

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

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

2. Board of Directors

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

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

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

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

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

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

***Mr.U Mahesh Rao retired as Director from 02.07.2013

**** Mr. D.R.Karthikeyan was appointed as a Director with effect from 02.07.2013

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

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

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

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

3. Audit Committee

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

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

The broad terms of reference of the Audit Committee include:

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

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

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

* Mr.U Mahesh Rao retired as Director from 02.07.2013.

**Mr. D.R.Karthikeyan was appointed to the Board on 02.07.2013.

4. Nomination and Remuneration Committee

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

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

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

Details of the remuneration paid during the year 2013-14

a) Non-Executive Directors

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

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

** Mr.U Mahesh Rao retired as Director from 02.07.2013

b) Managing Director and Executive Directors:

(₹ in Lakhs)

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

5. Corporate Social Responsibility Committee:

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

The CSR Committee shall:

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

6. Stakeholders Relationship Committee

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

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

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

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

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

7. Code of Conduct

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

TATA COFFEE LIMITED
8. General Body Meetings

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

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

9. Disclosures

(a) Disclosures of materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors, management, subsidiary companies or relatives etc. that may have potential conflict with the interest of the Company at large:

In terms of Accounting Standard 18, details of transactions with related parties have been reported in the Notes on Accounts. There were no materially significant transactions that had conflict with the interest of the Company.

(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years:

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

10. Means of Communication

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

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

11. General Shareholder information

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

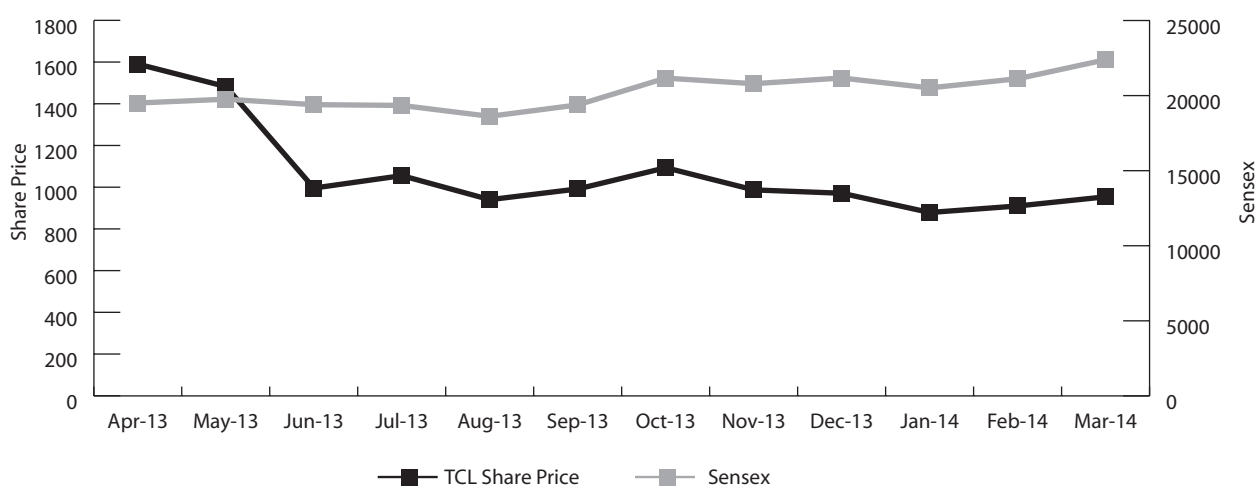
The Company has paid Listing Fees for the financial year 2014-15 to each of the Stock Exchanges.

