



September 20, 2013

1. The Secretary
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort
Mumbai 400 023
Fax No: 022-22722039/3121/3132
22723719 / 2037
2. The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051
Fax No: 022-26598237 / 8238

Dear Sir,

Sub: Compliance with Clause 31 (d) of the Listing Agreement

Further to our letter dated August 14, 2013, we enclose a copy of the Minutes of the proceedings of the Annual General Meeting of the Company held on August 12, 2013 as required under Clause 31 (d) of the Listing Agreement with the Stock Exchanges, for your information and record.

Yours faithfully,
For BRITANNIA INDUSTRIES LIMITED

VIVEK P RAIZADA
HEAD LEGAL & COMPANY SECRETARY

Encl: as above

**MINUTES OF THE NINETY FOURTH ANNUAL GENERAL MEETING
OF BRITANNIA INDUSTRIES LIMITED HELD AT THE HYATT
REGENCY, JA-1, SECTOR 3, SALT LAKE CITY, KOLKATA 700 098
ON MONDAY, 12TH AUGUST 2013, AT 11.00 A.M.**

DIRECTORS PRESENT:

Mr. Nusli N Wadia	Chairman and Member
Ms. Vinita Bali	Managing Director
Mr. A K Hirjee	Director
Mr. S S Kelkar	Director
Mr. Nasser Munjee	Director and Chairman, Audit Committee
Mr. Avijit Deb	Director
Mr. Jeh Wadia	Director
Mr. Keki Dadiseth	Director
Dr. Ajai Puri	Director
Mr. Nimesh Kampani	Director
Mr. Ness Wadia	Director
Dr. Vijay L Kelkar	Director

MEMBERS PRESENT:

3726 Members representing 7,40,991 shares were present in person.

11 Members were present through their Authorised Representatives representing 6,56,01,320 shares.

302 Members were present through their Proxies representing 1,53,61,011 shares.

IN ATTENDANCE:

Mr. Varun Berry	Chief Operating Officer
Mr. Vinod Krishna Menon	Chief Financial Officer
Mr. Vivek P Raizada	Head – Legal & Company Secretary

1. The Chairman called the Meeting to order and stated that requisite quorum was present.
2. The Notice convening the Meeting was taken as read by the Chairman with the approval of the Shareholders present.
3. The Chairman then asked the Secretary to read the Auditors' Report and the Auditors' Report was read out by the Secretary.
4. The Chairman welcomed the Shareholders at the 94th Annual General Meeting (AGM) of the Company.
5. The Chairman thereafter took, with the approval of the Shareholders present, the Directors' Report and the Statement of Profit and Loss for the year ended 31st March 2013 and the Balance Sheet of the Company as at that date, already circulated to the Shareholders, as read.

The Chairman then proposed the following Resolution as an Ordinary Resolution which was seconded by Mr. Abhijit Kumar Gupta:

“RESOLVED THAT the Directors' Report and the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit & Loss of the Company and the Report of the Auditors for the year ended on that date be and are hereby adopted.”

6. Before putting the Resolution to vote the Chairman delivered his speech and invited queries from the Members on the accounts and the Company's working. The highlights were as under:

In his introductory remarks, the Chairman informed the Shareholders that the Board had met prior to the AGM and approved the financial results for the 1st quarter of the current year financial year 2013-14. He summarized the results for their benefit as under:

- In Quarter 1 of 2013-14, the Company delivered a Consolidated Revenue growth of 14% and Net Profit growth of 92.6% with a profit of Rs 89.5 crores. The Consolidated Operating Margin had increased to 7.7% from 4.7% for the same quarter of last year. The Consolidated Revenue for the Q1 2013-14 was Rs. 1,539 crores compared to Rs. 1,348 crores last year. Standalone revenue increased by 14.9% and Net Profit by 98.6%. The momentum that picked up in the 2nd half of the previous year, continued in the 1st quarter, both in terms of revenue and profitability.
- For the financial year 2012-13, the Company had delivered a growth of 12.7% in Consolidated Results at approximately Rs 6,222 crores and 30% in Net Profit at Rs 259.5 crores. Operating margin also increased by 110 basis points from 4.6% to 5.7%. This was made possible by an all round improvement in the bakery, dairy and the international business.
- The International business had also seen a substantial improvement both in top line and operating margin. The Company had generated profitable growth internationally despite disturbances in several of the markets in the middle-east.
- During the year the Company received several awards, among which were awards for Solid Waste Management and the work of the Britannia Nutrition Foundation.
- Continuous improvements in operations were led through initiatives like Kaizen, Productive Maintenance and Six Sigma. The Company had also strengthened focus on health and safety in the work place.
- Britannia was rated for the 4th consecutive year, as the "Most Trusted Food Brand" in the independent survey done by AC Nielsen across India, covering about 16,000 people and rose to No. 2 brand across all product categories in India.
- Notwithstanding these accolades, the Company had reviewed its operations and adopted "The Britannia Promise" as the beacon to guide all actions to energize the business and bring better focus in creating delightful and differentiated products and bring them to the heterogeneous people of India wherever they are – urban and rural. This Company wide program was expected to significantly improve the competitiveness of the Company and strengthen its share. .
- As far as the current year was concerned – 2013-14, the Chairman mentioned that despite economic and political uncertainty, the good monsoon would hopefully create stability in overall commodity prices, even though specific commodities like milk were stressed and would impact the dairy business. The Chairman said that he believes that the Company has an opportunity to improve its performance, and part of this would come from stable prices of inputs And part from operational improvements like increasing reach and distribution, innovation and prudent cost management all round.

