206	(9738)	2257	4759	-	6741	(1614)	-	(1614)	-	100.00
17	Tata Global Beverages Czech Republic a.s.	CZK	2.44	49	187	2817	2581	-	6379	598	-	598	-	100.00
18	Tata Global Beverages US Holdings Inc	USD	62.50	30624	(3420)	45585	18380	45167	-	(198)	-	(198)	-	100.00
19	Tetley USA Inc.	USD	62.50	85308	(5558)	30538	3788	1770	12792	1392	(15)	1377	-	100.00
20	Good Earth Corporation	USD	62.50	0	(526)	10	566	-	(26)	-	(26)	-	-	100.00
21	Good Earth Teas Inc.	USD	62.50	56	(8632)	2931	11507	1417	3854	(193)	-	(193)	-	100.00
22	Tata Global Beverages Canada Inc.	CAD	49.03	735	6764	13150	5651	40887	1352	(355)	-	997	-	100.00
23	Tata Global Beverages Australia Pty. Ltd.	AUD	47.53	5608	(4384)	7128	5904	-	16102	618	(183)	435	-	100.00
24	Earth Rules Pty Ltd. (Refer Note - 5)	AUD	47.53	7052	(7088)	4045	4001	-	5577	(1466)	-	(1466)	-	100.00
25	Tata Global Beverages Investment Ltd. (Refer Note - 1)	GBP	98.31	229807	157153	392113	5153	7575	-	(4117)	(2336)	(6453)	-	100.00
26	Campesters Holdings Ltd.	USD	62.50	2	3734	3762	26	2779	-	(929)	-	(929)	-	100.00
27	Kahutara Holdings Ltd.	USD	62.50	13	4263	15744	11469	15706	-	(14056)	-	(14056)	-	65.00
28	Suntyco Holdings Ltd.	USD	62.50	43	5353	5459	63	5070	-	103	38	141	-	100.00
29	Qhomento Co Ltd	USD	62.50	4	1281	1292	7	-	318	297	47	344	-	100.00
30	OOO Sunty LLC (Refer Note - 1)	RUR	1.07	4439	(278)	11031	9372	-	33116	(2536)	462	(2074)	-	100.00
31	OOO Teatrade LLC (Refer Note - 1)	RUR	1.07	0	(275)	11031	4681	4626	-	(1231)	8	(54)	-	100.00
32	Tata Global Beverages Capital Ltd	GBP	92.45	82841	1070	149429	65519	147595	-	3413	591	4004	-	100.00
33	Tata Coffee Ltd	INR	-	1868	65972	94701	26861	21652	68378	14166	(4010)	10156	2428	-
34	Consolidated Coffee Inc.	USD	62.50	37435	(4760)	38146	5471	37435	-	7333	103	7436	-	100.00
35	Eight O'Clock Holdings Inc.	USD	62.50	37435	(28)	37452	45	37435	-	7607	9	7616	-	100.00
36	Eight O'Clock Coffee Inc.	USD	62.50	37455	5403	157644	114806	80365	14760	(5120)	9634	-	100.00	
37	Tata Tea Extractions S. Inc.	USD	62.50	8749	18870	30861	3242	27232	8730	2422	(555)	1867	-	100.00
38	Zhejiang Tata Tea Extraction Company Ltd. (Refer Note - 1)	CNH	10.16	5587	(8490)	6660	9563	-	196	(2657)	(1549)	(4206)	-	100.00
39	Tata Tea Holdings Private Ltd.	INR	-	5	(4)	1	0	-	-	(0)	-	(0)	-	100.00
40	RBC Hold Co LLC	USD	62.50	126	(40)	86	-	-	-	-	-	-	59.89	61.03

Note:

1. Reporting period for all subsidiaries are 31/03/2015 except for Tata Global Beverages Investment Ltd. - 30/09/2014; OO Sunty LLC, 0000 Sunty LLC, 0000 Teatrade LLC and Zhejiang Tata Tea Extraction Company Ltd. - 31/12/2014.
2. % of shareholding is based on voting power held by the immediate parent.
3. During the year, Mount Everest Mineral Water Limited, a subsidiary of the holding company, was amalgamated with the Holding Company.
4. During the year, Alliance Coffee Limited, a wholly owned subsidiary of the Tata Coffee Limited (TCL), was amalgamated with TCL.
5. Financial year is of nine months as the entity has changed its financial year end from June to March during the year.
6. Balance sheet items have been translated at the exchange rate on the last day of relevant financial year.
7. The numbers reported above are based on individual financial statements prepared under local GAAP.