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

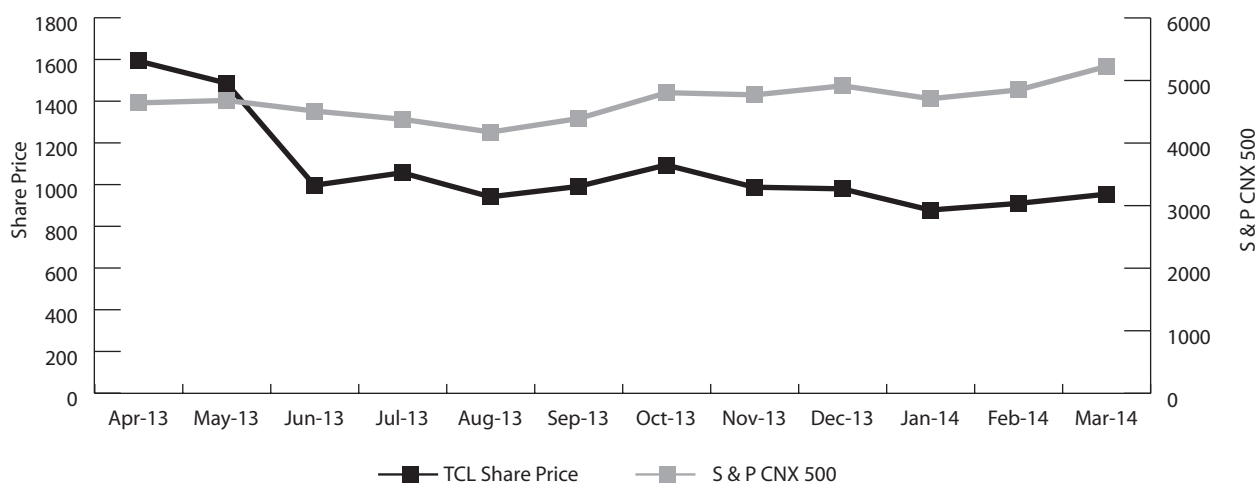
	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2013	1610.00	1480.00	1609.95	1469.00
May, 2013	1675.00	1475.00	1679.70	1480.00
June, 2013	1524.95	880.25	1509.00	880.50
July, 2013	1116.10	970.25	1117.00	971.00
August, 2013	1068.35	921.15	1067.60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

VII. Share price performance compared with Broad based indices

Movement of Share Price on BSE



Movement of Share Price on NSE



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- VIII. Name of the Depository with whom the Company has entered into Agreement** ISIN Code
National Securities Depository Ltd. INE 493A01019
Central Depository Services (India) Ltd. INE 493A01019

IX. Registrar and Transfer Agent

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

Regd.Office:

TSR Darashaw Private Limited.
6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr.E.Moses Road,
Mahalaxmi
MUMBAI - 400 011
Tel: 022-66568484
Fax: 022-66568494
E-mail: csg-unit@tsrdarashaw.com
Web: www.tsrdarashaw.com

Branch Offices**(i) Bangalore**

TSR Darashaw Private Limited.
503, Barton Centre, 5th Floor,
84, Mahatma Gandhi Road
Bengaluru – 560 001.
Tel: 080- 25320321
Fax:080-25580019
E-mail: tsrdlbgang@tsrdarashaw.com

(ii) New Delhi

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

(iii) Kolkata

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

(iv) Jamshedpur

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

(v) Ahmedabad (Agent)

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

Share holders may also contact/write to:

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

X. Share Transfer System Physical:

Shares in physical form should be lodged for transfer at the office of the Company's Registrar & Transfer Agent, TSR Darashaw Private Ltd., Mumbai or at their branch offices at the addresses given above. The transfers are processed, if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialised form.

Dematerialisation of Shares and liquidity

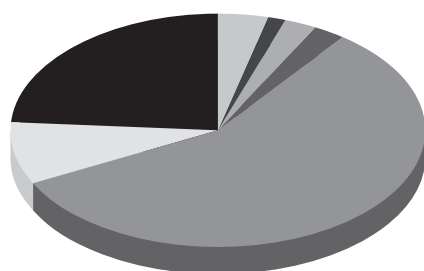
The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same alongwith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

XI. Distribution of Shareholding as on March 31, 2014

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

XII. Categories of Shareholders as on March 31, 2014

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



- 1. FII/Foreign Companies
- 2. Non Resident Individuals
- 3. Financial Institutions & Banks
- 4. Mutual Funds
- 5. Tata Global Beverages Limited
- 6. Other Bodies Corporate
- 7. Resident Individuals

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

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

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

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

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

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

XVII. Address for correspondence

As stated in 10 (ix) above

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

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

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

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

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

In terms of Clause 49 of the Listing Agreement, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2014.

HAMEED HUQ
Managing Director

Place: Chennai
Dated: 13th May, 2014