The Chairman thanked the employees and all partners of the Company who had contributed to its performance and also thanked shareholders for their continued support over the years.

The following Shareholders then addressed at the Meeting.

Mr. Birendra Kumar Roy:

Mr. B. K. Roy stated that he had received the Company's reply dated 1st August, 2013 in response to his letter of 24th July, 2013 containing certain queries/observations. Mr. Roy was satisfied with the reply and had no further queries to make.

The Chairman thanked Mr. Roy and expressed the hope that other Shareholders would emulate Mr. Roy's example to set the trend for all speakers.

Mr. Goutam Nandi:

Mr. Goutam Nandi, at the outset, expressed his concern for not receiving the copy of the Annual Report by post and complimented the secretarial department for delivering a copy of Annual Report to him in person by the Registered Office.

Mr. Goutam Nandi made/raised the following Comments /observations/suggestions and queries:

- The names of all the Directors as mentioned in the first page of the Annual Report should be consistently written in full form from the next year. Further he also stated that the communication/contact details should also be included in the first page of the Annual Report though it was mentioned in the last cover page.
- The net profit of the Company has increased by 30% but the Dividend payout rate was the same as last year and requested an increase the dividend rate for the next year.
- He appreciated the Financial highlights for the last ten years in the Annual Report.
- He also appreciated the CSR activities undertaken by the Company and requested the total CSR Cost of the Company.
- He suggested that from next year onwards the Annual Report should also have the photographs of the minority Shareholders which were taken at the AGM.
- He requested the Chairman to present a special memento to the Shareholders for attending the AGM of the Company.

Mr. Goutam Nandi expressed the hope that the Company would keep up its good performance in the next financial year too.

Mr. Arup Kumar Das:

At the outset Mr. A. K. Das complimented the secretarial department for sending a copy of Annual Report to him. He thanked the entire management for the Company's performance and for registering an increase in sales and net profit. He expressed his concern for retaining the same Dividend rate as compared to last year and requested an increase in the Dividend rate for next year or declare an interim dividend.

Mr. A. K. Das made/raised the following suggestions/queries:

- Referring to Company's proposal for building up powerful IT capabilities in the year 2013-14, he requested the total IT Cost.
- He requested for the previous year's details of expenditure on R&D.
- Whether the Company has any plan for setting up any new plant or acquisition in the state of West Bengal?
- What would be the Future Plans of the Company?

Mr. Manoj Gupta:

Mr. Manoj Gupta, at the outset, expressed his concern for not receiving the copy of the Annual Report by post but then complimented the secretarial department for providing a copy of the Annual Report.

Mr. Gupta made/raised the following comments/ observations/ suggestions and queries:

- He expressed his gratitude to Mr. P. Govindan the erstwhile Company Secretary of the Company and requested to appoint him as the Head of Secretarial function of the entire Wadia Group.
- The Company should consider splitting its shares of the face value of Rs. 2 each to Rs. 1 each to attract small investors.
- Referring to the competitive business environment and competitors like Parle, he enquired about the future business plans of the Company.
- Referring to the existing location of the Executive Office of the Company at Bangalore he enquired about the plans for developing the said property if any. He wanted to know when the Company would be moving its Executive Office to the new location at Bangalore. Whether the said office would be on rental or ownership basis.
- Whether the Company had any plans to set up a new green field project in future.
- Why the Company was not planning to launch any new products keeping in view the demands of the young generation. Referring to some of the products launched by competitors like ITC, he suggested launching new products like chips and noodles as the brand value and market reach of Britannia was good as compared to the competitors.
- He suggested that the Company should ensure availability of all its products across the Nation.
- Referring to the shifting of the Registered Office of Britannia Dairy Private Limited from Mumbai to Kolkata, he enquired about the future business plans of that Company and its Capex Plans.
- He requested the Chairman to introduce the newly appointed COO, Mr. Varun Berry. The Chairman then introduced Mr. Varun Berry to the Shareholders.
- He enquired about the status and the amount involved in the irregularities occurred in the Delhi Factory as reported in the media.