**Part "B": Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sl. No.	Name of Associates/ Joint Ventures	Amalgamated Plantation Private Limited	Kanan Devan Hill Plantations Limited	TRIL Construction Services Limited	Estate Management Limited	Bjets Pre Services Private Limited	Tetley Clover (Private) Limited	Tetley ACI (Bangladesh) Limited	Empirical Group, LLC	Southern Tea, LLC	NourishCo Beverages Limited	Tata Starbucks Private Limited
<b>1</b>	<b>Latest audited Balance Sheet Date</b>	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.12.2014	30.06.2014	31.12.2014	31.03.2015	31.12.2014	31.03.2015	31.03.2015
<b>2</b>	<b>Shares of Associate /Joint Ventures held by the company on the year -end</b>											
	<b>Equity Shares</b>											
	i) Number	6,024,400	397,6563	1,174,8148	120,784,06	-	347,50,000	160,000	Membership Interest-56%	77,500,000	15,000,000	15,000,000
	ii) Amount of Investment in Associates/Joint Venture (Rs. in Lakhs)	61,02,44	123,319	1174,81	1456,90	-	2774,79	1775,55	-	3214,73	775,00	15,000,00
	iii) Extent of Holdings	41,03%	28,52%	32,50%	31,85%	-	50%	50%	56%	50%	50%	50%
	<b>Preference Shares</b>											
	i) Number	67,000,000@	-	6,675,1852	-		300,000	-	-	-	-	-
	ii) Amount of Investment in Associates/Joint Venture (Rs. in Lakhs)	6700	-	66,75,19	-		281,99	-	-	-	-	-
<b>3</b>	<b>Description of how there is significant influence</b>			Shareholding	Shareholding	Shareholding	Not Applicable	Joint Venture Agreement	Joint Venture Agreement	Joint Venture Agreement	Joint Venture Agreement	Joint Venture Agreement
<b>4</b>	<b>Reason why the associate/joint venture is not consolidated</b>		Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>5</b>	<b>Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. in Lakhs)</b>	14,223.69	27,85.89	48,90.11	56,40.47	-	163.09	(55,69)	1002.32	3460.25	861.80	9326.74
<b>6</b>	<b>Profit / (Loss) for the year*</b>											
i	Considered in Consolidated** (Rs. in Lakhs)	(564.43)	143.35	(14.03)	593.82	(1056.19)	(502.14)	(244.25)	1994.21	(84.55)	(1814.40)	(2350.08)
ii	Not Considered in Consolidated (Rs. in Lakhs)	-	-	-	-	-	-	-	-	-	-	-

Associate Companies and Joint Ventures have been determined based on the Accounting Standards

\* Profit/Loss based on individual Financial Statements drawn up as at 31<sup>st</sup> March 2015 for consolidation purposes.

\*\* Represents Group's share of profit/loss.

# Ceased to have significant influence during the course of the year.

@ Redeemable preference shares.

**Cyrus P Mistry**

Chairman

**Ajoy Misra**

Managing Director

**L Krishnakumar**

Executive Director

**V Leeladhar**

Directors

**Harish Bhat****John Jacob**

Chief Financial Officer

**V Madan**

Vice President and Company Secretary

**TATA GLOBAL BEVERAGES LIMITED**

Registered office: 1, Bishop Lefroy Road, Kolkata 700 020

Corporate Identity Number (CIN) - L15491WB1962PLC031425

E-mail id - investor.relations@tataglobalbeverages.com Website address – www.tataglobalbeverages.com

**ATTENDENCE SLIP**

(To be presented at the entrance)

I hereby record my presence at the 52<sup>nd</sup> Annual General Meeting on Friday, 14<sup>th</sup> August, 2015 at 10.30 am At the Oberoi Grand, 15, Jawaharlal Nehru Road, Kolkata 700 020

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxyholder \_\_\_\_\_ Signature \_\_\_\_\_

1. Only member / proxyholder can attend the meeting
2. Member / Proxyholder should bring his / her copy of the annual report for reference at the meeting

**TATA GLOBAL BEVERAGES LIMITED**

Registered office: 1, Bishop Lefroy Road, Kolkata 700 020

Corporate Identity Number (CIN) - L15491WB1962PLC031425

E-mail id - investor.relations@tataglobalbeverages.com Website address – www.tataglobalbeverages.com

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

Email Id : \_\_\_\_\_

Folio No. / DP ID NO. / Client ID No. : \_\_\_\_\_

I/We, being the member(s) of -----shares of Tata Global Beverages Limited , hereby appoint

1. Name \_\_\_\_\_ E-mail id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature: \_\_\_\_\_

Or failing him

2. Name \_\_\_\_\_ E-mail id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature: \_\_\_\_\_

Or failing him

3. Name \_\_\_\_\_ E-mail id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us , and on my /our behalf at the fifty second Annual General Meeting of the Company to be held on Friday, 14<sup>th</sup> August 2015, at 10.30 am at the Oberoi Grand, 15, Jawaharlal Nehru Road, Kolkata 700 013 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To receive, consider and adopt:
  - (a) the audited financial statements for the financial year ended 31<sup>st</sup> March 2015, together with the reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March 2015 together with the report of the Auditors thereon.
2. Declaration of dividend
3. Re-appointment of Mr. S. Santhanakrishnan as Director.
4. Re-appointment of Mr. Harish Bhat as Director.
5. Appointment of Auditors and fixing their remuneration.
6. Remuneration of Cost Auditors

Affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of shareholder \_\_\_\_\_ Signature of proxyholder(s) \_\_\_\_\_

**Notes: 1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 1, Bishop Lefroy Road, Kolkata 700 020, not less than 48 hours before the commencement of the Meeting.**

**2 . Those Members who have multiple folios may use copies of this Attendance slip/ Proxy.**



To,  
TSR Darashaw Limited  
**Unit: Tata Global Beverages Limited**

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

#### **Updation of Shareholder Information**

I / We request you to record the following information against my / our Folio No.:

**General Information:**

<b>Folio No.:</b>	
<b>Name of the first named Shareholder:</b>	
<b>PAN: *</b>	
<b>CIN / Registration No.: *</b> <b>(applicable to Corporate Shareholders)</b>	
<b>Tel No. with STD Code:</b>	
<b>Mobile No.:</b>	
<b>Email Id:</b>	

\*Self attested copy of the document(s) enclosed

**Bank Details:**

<b>IFSC:</b> <b>(11 digit)</b>	
<b>MICR:</b>  <b>(9 digit)</b>	
<b>Bank A/c Type:</b>	
<b>Bank A/c No.: *</b>	
<b>Name of the Bank:</b>	
<b>Bank Branch Address:</b>	

\* A blank cancelled cheque is enclosed to enable verification of bank details

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No./ beneficiary account.

Place: \_\_\_\_\_

Date:

\_\_\_\_\_  
Signature of Sole / First holder



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Cyrus P. Mistry (Chairman)  
Mallika Srinivasan (Mrs.)  
Analjit Singh  
V. Leeladhar  
Ranjana Kumar (Mrs.)  
Darius Pandole  
S. Santhanakrishnan  
Ireema Vittal (Mrs.)  
Harish Bhat  
Ajoy Misra, Chief Executive Officer & Managing Director  
L. Krishnakumar, Executive Director & Group Chief Financial Officer  
  
V. Madan, Vice President and Company Secretary

## BOARD COMMITTEES

### Audit Committee

V. Leeladhar (Chairman)  
Ranjana Kumar (Mrs.)  
Darius Pandole  
S. Santhanakrishnan  
Ireema Vittal (Mrs.)  
Harish Bhat

### Nomination and Remuneration Committee

Ranjana Kumar (Mrs.) (Chairperson)  
Cyrus P. Mistry  
V. Leeladhar  
Darius Pandole  
Harish Bhat

### Stakeholder Relationship Committee

V. Leeladhar (Chairman)  
S. Santhanakrishnan  
L. Krishnakumar

### Executive Committee

Cyrus P. Mistry (Chairman)  
Harish Bhat  
Ireema Vittal (Mrs.)  
Ajoy Misra  
L. Krishnakumar

### Corporate Social Responsibility Committee

Ranjana Kumar (Mrs.) (Chairperson)  
V. Leeladhar  
S. Santhanakrishnan  
Ajoy Misra  
Prof. S. Parasuraman (Expert Member)

### Ethics and Compliance Committee

V. Leeladhar (Chairman)  
Ranjana Kumar (Mrs.)  
Ajoy Misra

## REGISTERED OFFICE

1, Bishop Lefroy Road, Kolkata - 700 020  
Telephone : 033-22813779/3891/4422/4747/66053400  
Fax : 033-22811199  
Website : [www.tataglobalbeverages.com](http://www.tataglobalbeverages.com)

## SOLICITORS AND LEGAL ADVISERS

AZB Partners  
Cyril Amarchand Mangaldas  
Dua Associates  
Khaitan & Co.  
Orr Dignam & Co.  
Veritas Legal

## AUDITORS

Lovelock & Lewes

## REGISTRARS

Equity Shares and Fixed Deposits  
TSR Darashaw Limited

(Formerly Tata Share Registry Limited  
(Unit : Tata Global Beverages Ltd.)  
6-10, Haji Moosa Patrawala Ind. Estate,  
20, Dr. E. Moses Road, Mahalaxmi,  
Mumbai - 400 011  
Telephone : 022-66568484  
Fax : 022-66568494  
Website : [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

Kolkata Office  
1st Floor, Tata Centre,  
43, Chowringhee Road,  
Kolkata - 700 071  
Telephone : 033-22883037  
Fax : 033-22883097

## BANKERS

Bank of America  
Citibank N.A.  
Deutsche Bank  
HDFC Bank Limited  
ICICI Bank Limited  
Standard Chartered Bank  
State Bank of India  
State Bank of Travancore  
The Hongkong and Shanghai Banking Corporation Limited  
The Royal Bank of Scotland N.V.  
YES Bank Limited



## TATA GLOBAL BEVERAGES



TATA WATER PLUS



teapigs.



**Tata Global Beverages Limited**

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[www.tataglobalbeverages.com](http://www.tataglobalbeverages.com)