- The Company should ascertain its Brand valuation which would help in increasing the share price in the market.
- The Company should consider appointing one or two female directors on its Board. He also thanked the Managing Director Ms. Vinita Bali for taking positive steps in taking the Company in the right direction and suggested to appoint one or two female executives under her leadership for the future growth of take the Company
- What was the Company's dividend plan for the future.
- Referring to some of the information relating to competitors performance in the Financial Year 2012 as published in one of the magazines, he stated that he would be sending the said data/information to the Management for comparative analysis.

Mr. Gupta complimented the Chairman and the entire Board for their efforts and expressed the hope that the Company would keep up its good performance in the next financial year too.

Mr. Abhijit Gupta:

Mr. Abhijit Gupta thanked the Board and all the employees for a good performance in adverse economic conditions and the high inflation scenario and also appreciated for first quarter results. He also thanked the Board for recommending a satisfactory dividend of Rs 8.50 per share at 425%. He also stated that during the last financial year the Company had redeemed the bonus debentures and the Shareholders received their money on time.

He further stated that in spite of the fact that the Company's dairy business was doing well, in Kolkata, it had very restricted outlets like South City Mall, Spencers, Metro Cash & Carry. Company's dairy products, especially butter, cheese and yogurt were not available in all the localities and suggested that the Company should increase its retail marketing so as to increase its customer reach and profitability.

He thanked the secretarial department for maintaining cordial relations with investors and for sending the Annual Report and other details of the AGM well in time. He expressed the hope that the Company will continue to have bright prospects in the future.

Mr. K. L. Mallik:

At the outset, Mr. K. L. Mallik, expressed his concern for not receiving a copy of the Annual Report but then complimented the secretarial department for their support in providing a copy of Annual Report.

He expressed his appreciation for the financial highlights, with all round better performance which was better than the previous year with profit from operations increasing for both standalone and consolidated results.

He made the following observations/suggestions:

- He complimented the commendable efforts of the Company for maintaining the dividend payout of Rs 8.50 per share in the current year, in spite of redeeming the Bonus Debentures during the same financial year where the Company had to pay around Rs. 406.13 crores. Further he complimented the increase in the EPS from Rs. 15.63 per share to Rs. 19.57 per share.

- Good Day Biscuits had completed 25 years and as a regular customer he acknowledged the Company's efforts in growing that brand.
- Referring to technology absorption, adaptation and innovation, he enquired whether the Company was using the Mechatronics and Robotics Technology in its production line to increase productivity and Solar photo cells for lighting purposes and complimented the use of renewable fuels like Biomass as baking fuel.
- He suggested that Management should consider changing the name of the Company from Britannia Industries Limited to Britannia Global Foods Limited as the Company has wide presence across the globe and to have a better business focus.
- He enquired about the policy adopted by the Company for payment of commission to Directors.
- Referring to the Shareholding Pattern of the Company he enquired why HDFC Trustee Company had sold its stake in the Company.
- The Management with the help of Planning Commission may consider selecting some remote villages to implement its CSR initiatives which in turn would help in integrated rural development As to fulfill the CSR, Company may educate poor villagers with natural resource Management, Health, Hygiene, Nutrition, Education, Financial inclusion, capacity building, vocational training and women's empowerment.

Mr. Shyam Lal Rathi:

Mr. Shyam Lal Rathi made the following observations:

- Comparing the Debt Equity Ratio based on the information provided in the Standalone Results and Consolidated Results, he enquired about the reason for the difference. He stated that the Company should not restrict Daily Bread Sales only to Bangalore. It should be projected to other states also so that it can lead to increase in sales.
- As observed from the segment results, the profit of Britannia Dairy has increased by 125% from Rs.15.51 crores to Rs. 35 crores.
- Consolidated figure for Advertisement was Rs. 534.28 crores as compared to Rs. 419.60 crores in the last year, an increase of Rs. 114.68 crores.
- He wanted to know the reason for increase in the conversion charges to Rs. 419.68 crores v/s Rs. 350.20 crores, whether it was due to third party products.
- He expressed his reservation with the tag line of the Company – “eat healthy, think better”.
- Exports figures have gone up from Rs. 64.69 crores to Rs. 87.30 crores.
- Referring to the royalty figure at Rs. 5.81 crore v/s Rs. 3.23 crores, he enquired the reason for increase in royalty income.
- Cream Cracker has poor visibility in North India and some other territories and suggested that it can be projected for diabetics also. The taste of cream cracker is bland which can be improved.

- He observed that Foreign Institutional Investors holding stands at 17.89%.
- He observed that the Gross Profit Margin for the last year was 6.01%, which has gone up to 7.03 % on a Net Sales of Rs. 6135.91 crores for the current year and that was the same in the case of Operating Profit Margin.

Mr. Sushil Kumar Sukhani:

Mr. S. K. Sukhani made/raised the following suggestions/ queries:

- He complimented the Company's performance for registering an increase in sales and net profit, and he expressed his concern for retaining the Dividend payout rate at the same level as last year. He expressed his satisfaction that during the last financial year the Company had redeemed the Bonus Debentures and Shareholders had received their money on time. He suggested that the Dividend payout rate should also increase like other parameters.
- He enquired the reasons for increase in the cost of production of Bakery Products as compared with last year.
- Referring to rate of interest for finance lease obligations, which ranges from 11.7% to 16.9%, he enquired the reasons for paying a rate of interest upto 16.9%, which was very high.
- Britannia was once again rated the "Most Trusted Food Brand" and Brand Britannia also rose to the No. 2 position across all product categories amongst India's Most Trusted Brands. He enquired which Company/Brand was rated as No. 1.
- Referring to the graphical presentation capturing the stock performance of companies stock prices v/s sensex and Nifty respectively, he observed that in spite of Company's good performance the Company's stock prices did not moved in line with the Sensex.
- Whether the Company has any product range in Gift/Celebration packs? If yes, then he suggested that the said products should be marketed properly. He further requested that the Company should consider having one exclusive Britannia Showroom wherein all Britannia products are available.
- He suggested shifting the Britannia Office back to Kolkata and concentrating more in the eastern part of the Country.
- Company's dairy business was doing well. The Company should consider backward integration by having a milk product in its Dairy Business.
- He thanked the secretarial department including Mr. Vivek P Raizada and Mr. B. K Guha for providing the Annual Report in time and thanked the Board for giving good results.

Mr. Naresh Shah:

Mr. Naresh Shah, thanked the Secretarial Department for providing a copy of the Annual Report by courier.

Mr. Shah raised/made the following queries/observations and suggestions:

- He suggested that as the results and profits of the Company were good, the Company can consider reducing the prices of the products or increasing the quantity for the same price.

- The Company was spending a large amount by way of interest on borrowings. He felt that the Company can dispose its investment in mutual/liquid funds and utilize that money for operations instead of borrowing at a higher rate of interest and paying finance charges to the banks.
- Company should provide details like price, quantity etc. of all its products in the Annual Report so that Shareholders can get to know the same.
- He expressed his concern for shifting the Registered Office of the Company from Kolkata to Bangalore as the Company had purchased office space in Bangalore
- Details about each Director should be provided in a note in the Annual Report giving his role, contribution and vision for the Company.

Mr. S N Kundu:

Mr. S. N. Kundu, at the outset, congratulated the Board of Directors of the Company for achieving better results for the current year and complimented the whole Management team of the Company.

Mr. Kundu requested the Company to consider issue of bonus shares. He observed that the Company has launched many products which were not available at all places and requested the Company to set up its own exclusive outlets/stores where all the products of Britannia could be made available.

Mr. Subhendu Roy Choudhari:

At the outset Mr. Subhendu Roy Choudhari complimented the Management team for satisfactory performance.

Mr. Choudhari made the following observations:

- He appreciated the efforts of the Company for achieving prestigious awards and accolades for being the No. 2 position across all product categories amongst India's Most Trusted Brands and expressed his hope for seeing Britannia achieving No 1 position in the same category.
- Power and fuel cost had gone up by about 30% over the previous year. He cautioned that this cost would go up further in the years to come. The Company should, therefore, seriously consider alternate sources of renewable energy like solar, wind, bio diesel.
- Advertisement and Sales Promotion cost had gone up by 21% which was Rs. 464 crores, around 8.3 % of Net Sales as compared to 7.7% for the previous year. He enquired about the leverage which the Company gained by spending this amount.
- He expressed his reservations for continuing with the operation of the subsidiaries which were loss making entities. Referring to the performances of some of the subsidiaries since 2011-12, he expressed his concern that they were draining the funds of the Company. He suggested that the Management should consider shutting down the operation of these subsidiaries so that they don't incur further loss.
- He observed that the subsidiary, Al Sallan in Oman was doing better but there were problems relating to payment of wages. The turnover for subsidiaries in 2011-12 was Rs. 3917.85 MM with a loss of 2.4% as compared to a turnover of Rs. 3608.14 MM with a loss of 2.07% in 2012-13.

- The short term borrowing from banks was Rs. 189.24 crores as compared to nil in the previous year. He enquired the necessity for availing short term borrowing from banks when the Company had funds in mutual funds.
- There was an increase in tariff rates for electricity diesel generator baking fuel and bakery products. He suggested that the Company should have provided more specific details of the new design oven using a different heating system that reduces energy consumption rather than providing general information.

Mr. Satya Narayan Pal:

At the outset Mr. S. N. Pal, thanked Mr. B K Guha for his assistance and support for providing a copy of Annual Report.

Mr. S N Pal made the following observations/comments:

- Front page should contain phone no., fax no., and email id for communication along with the address of the Registered Office, including the name and contact details of the Registrar and Transfer Agents. He requested hiring more employees at the Registered Office for providing better services to the Shareholders.
- He appreciated the efforts of the Company for achieving great performance in a challenging year where the sales have increased by 12% both on Standalone and Consolidated basis and the Net Profit increased by 25.2% on Standalone and 30% on Consolidated basis.
- He complimented the efforts of the Company for giving a good dividend of Rs 8.50 per share for the financial year 2012 -13.
- He congratulated the Management for achieving various prestigious awards and accolades in different segments. He expressed his happiness that Brand Britannia was rated as the Most Trusted Food Brand by consumers for the 4th consecutive year.
- Referring to the CSR activities undertaken by the Company he suggested that the Company should widen its scope of CSR activities and requested to know the total CSR Cost of the Company. He also enquired whether the Company had donated in the recent Uttarakhand Disaster and if there was any damage to the Uttarakhand factory of the Company.
- In respect of the Statutory dues pending from the year 1980 with various taxation authorities, he enquired whether any amount was settled since the date of signing of the Auditor's Report.
- During the year the short term borrowing was Rs. 189.24 crores as compared to Nil for the last year and due to borrowings the finance cost would increase. What was the Management's plan to reduce borrowings as well as interest burden in future.
- Before sending the unclaimed amount to IEPF, the Company should send reminders to the unclaimed dividend holders.
- The benefit to employees by way of salaries, wages, and staff welfare expenses had increased from last year, so he complimented the Management for taking care of employees and motivating them for better performance.
- He complimented the Management for achieving higher earning of foreign exchange as compared with last year.

Mr. S N Pal expressed the hope that the Company would keep up the higher earnings in future and placed on record his appreciation for the strong contribution made by employees for their motivated performances for achieving this better result.

Mr. Inder Chand Agarwala:

At the outset Mr. I. C. Agarwala, placed on record his appreciation of the Company's all round development and the tremendous growth and prosperity achieved by the Company under the Chairmanship of Mr. Nusli Wadia. He also appreciated certain positive aspects like good dividend payout rate of Rs. 8.50 per share for the shares of face value of Rs. 2 each.

He suggested that the Management should consider having better infrastructure facilities at its Registered Office to assist shareholders more effectively.

He expressed his views and disappointment at the following aspects:

- That the company had not reduced 10% of the product price.
- As on date the Company's Shareholder base was 42,000, which once upon a time more than 1 lakh.
- Though the Company had a very wide consumer base which was spread across the country, which resulted in mass production, mass sales and mass profit and the Company has declared a dividend of Rs. 8.50 per share for the shares of face value of Rs. 2 each, it had not considered issuing bonus shares at the rate of 1:1.
- Advertisement cost of Rs. 463 crores was too high for a Company of 94 years.
- He complimented the efforts of the Management for the good performance it had delivered in its dairy business.
- He expressed his concern that on one hand the Company was paying interest on borrowings and on the other hand it paid commission. He commented that the Company paying/servicing an existing interest burden should not pay commission at the same point of time.

Mr. Santosh Kumar Saraf:

Mr. Santosh Kumar Saraf, at the outset, thanked the Board of Directors and the Management for declaring a good result in spite of the repayment of Rs. 406 crores for redemption of Bonus Debentures and also maintaining the dividend payout of 425%. Further, he appreciated the assistance and support provided by the staff of the secretarial department at the Registered Office.

Mr. Saraf made/raised the following observations/queries:

- He wanted to know the status of the Statutory dues pending from the year 1980 with various taxation authorities as mentioned in the Annual Report.
- Company was availing finance lease at the rate of 16.7% whereas on the other side, the Company invested in Tata Capital Debenture at the rate of 10.25%.
- The Company was hedging to minimize the loss in foreign currency, so he enquired about the cost of hedging.

- Referring to the recent proposal of rules relating to providing certain percentage of profits for CSR activities by the corporates he suggested that the Company should have its own CSR Fund and in case the Shareholder wishes, they can also contribute to the same fund and in case of less profit, the Company can use this fund.

Mr. Bijnan Singh Simal:

Mr. B. S. Simal at the outset, thanked the Board of Directors and Ms. Vinita Bali for the good results.

He raised/made the following queries/observations:

- He requested the Company to forward the details of the new products, value added product if any, total capex plan and steps taken to control cost.
- Though sales had increased by Rs. 641 crores, the return to sales and profit was not similar. Profit after Tax was 4.14 % as compared to 3.79 % for the last year. There was virtual stagnancy in profitability. Profit before Tax was 5.91 % as compared to 5.06 % last year it was apparent that the Company was unable to control the cost. He enquired the steps taken by the Company in this direction.
- Whether the increase in sales by Rs. 641 crores was represented by increase in volume or was it due to increase in price.
- He enquired about the total market share of Britannia.
- He enquired about the total sales to USA and what was the plan for making the Britannia Products available in USA.
- He stated that in spite of the Annual Accounts being signed in May the AGM was held in August. He suggested that the Management should consider having the AGM earlier so that Shareholders can get their dividend money early. He further requested paying an interim dividend.
- Referring to unpaid dividend, he requested that the Company should take proactive steps so that the unclaimed dividend money can go back to the shareholders who are yet to claim the same so far.
- He suggested that the Company should consider having a shorter book closure period.
- It was stated that the Dividend would be paid on or after August 23, 2013. He suggested that the dividend declared at the AGM be credited to the Shareholders' accounts within 2 days.
- He asked about the retirement policy for Independent Directors, Chairman and Managing Director.
- He wanted to know the reasons for variation in the amounts of commission paid to Directors and who takes the decision for payment of commission to Directors.
- He suggested that the Company should do its substantial CSR activities in the surrounding areas of its factories and requested for providing the total CSR Cost which was spent by the Company.
- Being a cash rich and debt free Company, he enquired the reason for availing short term borrowings and paying an interest of Rs. 37 crores.

- He enquired about the steps envisaged by the Company to bring a turn-around in the case of the 5 loss-making subsidiary companies out of total 19 subsidiary companies.
- Referring to the Auditor's Report, he observed that the Auditors have stated that financial statements and other financial information of the remaining subsidiaries/associates have not been subject to audit. He enquired the status of audit of the said subsidiaries/associates. He further observed that the Auditors have stated that the Company had utilised the short term bank funds for long term use of redeeming the debentures. He enquired the status of the same.

Mr. Mahesh Kumar Bubna:

At the outset Mr. M. K. Bubna, thanked the Chairman that under his leadership the Company has become No. 1 in the Biscuit Industry. While referring to the competitor's products and their quality he appreciated the quality of the products produced by Britannia. He expressed his hope that under the leadership and guidance of the new COO, CFO and the Company Secretary the Company would continue to achieve better results.

He made the following comments/observations:

- The Company crossed the turnover of Rs. 5,000 crores during the year under review. He hoped that in the next 4 to 5 years, the Company would cross the turnover of Rs. 10,000 crores.
- He placed on record his appreciation for the Management and its team for putting their efforts in achieving the awards and accolades during the year under review.
- He also appreciated the performance of the Dairy Business and hoped that in future it would grow higher.
- He appreciated the efforts of the Company for manufacturing the products having health benefits which in turn are medically helpful to the consumer.
- He suggested that the Management should take all necessary steps to achieve the No. 1 Brand position.
- He stated that the Company, in the past has given bonus shares and appreciated the efforts of the Management in distributing the dividend at Rs. 8.50 per share.
- He observed that the Company has very nominal or low finance cost.

The Chairman responded to the queries and points raised by the Shareholders who stayed on at the Meeting until his response. He gave the following replies:

- Responding to the observation of Mr. Goutam Nandi he said that the Company would put the email address on the first page of the Annual Report.
- Dividend would also grow as and when profits grow.
- CSR cost was Rs. 300 lakhs.
- Responding to the query raised by Mr. Arup Kumar Das on the IT Cost, the Chairman stated that the IT Cost per year was Rs. 15 crores.
- The R&D Expenditure was about Rs. 6.5 crores.

- Responding to the query relating to plans for acquisition, the Chairman responded that as of now the Company has no plans for acquisition.
- Future Plan was to grow both the Dairy and Bakery Business.
- Responding to Mr. Manoj Gupta's comments relating to Parle's competition, the Chairman stated that the Company is gearing up to improve its performance.
- The Company's Executive Office would be moved to a new location by early next year.
- Setting up one new factory was in the pipeline and Britannia had just completed setting up of 2 new factories recently.
- Responding to the query relating to launch of new products, the Chairman stated it would be a continuous process and the Company had few product launches in the pipeline.
- Responding to the query relating to the availability of products, the Chairman stated that this was always an issue with all the FMCG companies and the endeavor was always to minimize non availability.
- The Company has serious intentions of growing the Dairy business and Britannia would invest in it as required.
- Responding to the query relating to the irregularity which took place in North India, he said that 42 people were involved in it and all have left the Company. The amount involved was not large, it was a violation of the code of business conduct of the Company
- On the query relating to Brand Valuation, the Chairman stated that the Management would consider Mr. Gupta's suggestion.
- Responding to the query raised by Mr. K L Mallik relating to use of Robotics in the production process, the Chairman stated that the Company does not use robotics in its production process.
- Query relating to availability of Solar Cells, he said the Company does not use Solar Cells but has several programmes for energy conservation.
- Responding to the query relating to payment of commission to Directors, he said that the commission was determined within the limits permitted under the provisions of Companies Act, 1956. Its distribution is linked to the number of meetings attended by Directors and the responsibilities of Directors. For example, the responsibility of the Chairman of the Audit Committee was slightly different to an ordinary member. Based on these guidelines the commission was determined and finally approved by the Chairman.
- Responding to the query relating to sale of shares by HDFC in the Company, he said that the Company could not comment on it as it was a decision made by HDFC.
- Responding to the query relating to holding of shares by ABIL, he said that ABIL was a subsidiary of Bombay Burmah Trading Corporation Limited, which has little under 51% of the paid up capital of Britannia.
- Responding to the query raised by Mr. Shyam Lal Rathi relating to the reasons for change in Debt Equity Ratio, he said it was because of redemption of debentures.

- Responding to the query why the Daily Bread products were available only in Bangalore, he said that the Company has no intention of rolling it out anywhere else for the time being.
- Referring to the query relating to increase in A&SP Cost, he said that in a FMCG or Food Company, advertising and branding plays the most important role and to grow the business, the Company needs to invest in its brands.
- The Company was receiving royalty from its subsidiary/associates in the middle-east for use of brand Britannia and the royalty was around 5 %.
- The increase in fuel and electricity cost mentioned in the Annual Report and was due to a change in the product mix.
- Responding to the query on the high interest for car lease, he said that it was done so that the cars can be put on the Company's books and that the interest rate varied based on the timing of the lease.
- Responding to the query on which was the No. 1 most trusted Brand; he said that last year it was Colgate.
- Responding to the query relating to the Growth of Britannia v/s Sensex, he said that in the last financial year end Britannia has grown 18% v/s 11% of Sensex.
- Responding on the Gift Packs, he said that only Gift Packs available in Kolkata were Cake tins.
- It would not be a viable step for the Company to have an exclusive Showroom for its range of products.
- Responding to the query relating to the backward integration in Dairy Business, he said that Company would not do back ward integration as it had suppliers who in turn were back ward integrated.
- Responding to the query relating to the rate of interest on borrowings, he said that whatever borrowings the Company has availed v/s the investments made, the Company has a positive delta in terms of interest.
- Responding to the query relating to the contribution made by the Directors, he said that all the Directors have contributed to the Company in their own way and the Company was a well managed and well governed Company.
- Responding to the query raised by Mr. Subhendu Roy Choudhari relating to utilization of alternate source of energy, he said 2 factories were using biomass fuel as an alternative source of energy and others were using gas wherever gas was available.
- Most of the subsidiaries are contract packers where the Company has investments or majority holdings. Transfer Pricing was beneficial to the Company and the returns on investment are adequate for to meet their capital needs.
- Investment in Mutual Funds was Rs. 45 crores.
- Solar Energy as a source of energy was examined and found to be uneconomical.
- Responding to the query raised by Mr. Pal relating to the Social Services done, he said that it was done primarily through the Britannia Nutrition Foundation.

- The borrowings went up temporarily due to certain surge in requirement of funds of Rs. 407 crores for redemption of Bonus Debentures.
- Responding to the query raised by Mr. Srimal, he said that increase in sales volume was 3%, mix was 2% and price was 9%. Referring to his suggestion for cost cutting he said that it's a continuous endeavor and the Company had started many initiatives across the value chain over the last 3 years.
- Referring to the query relating to sales in USA, he said it was Rs. 27 crores.
- Referring to the suggestion for payment of interim dividend, he said the Company does not have a policy of paying interim dividend and neither does it see the need for introducing the same at this stage.
- Chairman confirmed that the dividend payment would be made in one or two days.
- He said that independence of an Independent Director is a State of Mind and does not pertain to any time frame
- Responding to the query raised by Mr. Srimal relating to payment of interest of Rs. 37 crores on the short term borrowings, he said that the interest was not Rs. 37 crores but it was Rs. 3.7 crores.
- Responding to the query raised by Mr. Srimal relating to the noting made in the Auditors Report, he said that the Auditors have commented to say that what was not audited constitutes 0.01% of revenues of the Company, and therefore not required to be audited for consolidation.

Having replied to the questions satisfactorily, the Chairman put the resolution to vote on a show of hands and the above Resolution was carried nem.con.

7. Mr. K. L. Mallik proposed the following as an Ordinary Resolution:

"RESOLVED THAT as recommended by the Board of Directors, a dividend of Rs.8.50/- (Rupees Eight and Fifty Paise only) per Equity Share of Rs. 2 each be declared and paid out of the profits for the year ended 31st March 2013 to those Members whose names stand on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Registrar and Share Transfer Agents of the Company on or before 24th July, 2013 in respect of shares held in physical form and in respect of shares held in electronic form, to the beneficial owners of shares as at the closing hours of 24th July, 2013 as per details furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. for this purpose."

Mr. Santosh Kumar Saraf seconded the Resolution. The Resolution was then put to vote on a show of hands and carried nem.con.

8. Mr Shyam Lal Rathi proposed the following as an Ordinary Resolution:

"RESOLVED THAT Mr. Nasser Munjee, a Director retiring by rotation, be and is hereby re-appointed a Director of the Company".

Mr. Goutam Nandi seconded the Resolution, which was then put to vote on a show of hands and carried nem.con.

[Since the Chairman was interested in next item he vacated the Chair and Mr Nasser Munjee took the Chair and conducted the proceedings.]

9. Mr. Mahesh Kumar Bubna proposed the following as an Ordinary Resolution:

"RESOLVED THAT Mr. Ness N Wadia, a Director retiring by rotation, be and is hereby re-appointed a Director of the Company".

Mr. S N Kundu seconded the Resolution, which was then put to vote on a show of hands and carried nem.con.

[Mr. Nusli N Wadia resumed the Chair.]

10. Mr. Satya Narayan Pal proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Dr. Vijay L Kelkar, a Director retiring by rotation, be and is hereby re-appointed a Director of the Company".

Mr. Arup Kumar Das seconded the Resolution, which was then put to vote on a show of hands and was carried nem.con.

[Since the Chairman was interested in next item he vacated the Chair and Mr Nasser Munjee took the Chair and conducted the proceedings.]

11. Mr. Manoj Kumar Gupta proposed the following as an Ordinary Resolution:

"RESOLVED THAT Mr. Nusli N Wadia, a Director retiring by rotation, be and is hereby re-appointed a Director of the Company".

Mr. Inder Chand Agarwala seconded the Resolution, which was then put to vote on a show of hands and was carried nem.con.

[Mr. Nusli N Wadia resumed the Chair.]

12. Mr. Sushil Kumar Sukhani proposed the following as an Ordinary Resolution:

"RESOLVED THAT Messrs B S R & Co., Chartered Accountants, (Reg. No. 101248W) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the Ninety-fifth Annual General Meeting of the Company to examine and audit the accounts of the Company for the financial year 2013-14, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors, plus service tax and out-of-pocket expenses."

Mr. Sukant Dutta seconded the Resolution, which was then put to vote on a show of hands and carried nem.con

13. The Meeting then concluded with a vote of thanks to the Chair.

**Sd/-
CHAIRMAN
09.09.2013**